

ALPHA BANK

**GROUP INTERIM
FINANCIAL STATEMENTS
AS AT 30.6.2007**

(In accordance with International Accounting Standard 34)

ATHENS, 31 JULY 2007

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Report on Review of Interim Financial Information

(Translated from the original in Greek)

To the Shareholders of
ALPHA BANK A.E.

Introduction

We have reviewed the accompanying consolidated balance sheet of ALPHA BANK A.E. ("the Bank") as of June 30, 2007 and the related consolidated statements of income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes (the interim financial information). Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with the International Financial Reporting Standards adopted by the European Union applicable to interim financial information (IAS 34). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as provided by Greek Auditing Standards. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Greek Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of June 30, 2007 is not prepared, in all material respects, in accordance with International Financial Reporting Standards adopted by the European Union applicable to interim financial information (IAS 34)

Athens, 31 July 2007

KPMG Kyriacou Certified Auditors AE

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AM SOEL 11121

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Certified Auditor Accountant
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INTERIM FINANCIAL STATEMENTS AS AT 30.6.2007

Interim consolidated income statement

(Thousands of Euro)

	Note	From 1 January to		From 1 April to	
		30.6.2007	30.6.2006	30.6.2007	30.6.2006
Interest and similar income		1,583,807	1,228,869	818,716	636,126
Interest expense and similar charges		(831,341)	(534,282)	(428,389)	(282,765)
Net interest income		752,466	694,587	390,327	353,361
Fee and commission income		239,779	204,702	123,511	105,021
Commission expense		(18,067)	(11,542)	(9,267)	(6,108)
Net fee and commission income		221,712	193,160	114,244	98,913
Dividend income		2,210	2,671	1,827	2,485
Gains less losses on financial transactions		40,598	29,542	10,670	5,383
Other income		38,323	29,898	18,534	17,623
		81,131	62,111	31,031	25,491
Total income		1,055,309	949,858	535,602	477,765
Staff costs		(258,683)	(233,719)	(131,378)	(117,842)
General administrative expenses		(189,698)	(166,414)	(101,046)	(90,474)
Depreciation and amortization expenses	8,9,10	(35,108)	(30,664)	(18,241)	(15,092)
Other expenses		(1,734)	(907)	(1,069)	(689)
Total expenses		(485,223)	(431,704)	(251,734)	(224,097)
Impairment losses and provisions to cover credit risk	2	(102,601)	(129,910)	(40,218)	(65,010)
Share of profit/(loss) of associates		1,254	(137)	1,298	115
Profit before income tax		468,739	388,107	244,948	188,773
Income tax	3	(94,635)	(84,016)	(45,426)	(37,115)
Profit after income tax from continuing operations		374,104	304,091	199,522	151,658
Profit after income tax from discontinued operations	4	80,388	2,903	(1,409)	4,193
Profit after income tax		454,492	306,994	198,113	155,851
Attributable to:					
Equity holders of the Bank		453,966	305,865	197,826	155,199
Minority interests		526	1,129	287	652
Earnings per share:	5				
<i>From continuing and discontinued operations</i>					
Basic earnings (€ per share)		1.12	0.77	0.49	0.39
Diluted earnings (€ per share)		1.11	0.77	0.49	0.39
<i>From continuing operations</i>					
Basic earnings (€ per share)		0.92	0.77	0.49	0.38
Diluted earnings (€ per share)		0.92	0.76	0.49	0.38

Note: The income statement of 1.1.-30.6.2006 has been restated due to the adoption of IFRS 5 for the presentation of discontinued operations (note 22)

The attached notes (pages 9 to 32) form an integral part of these interim financial statements.

Interim consolidated balance sheet

		(Thousands of Euro)	
	Note	30.6.2007	31.12.2006
ASSETS			
Cash and balances with Central Banks		2,471,795	2,675,702
Due from banks		7,293,616	4,636,712
Securities held for trading		282,800	305,991
Derivative financial assets		378,696	245,676
Loans and advances to customers	6	36,590,101	32,223,034
Investment securities			
-Available-for-sale	7	3,078,906	7,552,602
Investment in associates		5,334	4,091
Investment property	8	47,940	31,518
Property, plant and equipment	9	974,082	935,996
Goodwill and other intangible assets	10	120,254	117,138
Deferred tax assets		177,284	276,973
Other assets		701,622	309,840
		<u>52,122,430</u>	<u>49,315,273</u>
Non-current assets held for sale	11	88,845	484,387
Total Assets		<u>52,211,275</u>	<u>49,799,660</u>
LIABILITIES			
Due to banks		4,596,913	6,686,526
Derivative financial liabilities		408,191	224,576
Due to customers		25,162,263	23,573,908
Debt securities in issue and other borrowed funds	12	16,130,182	13,789,253
Liabilities for current income tax and other taxes		122,038	129,077
Deferred tax liabilities		67,869	140,208
Employee defined benefit obligations	13	550,558	548,584
Other liabilities		1,287,440	675,003
Provisions	14	52,295	65,263
		<u>48,377,749</u>	<u>45,832,398</u>
Liabilities related to non-current assets held for sale	11	3,307	353,595
Total Liabilities		<u>48,381,056</u>	<u>46,185,993</u>
EQUITY			
Equity attributable to equity holders of the Bank			
Share capital		1,591,286	1,591,286
Share premium		127,961	127,961
Reserves		479,242	351,697
Amounts recognized directly in equity relating to non-current assets held for sale		-	(2,576)
Retained earnings	15	758,417	686,018
Treasury shares	15	(43,747)	(14,653)
		<u>2,913,159</u>	<u>2,739,733</u>
Minority interests		29,376	44,280
Hybrid securities		887,684	829,654
Total Equity		<u>3,830,219</u>	<u>3,613,667</u>
Total Liabilities and Equity		<u>52,211,275</u>	<u>49,799,660</u>

The attached notes (pages 9 to 32) form an integral part of these interim financial statements.

Interim consolidated statement of changes in equity

(Thousands of Euro)

	Share capital	Share premium	Fair value reserve and other reserves	Retained earnings	Treasury shares	Total	Minority interests	Hybrid securities	Total equity
Balance 1.1.2006	1,456,018	125,685	324,297	506,985	(188,316)	2,224,669	53,069	844,946	3,122,684
Changes in equity for the period 1.1-30.6.2006									
Net change in fair value of available-for-sale securities			(83,365)			(83,365)			(83,365)
Net change in fair value of available-for-sale securities transferred to profit or loss from sales			(16,821)			(16,821)			(16,821)
Exchange differences on translating foreign operations			5,900			5,900			5,900
Other				538		538			538
Net income recognized directly in equity			(94,286)	538		(93,748)			(93,748)
Profit for the period, after income tax				305,865		305,865	1,129		306,994
Total			(94,286)	306,403		212,117	1,129		213,246
Share capital increase from capitalization of reserve and change of par value of each share to € 3.90	133,954			(133,954)					
Change of ownership interests in subsidiaries				(406)		(406)	(6,510)		(6,916)
(Purchases)/sales of treasury shares and hybrid securities				679	(89,484)	(88,805)		(4,236)	(93,041)
Recognition of share options granted to employees			2,582			2,582			2,582
Dividends to equity holders and minority interests				(237,556)		(237,556)	(1,389)		(238,945)
Dividends to hybrid securities holders				(41,722)		(41,722)			(41,722)
Appropriation to reserves			44,361	(44,361)					
Balance 30.6.2006	1,589,972	125,685	276,954	356,068	(277,800)	2,070,879	46,299	840,710	2,957,888

	Share capital	Share premium	Fair value reserve and other reserves	Retained earnings	Treasury shares	Total	Minority interests	Hybrid securities	Total equity
Balance 1.7.2006	1,589,972	125,685	276,954	356,068	(277,800)	2,070,879	46,299	840,710	2,957,888
Changes in equity for the period 1.7-31.12.2006									
Net change in fair value of available-for-sale securities			34,589			34,589			34,589
Net change in fair value of available-for-sale securities transferred to profit or loss from sales			10,156			10,156			10,156
Exchange differences on translating foreign operations			26,009			26,009			26,009
Other				(1,587)		(1,587)			(1,587)
Net income recognized directly in equity			70,754	(1,587)		69,167			69,167
Profit for the period, after income tax				246,122		246,122	999		247,121
Total			70,754	244,535		315,289	999		316,288
Change of ownership interests in subsidiaries				(107)		(107)	(2,982)		(3,089)
(Purchases)/sales of treasury shares and hybrid securities				95,919	263,147	359,066		(11,056)	348,010
Issue of new shares due to share options exercise	1,314					1,314			1,314
Share premium from exercised share options		2,276	(2,276)						
Recognition of share options granted to employees			2,576			2,576			2,576
Dividends to equity holders and minority interests							(36)		(36)
Dividends to hybrid securities holders				(9,284)		(9,284)			(9,284)
Appropriation to reserves			1,113	(1,113)					
Balance 31.12.2006	1,591,286	127,961	349,121	686,018	(14,653)	2,739,733	44,280	829,654	3,613,667

	Share capital	Share premium	Fair value reserve and other reserves	Retained earnings	Treasury shares	Total	Minority interests	Hybrid securities	Total equity
Balance 1.1.2007	1,591,286	127,961	349,121	686,018	(14,653)	2,739,733	44,280	829,654	3,613,667
Changes in equity for the period 1.1-30.6.2007									
Net change in fair value of available-for-sale securities			(24,476)			(24,476)			(24,476)
Net change in fair value of available-for-sale securities transferred to profit or loss from sales			134,710			134,710			134,710
Exchange differences on translating foreign operations			(2,365)			(2,365)			(2,365)
Other				(1,760)		(1,760)			(1,760)
Net income recognized directly in equity			107,869	(1,760)		106,109			106,109
Profit for the period, after income tax				453,966		453,966	526		454,492
Total			107,869	452,206		560,075	526		560,601
Change of ownership interests in subsidiaries				27		27	(14,353)		(14,326)
(Purchases)/sales of treasury shares and hybrid securities				(15,151)	(29,094)	(44,245)		58,030	13,785
Recognition of share options granted to employees			4,247			4,247			4,247
Dividends to equity holders and minority interests				(304,421)		(304,421)	(1,077)		(305,498)
Dividends to hybrid securities holders				(42,257)		(42,257)			(42,257)
Appropriation to reserves			18,005	(18,005)					
Balance 30.6.2007	1,591,286	127,961	479,242	758,417	(43,747)	2,913,159	29,376	887,684	3,830,219

The attached notes (pages 9 to 32) form an integral part of these interim financial statements.

Interim consolidated cash flow statement

		(Thousands of Euro)	
		From 1 January to	
Note		30.6.2007	30.6.2006
Cash flows from operating activities			
	Profit before income tax	468,739	388,107
<i>Adjustments for:</i>			
	Depreciation of property, plant and equipment	24,289	21,536
	Amortization of intangible assets	10,819	9,128
	Impairment losses from loans and provisions	102,837	132,759
	Other adjustments	4,247	2,582
	(Gains)/losses from investing activities	26,294	(42,821)
	(Gains)/losses from financing activities	27,286	50,498
	Share of (profit)/loss of associates	(1,254)	137
		663,257	561,926
<i>Net (increase)/decrease in assets relating to operating activities:</i>			
	Due from banks	(599,243)	(1,521,752)
	Securities held for trading and derivative financial assets	(109,829)	(117,755)
	Loans and advances to customers	(4,483,061)	(2,593,618)
	Other assets	(389,356)	(70,013)
<i>Net increase/(decrease) in liabilities relating to operating activities</i>			
	Due to banks	(2,089,613)	(188,518)
	Derivative financial liabilities	183,615	90,382
	Due to customers	3,658,908	2,442,332
	Other liabilities	592,651	212,636
	<i>Net cash flows from operating activities before taxes</i>	(2,572,671)	(1,184,380)
	Income taxes paid and other taxes	(75,385)	(106,446)
	Net cash flows from continuing operating activities	(2,648,056)	(1,290,826)
Cash flows from investing activities			
	Acquisitions of subsidiaries and associates	(14,314)	(7,102)
	Proceeds from sale of investments (subsidiaries and associates)	-	2,523
	Dividends received	2,210	2,671
	Purchase of property, plant and equipment	8,9,10,11 (61,268)	(34,546)
	Disposal of property, plant and equipment	14,741	2,876
	Net (increase)/decrease in investment securities	4,549,533	(599,054)
	Net cash flows from continuing investing activities	4,490,902	(632,632)
Cash flows from financing activities			
	Dividends paid	(302,627)	(235,086)
	(Purchases)/sales of treasury shares	15 (29,094)	(86,025)
	Proceeds from the issue of loans	12 547,979	-
	Repayment of loans	(367,765)	(30,014)
	Proceeds from the issue of hybrid securities	42,879	-
	Proceeds from the purchase of hybrid securities	-	(4,236)
	Dividends paid to hybrid securities holders	(42,257)	(41,722)
	Net cash flows from continuing financing activities	(150,885)	(397,083)
	Effect of exchange rate fluctuations on cash and cash equivalents	(2,365)	5,900
	Net increase/(decrease) in cash flows from continuing activities	1,689,596	(2,314,641)
	Net cash flows from discontinued operating activities	-	8,411
	Net cash flows from discontinued investing activities	160,700	3,971
	Net cash flows from discontinued financing activities	-	-
	Net increase/(decrease) in cash flows from discontinued activities	160,700	12,382
	Cash and cash equivalents at the beginning of the period	4,575,831	5,665,814
	Cash and cash equivalents at the end of the period	6,426,127	3,363,555
Note: The 1.1.-30.6.2006 cash flow has been restated due to the adoption of IFRS 5 for the presentation of discontinued operations (note 22)			

The attached notes (page 9 to 32) form an integral part of these interim financial statements.

Notes to the consolidated financial statements

General Information

The Alpha Bank Group, which includes companies in Greece and abroad, offers services such as:

- Banking
- Corporate and retail banking
- Financial services
- Investment banking and brokerage services
- Insurance services
- Real estate management
- Hotel activities

The parent company of the Group is ALPHA BANK A.E. which operates under the brand name of ALPHA BANK. Its registered office is at 40 Stadiou Street, Athens and it is listed as a societe anonyme, with number 6066/06/B/86/05. The Bank's duration is until 2100 which can be extended by a decision of the Shareholders in a General Meeting.

In accordance with article 4 of the articles of association, the Bank's purpose is to provide general banking services in Greece and abroad.

The term of the Board of Directors, who was elected by the Shareholders' General Meeting on April 19, 2005, ends in 2010. The Board of Directors, after the changes approved by the Board meeting held on 27 February 2007 (resignation of the non-executive member Mr. Takis Athanasopoulos, who was replaced by Mr. Evangelos Calousis) as at 30 June 2007 consists of:

CHAIRMAN (Executive Member)

Yannis S. Costopoulos

VICE CHAIRMAN (Non Executive Member)

Minas G. Tanes ***

EXECUTIVE MEMBERS

MANAGING DIRECTOR

Demetrios P. Mantzounis

EXECUTIVE DIRECTORS AND GENERAL MANAGERS

Marinos S. Yannopoulos (CFO)***

Spyros N. Filaretos

Artemis Ch. Theodoridis

NON-EXECUTIVE MEMBERS

George E. Agouridis *

Sophia G. Eleftheroudaki

Paul G. Karakostas *

Nicholaos I. Manessis**

NON EXECUTIVE INDEPENDENT MEMBERS

Pavlos A. Apostolides **

Thanos M. Veremis

Evangelos J. Calousis */*** (As at 3 April 2007 he was elected from non-executive member to a non-executive independent member by the Shareholders' Meeting)

Ioannis K. Lyras **

SECRETARY

Hector P. Verykios

* Member of the Audit Committee

** Member of the Remuneration Committee

*** Member of the Risk Management Committee

The certified auditors of the semi and annual financial statements of the Bank are:

Principal Auditors: Marios T. Kyriacou
Garyfallia B. Spyriouni

Substitute Auditors: Charalambos G. Sirounis
Nikolaos Ch. Tsiboukas

of KPMG Kyriacou Certified Auditors A.E.

The Bank's shares are listed on the Athens Stock Exchange since 1925.

As at 29 June 2007, Alpha Bank was ranked 4th among all listed companies, in terms of market capitalization. Since February 2004 the Bank has been included in the FTSE Eurofirst 300 Index, which consists of the 300 largest European companies.

Apart from the Greek listing, the shares of the Bank are listed on the London Stock Exchange in the form of international certificates (GDRs) and are traded over the counter in New York (ADRs).

As at 29 June 2007, the Bank has issued 408,022,002 shares.

The Bank's continuous growth and consistent dividend policy has attracted local and foreign investors. This has increased the shares' liquidity which for the first semester of 2007 amounted to an average of 1,386,861 shares per day.

The credit rating of the Bank remains at a high level (Standard & Poor's: BBB+, Moody's: A1, Fitch Ratings: A-) and reflects the dynamics of its operations and the positive outlook with respect to its share price.

These financial statements have been approved by the Board of Directors on 31 July 2007.

Accounting policies applied

1. Basis of presentation

The Group has prepared the condensed interim financial statements as at 30 June 2007 in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which are measured at fair value:

- Securities held for trading
- Derivative financial instruments
- Available-for-sale securities

The financial statements are presented in Euro, rounded to the nearest thousand unless otherwise indicated.

The accounting policies applied by the Group in the condensed interim financial statements as at 30 June 2007, are consistent with those stated in the published financial statements for the year ended 31 December 2006, after taking into account new standards and interpretations issued by the International Accounting Standards Board (IASB), adopted by the European Union and they are effective for annual periods beginning on or after 1.1.2007:

- *International Financial Reporting Standard (IFRS) 7 «Financial Instruments: Disclosures»*
- *Amendment to IAS 1 «Presentation of Financial Statements – Capital Disclosure» (Regulation 108/2006)*

The IFRS 7 and the amendment to IAS 1 resulted in changes relating to the disclosure requirements of financial instruments which will be presented in the annual financial statements of the year 2007.

- *Interpretation 7 «Applying the restatement Approach Under IAS 29 Financial Reporting in Hyper Inflationary Economies (Regulation 708/2006)*

The adoption of this interpretation had no effect on Group's financial statements as the Group has no operations in hyper inflationary economies.

- *Interpretations 8 and 9 «Scope of IFRS 2» and «Reassessment of embedded derivatives» (Regulation 1329/2006)*

The adoption of these interpretations had no impact on the Group's financial statements.

- *Interpretation 10 «Interim Financial Reporting and Impairment» (Regulation 610/2007)*

With the adoption of this interpretation an entity can not reverse an impairment loss recognized in an interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost.

The adoption of this interpretation did not have an impact on Group's accounting policies.

Apart from the above standards and interpretations, the European Union on 1 June 2007, adopted through regulation 611/2007, Interpretation 11 «IFRS 2 – Group and Treasury Shares Transactions», which is effective for annual periods beginning on or after 1.3.2007. The adoption of this interpretation is not expected to have a substantial impact on the Group financial statements.

The International Accounting Standards Board (IASB) has issued the following standards and interpretations which have not yet been adopted by the European Union.

- *International Financial Reporting Standard 8 «Operating segments» Effective for annual periods beginning on or after 1.1.2009.*

This standard replaces IAS 14 «Segment reporting». Its adoption by the European Union and by the Group is expected to affect the way that the Group's disclosures relating to operating segments are presented.

- *Amendment of International Accounting Standard 23 «Borrowing costs » Effective for annual periods beginning on or after 1.1.2009*

On 29 March 2007, the Board issued the revised IAS 23, which removed the option of immediately recognizing as an expense all borrowing costs that relate to assets that have a substantial period of time to get ready for use or sale. Such borrowing costs are capitalized as part of the cost of the asset.

The adoption of this standard is not expected to have a substantial impact on the Group's financial statements.

- *Interpretation 12 «Service concession arrangements» Effective for annual periods beginning on or after 1.1.2008*

- *Interpretation 13 «Customer loyalty programmes» Effective for annual periods beginning on or after 1.7.2008*

- *Interpretation 14 «IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction» Effective for annual periods beginning on or after 1.1.2008*

The Group is examining whether there will be an impact from the adoption of the above Interpretations in the financial statements.

The adoption by the European Union, by 31 December 2007, of new standards and interpretations or amendments possibly issued during the current year by the International Accounting Standards Board (IASB) and their mandatory or optional adoption will be effective for periods beginning on or after 1 January 2007, may retrospectively affect the period that these interim financial statements present.

Income statement

2. Impairment losses and provisions to cover credit risk

	From 1 January to		From 1 April to	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
Impairment losses on loans and advances to customers	121,378	116,528	40,643	65,829
Decrease of impairment losses relating to due from banks	(14)	-	-	-
Provisions to cover credit risk relating to off balance sheet items	(14,946)	14,946	-	-
Recoveries	(3,817)	(1,564)	(425)	(819)
Total	102,601	129,910	40,218	65,010

3. Income tax

In accordance with Greek tax law the profits of entities in Greece are taxed at a rate of 29% for 2006 and 25% for 2007 and thereafter.

In addition, in accordance with article 9 of Law 2992/2002, as amended by Law 3259/2004, the tax rate for entities that have concluded mergers by 31.12.2005 is reduced by 10% and 5%. This reduced rate is applicable on the profits declared for the first and second fiscal year after the completion of the merger respectively, on the condition that the entities were not related from 1.1.1997 up to 20.3.2002. For entities that were related up to 31.12.1996 the reduction of the tax rate amounts to 5% for each year.

Based on the above, the 2006 profit of the Bank was taxed at the rate of 24% due to the merger with Delta Singular A.E.P., a listed company completed on 8.4.2005. The Bank was not related with Delta Singular A.E.P. before 1.1.1997.

It should be noted that, as all profits have been taxed, the distribution of dividends to shareholders are free of tax.

The income tax expense is analyzed as follows:

	From 1 January to		From 1 April to	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
Current tax	68,347	73,773	31,612	30,283
Deferred tax	26,288	10,243	13,814	6,832
Total income tax	94,635	84,016	45,426	37,115

Deferred tax recognized in the income statement is attributable to the following temporary differences:

	From 1 January to		From 1 April to	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
Depreciation and write-offs of fixed assets	4,761	5,208	1,753	2,844
Loans and advances to customers	10,579	(8,807)	6,043	(537)
Employee defined benefit obligations	253	256	119	55
Valuation of derivatives	(2,538)	6,560	(3,103)	(1,113)
Financial instruments effective interest rate	736	766	368	736
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	10,551	7,084	7,334	4,663
Carry forward of unused tax losses	(77)	(11)	246	425
Other temporary differences	2,023	(813)	1,054	(241)
Total	26,288	10,243	13,814	6,832

Reconciliation of effective and current tax rate is presented below:

	From 1 January to				From 1 April to			
	30.6.2007		30.6.2006		30.6.2007		30.6.2006	
	%		%		%		%	
Profit before income tax from continuing operations		468,739		388,107		244,948		188,773
Income tax	23.52	110,247	21.62	83,912	25.94	63,531	19.65	37,091
Increase/(decrease) due to:								
Additional tax on rental income from fixed assets	0.02	92	0.05	182	(0.17)	(415)	0.05	92
Non taxable income	(4.69)	(21,962)	(4.61)	(17,907)	(6.24)	(15,292)	(5.89)	(11,115)
Non deductible expenses	0.43	2,008	0.35	1,377	(0.01)	(36)	0.55	1,036
Part of profit relating to non taxable income	(0.09)	(438)	(0.77)	(2,986)	(0.16)	(386)	(1.09)	(2,056)
Part of profit relating to distributable income	0.07	326	0.55	2,127	0.11	267	0.94	1,773
Effect of tax rates used for the calculation of current and deferred tax	-	-	0.09	335	-	-	0.15	286
Other temporary differences	0.89	4,178	4.43	17,206	(0.99)	(2,427)	5.35	10,109
Usage of tax losses	0.04	184	(0.06)	(230)	0.08	184	(0.05)	(95)
Income tax	20.19	94,635	21.65	84,016	18.56	45,426	19.66	37,115

The effective current income tax rate is 21.62% for the period 1.1-30.6.2006 and 23.52% for the period 1.1-30.6.2007, and it represents the weighted average of nominal tax rate based on the nominal income tax rate and the profit before tax of each Group entity.

4. Profit after income tax from discontinued operations

On 23 March 2007, the sale of 99.57% shares of its subsidiary Alpha Insurance A.E. to AXA, an insurance company which is the worldwide leader in financial protection was completed.

Alpha Bank and AXA have also signed a long-term exclusive bancassurance agreement for the distribution of AXA insurance products through Alpha Bank's extensive branch network.

The results of Alpha Insurance A.E. which has been classified as a discontinued operation for the period 1.1.2007 until 23.3.2007 and the profit from the sale are included in caption "profit after income tax from discontinued operations" and are analyzed as follows:

	From 1 January to		From 1 April to	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
Net interest income	860	2,644	-	1,228
Net fee and commission income	409	1,020	-	640
Gains less losses on financial transactions	-	931	-	126
Other income (premiums etc.)	3,573	16,250	-	9,664
Total income	4,842	20,845	-	11,658
Staff costs	(2,338)	(7,976)	-	(4,319)
General administrative expenses	(1,583)	(6,073)	-	(842)
Depreciation and amortization expenses	(239)	(947)	-	(452)
Total expenses	(4,160)	(14,996)	-	(5,613)
Impairment losses and provisions to cover credit risk	-	(600)	-	(600)
Profit/ (losses) before Income tax	682	5,249	-	5,445
Income tax	(421)	(2,346)	-	(1,252)
Profit / (losses) after Income tax	261	2,903	-	4,193
Profit from the disposal of Alpha Insurance A.E.	80,127	-	(1,409)	-
Profit after income tax from discontinued operations	80,388	2,903	(1,409)	4,193

5. Earnings per share

Basic

Basic earnings per share is calculated by dividing the profit after tax for the period attributable to the equity holders of the Bank by the weighted average number of ordinary shares outstanding, after deducting the weighted average number of treasury shares held, during the period.

	From 1 January to		From 1 April to	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
<i>Profit attributable to equity holders of the Bank from continuing and discontinued operations</i>	453,966	305,865	197,826	155,199
Weighted average number of outstanding ordinary shares	406,353,824	395,233,223	405,884,184	394,556,787
Basic earnings per share from continuing and discontinued operations (in €)	1.12	0.77	0.49	0.39

	From 1 January to		From 1 April to	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
<i>Profit attributable to equity holders of the Bank from continuing operations (note 22)</i>	373,578	302,986	199,235	151,019
Weighted average number of outstanding ordinary shares	406,353,824	395,233,223	405,884,184	394,556,787
Basic earnings per share from continuing operations (in €)	0.92	0.77	0.49	0.38

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Bank has a single category of dilutive potential ordinary shares resulting from a share options program.

For the share options, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Bank's shares for the period) based on the monetary value of the subscription rights attached to outstanding share options.

The weighted average number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	From 1 January to		From 1 April to	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
<i>Profit attributable to equity holders of the Bank from continuing and discontinued operations</i>	453,966	305,865	197,826	155,199
Weighted average number of outstanding ordinary shares	406,353,824	395,233,223	405,884,184	394,556,787
Adjustment for share options	935,315	974,168	1,120,334	1,017,119
Weighted average number of outstanding ordinary shares for diluted earnings per share	407,289,139	396,207,391	407,004,518	395,573,906
Diluted earnings per share from continuing and discontinued operations (in €)	1.11	0.77	0.49	0.39

	<u>From 1 January to</u>		<u>From 1 April to</u>	
	30.6.2007	30.6.2006	30.6.2007	30.6.2006
<i>Profit attributable to equity holders of the Bank from continuing operations</i> (note 22)	373,578	302,986	199,235	151,019
Weighted average number of outstanding ordinary shares	406,353,824	395,233,223	405,884,184	394,556,787
Adjustment for share options	935,315	974,168	1,120,334	1,017,119
Weighted average number of outstanding ordinary shares for diluted earnings per share	407,289,139	396,207,391	407,004,518	395,573,906
Diluted earnings per share from continuing operations (in €)	0.92	0.76	0.49	0.38

Assets

6. Loans and advances to customers

	30.6.2007	31.12.2006
<i>Individuals:</i>		
Mortgages	9,879,856	8,812,267
Consumer	2,860,654	2,445,129
Credit cards	972,195	942,025
Other loans	305,506	217,035
Total	14,018,211	12,416,456
<i>Companies:</i>		
Corporate	21,565,682	18,992,719
Leasing	1,208,872	1,086,745
Factoring	482,503	495,692
Total	23,257,057	20,575,156
Receivables from insurance and re-insurance activities	8,686	12,179
Other receivables	203,186	196,492
	37,487,140	33,200,283
Less:		
Allowance for impairment losses	(897,039)	(977,249)
Total	36,590,101	32,223,034

The financial lease receivables are analyzed as follows:

	30.6.2007	31.12.2006
Up to 1 year	350,900	318,043
From 1 year up to 5 years	620,579	553,620
More than 5 years	675,255	588,952
	1,646,734	1,460,615
Unearned finance income	(437,862)	(373,870)
Total	1,208,872	1,086,745

The net amount of finance leases is analyzed as follows:

	30.6.2007	31.12.2006
Up to 1 year	281,291	257,139
From 1 year up to 5 years	437,969	395,356
More than 5 years	489,612	434,250
Total	1,208,872	1,086,745

Allowance for impairment losses

Balance 1.1.2006	1,040,360
Changes for the period from 1.1 to 30.6.2006	
Allowance relating to discontinued operations	(4,806)
Unwinding of the discount	33,831
Foreign exchange differences	(430)
Impairment losses for the period (note 2)	116,528
Loans written-off during the period	(32,520)
Balance 30.6.2006	1,152,963

Changes for the period from 1.7 to 31.12.2006

Allowance relating to discontinued operations	(41)
Unwinding of the discount	37,819
Foreign exchange differences	(2,212)
Impairment losses for the period	128,103
Loans written-off during the period	<u>(339,383)</u>
Balance 31.12.2006	<u>977,249</u>

Changes for the period from 1.1 to 30.6.2007

Unwinding of the discount	28,811
Foreign exchange differences	(3,558)
Impairment losses for the period (note 2)	121,378
Loans written-off during the period	<u>(226,841)</u>
Balance 30.6.2007	<u><u>897,039</u></u>

7. Investment securities

Available for sale	30.6.2007	31.12.2006
Government bonds	1,933,890	6,253,815
Other debt securities:	983,420	1,170,994
<i>Listed</i>	<i>933,103</i>	<i>1,142,097</i>
<i>Non-listed</i>	<i>50,317</i>	<i>28,897</i>
Shares:	93,656	65,691
<i>Listed</i>	<i>79,355</i>	<i>52,317</i>
<i>Non-listed</i>	<i>14,301</i>	<i>13,374</i>
Other variable yield securities	67,940	62,102
Total	<u>3,078,906</u>	<u>7,552,602</u>

8. Investment property

	Land and Buildings
Balance 1.1.2006	
Cost	33,061
Accumulated depreciation	<u>(3,511)</u>
Net book value 1.1.2006	<u>29,550</u>
1.1.2006-30.6.2006	
Net book value 1.1.2006	29,550
Additions	3
Reclassification to «property, plant and equipment»	(1,605)
Reclassification from «property, plant and equipment»	730
Depreciation charge for the period	<u>(187)</u>
Net book value 30.6.2006	<u>28,491</u>
Balance 30.6.2006	
Cost	32,368
Accumulated depreciation	<u>(3,877)</u>

1.7.2006-31.12.2006

Net book value 1.7.2006	28,491
Foreign exchange differences	32
Additions	11
Additions from companies consolidated for first time in 2006	5,342
Disposals	(86)
Reclassification to «property, plant and equipment»	(75)
Reclassification from «property, plant and equipment»	(567)
Reclassification to «non-current assets held for sale»	(1,470)
Depreciation charge for the period	(160)
Net book value 31.12.2006	<u>31,518</u>

Balance 31.12.2006

Cost	34,948
Accumulated depreciation	(3,430)

1.1.2007-30.6.2007

Net book value 1.1.2007	31,518
Foreign exchange differences	(145)
Additions	1,308
Disposals	(1,315)
Reclassification from «property, plant and equipment»*	16,940
Depreciation charge for the period	(366)
Net book value 30.6.2007	<u>47,940</u>

Balance 30.6.2007

Cost	52,497
Accumulated depreciation	(4,557)

* Transfers from «Property, plant and equipment» relate to a building owned by the subsidiary Oceanos A.T.O.E.E. leased by Alpha Insurance A.E. which was also a subsidiary until 23.3.2007.

9. Property, plant and equipment

	Land and Buildings	Leased equipment	Equipment	Total
Balance 1.1.2006				
Cost	1,076,377	3,347	342,984	1,422,708
Accumulated depreciation	(212,001)	(1,440)	(271,294)	(484,735)
Net book value 1.1.2006	<u>864,376</u>	<u>1,907</u>	<u>71,690</u>	<u>937,973</u>
1.1.2006-30.6.2006				
Net book value 1.1.2006	864,376	1,907	71,690	937,973
Foreign exchange differences	(437)	48	811	422
Additions	11,327	151	14,300	25,778
Disposals	(1,406)	-	(576)	(1,982)
a) Cost	(1,829)	-	(2,827)	(4,656)
b) Accumulated depreciation	423	-	2,251	2,674
Reclassification to «Land and buildings» from «Investment Property»	1,605	-	-	1,605
Reclassification from «Land and buildings» to «Investment Property»	(730)	-	-	(730)
Depreciation charge for the period	(9,938)	(268)	(11,615)	(21,821)
Net book value 30.6.2006	<u>864,797</u>	<u>1,838</u>	<u>74,610</u>	<u>941,245</u>

	Land and Buildings	Leased equipment	Equipment	Total
Balance 30.6.2006				
Cost	1,086,255	3,489	355,164	1,444,908
Accumulated depreciation	(221,458)	(1,651)	(280,554)	(503,663)
1.7.2006-31.12.2006				
Net book value 1.7.2006	864,797	1,838	74,610	941,245
Foreign exchange differences	3,769	71	(43)	3,797
Additions	25,053	457	25,074	50,584
Disposals	(1,036)	-	68	(968)
<i>a) Cost</i>	(1,787)	-	(1,579)	(3,366)
<i>b) Accumulated depreciation</i>	751	-	1,647	2,398
Reclassification to «Land and buildings» from «Investment Property»	75	-	-	75
Reclassification from «Land and buildings» to «Investment Property»	567	-	-	567
Other transfers	-	-	(485)	(485)
Reclassification to «non-current assets held for sale»	(34,861)	-	(2,583)	(37,444)
Depreciation charge for the period	(9,893)	(274)	(11,208)	(21,375)
Net book value 31.12.2006	848,471	2,092	85,433	935,996
Balance 31.12.2006				
Cost	1,058,044	4,055	361,639	1,423,738
Accumulated depreciation	(209,573)	(1,963)	(276,206)	(487,742)
1.1.2007-30.6.2007				
Net book value 1.1.2007	848,471	2,092	85,433	935,996
Foreign exchange differences	258	136	864	1,258
Additions	22,537	914	16,901	40,352
Disposals	(1,099)	-	(4,097)	(5,196)
Reclassification from «Land and buildings» to «Investment Property»	(16,940)	-	-	(16,940)
Reclassification from «non-current assets held for sale»	42,405	-	-	42,405
Other transfers to «non-current assets held for sale»	-	-	(3)	(3)
Depreciation charge for the period	(10,404)	(329)	(13,057)	(23,790)
Net book value 30.6.2007	885,228	2,813	86,041	974,082
Balance 30.6.2007				
Cost	1,103,785	4,963	374,136	1,482,884
Accumulated depreciation	(218,557)	(2,150)	(288,095)	(508,802)

Property, plant and equipment amounting to € 42.4 million was reclassified from «Non-current assets held for sale» due to Bank's decision for own use. The depreciation for the respective period that the specific property, plant and equipment was classified as «Non-current asset held for sale» amounts to € 2.2 million.

10. Goodwill and other intangible assets

	Goodwill	Other intangible	Software	Total
Balance 1.1.2006				
Cost	54,022	17,392	130,227	201,641
Accumulated amortization	-	(3,014)	(91,191)	(94,205)
Net book value 1.1.2006	54,022	14,378	39,036	107,436
1.1.2006-30.6.2006				
Net book value 1.1.2006	54,022	14,378	39,036	107,436
Foreign exchange differences	215	25	282	522
Additions	-	-	8,834	8,834
Amortization charge for the period	-	(1,619)	(7,984)	(9,603)
Net book value 30.6.2006	54,237	12,784	40,168	107,189
Balance 30.6.2006				
Cost	54,237	17,463	140,165	211,865
Accumulated amortization	-	(4,679)	(99,997)	(104,676)
1.7.2006-31.12.2006				
Net book value 1.7.2006	54,237	12,784	40,168	107,189
Foreign exchange differences	4,107	912	(816)	4,203
Additions	-	428	19,056	19,484
Disposals	-	-	(2,702)	(2,702)
<i>a) Cost</i>	-	-	(2,686)	(2,686)
<i>b) Accumulated amortization</i>	-	-	(16)	(16)
Other transfers	-	-	485	485
Reclassification to «non-current assets held for sale»	-	-	(2,019)	(2,019)
Amortization charge for the period	-	(1,715)	(7,787)	(9,502)
Net book value 31.12.2006	58,344	12,409	46,385	117,138
Balance 31.12.2006				
Cost	58,344	18,293	144,745	221,382
Accumulated amortization	-	(5,884)	(98,360)	(104,244)
1.1.2007-30.6.2007				
Net book value 1.1.2007	58,344	12,409	46,385	117,138
Foreign exchange differences	(1,439)	(75)	(113)	(1,627)
Additions	-	-	16,143	16,143
Disposals	-	-	(448)	(448)
Amortization charge for the period	-	(1,745)	(9,207)	(10,952)
Net book value 30.6.2007	56,905	10,589	52,760	120,254
Balance 30.6.2007				
Cost	56,905	18,752	160,564	236,221
Accumulated amortization	-	(8,163)	(107,804)	(115,967)

11. Non-current assets held for sale and related liabilities

a. Fixed assets

	Land and Buildings	Office equipment	Total
1.1.2006-30.6.2006			
Balance 1.1.2006	88,004	585	88,589
Additions	3,673	240	3,913
Disposals	(1,378)	(236)	(1,614)
Balance 30.6.2006	90,299	589	90,888
1.7.2006-31.12.2006			
Balance 1.7.2006	90,299	589	90,888
Additions	4,819	341	5,160
Disposals	(2,675)	(315)	(2,990)
Balance 31.12.2006	92,443	615	93,058
1.1.2007-30.6.2007			
Balance 1.1.2007	92,443	615	93,058
Additions	3,126	340	3,466
Disposals	(1,220)	(340)	(1,560)
Reclassification to «property, plant and equipment»	(42,405)	-	(42,405)
Foreign exchange differences	(5)	-	(5)
Balance 30.6.2007	51,939	615	52,554

Non-current assets held for sale amounting to € 42.4 million have been reclassified to property, plant and equipment due to Bank's decision to use these fixed assets for administrative purposes.

b. Other

On 13 March 2007, the process of separating the Rhodes Hotel sector from Ionian Hotel Enterprises A.E. was completed with the transfer of the sector to Tourist Resorts A.E. a group entity. The assets and liabilities of the specific sector have been classified as held for sale, and as at 30.6.2007 consist of the following:

Non-current assets held for sale

Cash and balances with Central Banks	62
Due from banks	7
Loans and advances to customers	1,620
Property, plant and equipment	30,709
Goodwill and other intangible assets	32
Deferred tax assets	3,393
Other assets	468
Total	36,291

Liabilities related to non current assets held for sale

Liabilities for current income tax and other taxes	67
Deferred tax liabilities	431
Employee defined benefit obligations	275
Other liabilities	2,534
Total	3,307

Liabilities

12. Debt securities in issue and other borrowed funds

Senior debt securities

Balance 1.1.2007	12,759,840
Changes for the period from 1.1 to 30.6.2007	
New issues ⁽¹⁾	5,619,244
(Purchases)/sales by Group companies	(1,516,176)
Maturities/Redemptions	(1,953,021)
Fair value change due to hedging	(40,241)
Change in accrued interest	28,245
Foreign exchange differences	7,454
Balance 30.6.2007	<u>14,905,345</u>

Subordinated debt

Balance 1.1.2007	1,029,413
Changes for the period from 1.1 to 30.6.2007	
New issues ⁽²⁾	547,979
(Purchases)/sales by Group companies	(18,537)
Maturities/Redemptions ⁽³⁾	(325,000)
Fair value change due to hedging	(1,918)
Change in accrued interest	4,035
Foreign exchange differences	(11,135)
Balance 30.6.2007	<u>1,224,837</u>
Grand total	<u>16,130,182</u>

- (1) The majority of the new senior debt securities (€ 4,904 million) pay Euribor floating rate, with a spread between -10 and +25 basis points, depending on the duration of issue.
- (2) On 1 February 2007, a loan of € 350 million which pays three month Euribor plus 40 basis points for the first 5 years was issued. If the Bank does not redeem the loan, the spread for the next 5 years increases to 170 basis points.
- On 8 March 2007, a loan of € 200 million, which pays three month Euribor plus 35 basis points for the first 5 years was issued. If the Bank does not redeem the loan, the spread for the next five years increases to 165 basis points.
- (3) On 8 March 2007, the Bank redeemed 10 year subordinated debt of € 300 million after 5 years.
- On 8 May 2007 a 10 year subordinated debt of € 25 million was redeemed after 5 years from its issue.

13. Employee defined benefit obligations

The management of the Bank on 21.11.2006 in accordance with Law 3371/2005, submitted an application for its employees to join the common bank employee pension fund (ETAT).

Following the provision of the above law a special economic valuation has been completed, and the cost of the accession is within the limits of the recognized provision.

The procedure of the accession is in progress.

14. Provisions

	30.6.2007	31.12.2006
Insurance reserves	40,783	38,885
Other provisions charged to income statement	11,512	26,378
Total	<u>52,295</u>	<u>65,263</u>

a. Insurance provisions

Non-life insurance		
Unearned premiums	4,687	4,942
Outstanding claim reserves	6,123	5,882
Total	<u>10,810</u>	<u>10,824</u>

Life insurance		
Mathematical reserves	6,853	6,792
Outstanding claim reserves	1,216	1,128
Total	<u>8,069</u>	<u>7,920</u>

Reserves for investments held on behalf and at risk of life insurance policy holders	<u>21,904</u>	<u>20,141</u>
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Grand total	<u>40,783</u>	<u>38,885</u>
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b. Other provisions

Balance 1.1.2006	11,039
Changes for the period from 1.1 to 30.6.2006	
Allowance relating to discontinued operations	(48)
Provisions to cover credit risk relating to off-balance sheet items (note 2)	14,946
Provision expense	754
Provisions used during the period	(88)
Foreign exchange differences	(951)
Balance 30.6.2006	<u>25,652</u>
Changes for the period from 1.7 to 31.12.2006	
Decrease of provision for contingent liabilities	(1,042)
Provisions used during the period	(54)
Foreign exchange differences	1,822
Balance 31.12.2006	<u>26,378</u>
Changes for the period from 1.1 to 30.6.2007	
Reversal of provision to cover credit risk relating to off-balance sheet items (note 2)	(14,946)
Provision expense	1,630
Provisions used during the period	(13)
Foreign exchange differences	(1,537)
Balance 30.6.2007	<u>11,512</u>

The provision expense is included in «Other expenses» caption of the consolidated income statement.

Equity

15. Retained earnings and treasury shares

a) Retained earnings

On 17 April 2007 dividends of total amount of € 304,421 thousand were distributed, or € 0.75 per share relating to 2006.

b) Treasury shares

The Group purchased during the period from 1.1 to 30.6.2007 1,326,019 treasury shares at a cost of € 29,094 thousand (€ 21.94 per share).

As at 30.6.2007 total treasury shares held are 2,137,818 with a cost of € 43,747 thousand.

The Ordinary General Shareholders' Meeting held on 3 April 2007 approved a treasury share purchase program for the period from April 2007 to April 2008, of 3% of the total paid-in share capital at a minimum price of € 3.90, i.e. the nominal value of the share and a maximum price of € 32.

Additional Information

16. Contingent liabilities and commitments

a) Legal issues

The Bank in the ordinary course of business is a defendant in claims from customers and other legal proceedings. No provision has been recorded because after consultation with legal department, the ultimate disposition of these matters is not expected to have a material effect on the financial position or operations of the Bank.

There are no pending legal cases or issues in progress which may have a material impact on the financial statements of the other companies of the Group.

b) Tax issues

The Bank and the companies, Alpha Astika Akinita A.E., Alpha Leasing A.E., Messina Holdings S.A., Ionian Hotel Enterprises A.E. and ABC Factors A.E. have been audited by the tax authorities for the years up to and including 2005. Tax audit is in progress at Alpha Finance A.X.E.P.E.Y. for fiscal years from 2003 up to and including 2005. The remaining companies of the Group have been audited by the tax authorities for the years up to and including the year ended 31 December 2002.

Additional taxes and penalties may be imposed for the unaudited tax years.

c) Operating leases

The Group's minimum future lease payments are as follows:

	30.6.2007	31.12.2006
- less than one year	50,804	32,792
- between one and five years	94,974	91,419
- more than five years	71,712	72,612
Total	217,490	196,823

The minimum future lease revenues are as follows:

	30.6.2007	31.12.2006
- less than one year	5,325	8,377
- between one and five years	22,966	32,720
- more than five years	8,371	16,077
Total	36,662	57,174

d) Off balance sheet liabilities

	30.6.2007	31.12.2006
Letters of credit	179,797	260,170
Letters of guarantee	4,719,847	4,580,796
Approved loan agreements and credit limits	15,519,250	14,408,504
Total	20,418,894	19,249,470

e) Assets pledged

	30.6.2007	31.12.2006
Securities linked to reverse repos	150,000	-
Investment securities	405,000	585,000
Total	555,000	585,000

From the investment securities portfolio € 80,000 is pledged as collateral for capital withdrawal and € 5,000 is pledged as collateral to clearing house of derivative transactions "ETESSEP" A.E. as a margin account insurance.

The remaining securities portfolio including those securities linked to reverse repos is pledged as collateral with the Bank of Greece for the participation in the Inter-Europe clearing of payments system on an ongoing time (TARGET).

17. Group consolidated companies

The consolidated financial statements apart from the parent company Alpha Bank include the following entities:

a. SUBSIDIARIES

Name	Country of Incorporation	Group's ownership interest %	
		30.6.2007	31.12.2006
Banks			
1. Alpha Bank London Ltd	United Kingdom	100.00	100.00
2. Alpha Bank Cyprus Ltd (ex Alpha Bank Ltd)	Cyprus	100.00	100.00
3. Alpha Bank Romania S.A.	Romania	99.91	99.91
4. Alpha Bank AD Skopje	FYROM	100.00	100.00
5. Alpha Bank Jersey Ltd	Jersey	100.00	100.00
6. Alpha Bank Srbija A.D.	Serbia	99.99	99.99
Leasing companies			
1. Alpha Leasing A.E.	Greece	100.00	99.67
2. Alpha Leasing Romania S.A.	Romania	99.99	99.93
3. ABC Factors A.E.	Greece	100.00	100.00
4. Alpha Asset Finance C.I. Ltd	Jersey	100.00	100.00
Investment Banking			
1. Alpha Finance A.X.E.P.E.Y.	Greece	100.00	100.00
2. Alpha Finance US Corporation	U.S.A.	100.00	100.00
3. Alpha Finance Romania S.A.	Romania	99.98	99.98
4. Alpha Ventures A.E.	Greece	100.00	100.00
5. AEF European Capital Investments B.V.	Holland	100.00	100.00
6. Ionian Investments A.E.	Greece	100.00	-
Asset Management			
1. Alpha Asset Management A.E.D.A.K.	Greece	100.00	100.00
2. Alpha Private Investment Services A.E.P.E.Y.	Greece	100.00	100.00
3. ABL Independent Financial Advisers Ltd	United Kingdom	100.00	100.00
Insurance			
1. Alpha Insurance A.E.	Greece	-	99.57
2. Alpha Insurance Agents A.E.	Greece	100.00	100.00
3. Alpha Insurance Ltd Cyprus	Cyprus	100.00	100.00
4. Alpha Insurance Brokers S.R.L.	Romania	99.91	99.91
Real estate and hotel			
1. Alpha Astika Akinita A.E.	Greece	79.34	67.30
2. Ionian Hotel Enterprises A.E.	Greece	93.52	93.25
3. Oceanos A.T.O.E.E.	Greece	100.00	100.00
4. Alpha Real Estate D.O.O. Beograd	Serbia	79.34	67.30
5. Alpha Astika Akinita D.O.O.E.L Skopje	FYROM	79.34	67.30
6. Tourist Resort A.E.	Greece	93.52	93.25
7. Alpha Immovables Bulgaria E.O.O.D.	Bulgaria	79.34	-
Special purpose and holding entities			
1. Alpha Credit Group Plc	United Kingdom	100.00	100.00
2. Alpha Group Jersey Ltd	Jersey	100.00	100.00
3. Alpha Group Investments Ltd	Cyprus	100.00	100.00
4. Ionian Holdings A.E.	Greece	100.00	100.00
5. Messana Holdings S.A.	Luxemburg	100.00	100.00
6. Ionian Equity Participations Ltd	Cyprus	100.00	-
Other companies			
1. Alpha Bank London Nominees Ltd	United Kingdom	100.00	100.00
2. Alpha Trustees Ltd	Cyprus	100.00	100.00
3. Flagbright Ltd	United Kingdom	100.00	100.00
4. Alpha Advisory Romania S.R.L.	Romania	99.98	99.98
5. Evremathea A.E.	Greece	100.00	100.00
6. Kafe Alpha A.E.	Greece	100.00	100.00
7. Ionian Supporting Services A.E.	Greece	100.00	-

b. JOINT VENTURES

1. Cardlink A.E.	Greece	50.00	50.00
2. APE Fixed Assets A.E.	Greece	60.10	60.10
3. APE Commercial Property A.E.	Greece	60.10	60.10
4. Anadolu Alpha Gayrimenkul Ticaret Anonim Sirketi	Turkey	50.00	-

The subsidiaries were fully consolidated and the joint ventures were consolidated under the proportionate method.

The Group hedges the foreign exchange risk arising from the net investment in Alpha Bank London Ltd, Alpha Bank Cyprus Ltd and Alpha Bank Romania S.A. through the use of the FX swaps and interbank loans in the functional currency of the above subsidiaries.

18. Segment reporting

(Millions of Euro)

		1.1 - 30.6.2007					
		Business segments					
	Group	Retail	Corporate Banking	Asset Management /Insurance	Investment Banking/Treasury	South-Eastern Europe	Other
Interest	752.5	470.8	144.9	8.4	21.0	100.6	6.8
Commission	221.7	79.3	45.1	43.3	22.4	33.1	(1.5)
Other income	82.4	11.1	3.1	5.4	12.2	17.6	33.0
Total income	1,056.6	561.2	193.1	57.1	55.6	151.3	38.3
Total expenses	(485.2)	(269.2)	(55.6)	(28.4)	(17.7)	(89.1)	(25.2)
Impairment	(102.6)	(48.9)	(41.2)	-	-	(12.4)	(0.1)
Profit before income tax	468.8	243.1	96.3	28.7	37.9	49.8	13.0
Income tax	(94.6)						
Profit from discontinued operations	80.3						
Profit after income tax	454.5						

(Millions of Euro)

		1.1 - 30.6.2006					
		Business segments					
	Group	Retail	Corporate Banking	Asset Management /Insurance	Investment Banking/Treasury	South-Eastern Europe	Other
Interest	694.6	439.4	135.3	6.8	29.3	81.9	1.9
Commission	193.2	63.1	41.7	42.1	24.8	24.1	(2.6)
Other income	61.9	4.5	1.0	1.8	5.8	13.4	35.4
Total income	949.7	507.0	178.0	50.7	59.9	119.4	34.7
Total expenses	(431.7)	(244.7)	(49.6)	(25.3)	(19.9)	(70.1)	(22.1)
Impairment	(129.9)	(77.3)	(40.8)	-	-	(11.8)	-
Profit before income tax	388.1	185.0	87.6	25.4	40.0	37.5	12.6
Income tax	(84.0)						
Profit from discontinued operations	2.9						
Profit after income tax	307.0						

i. Retail Banking

Includes all individuals (retail banking customers) of the Group, professionals, small companies.

The Group, through its extensive branch network, offers all types of deposit products (deposits/ savings accounts, working capital/ current accounts, investment facilities/ term deposits, Repos, Swaps), loan facilities (mortgages, consumer, corporate loans, letter of guarantees) and debit and credit cards to the above customers.

ii. Corporate Banking

Includes all medium-sized and large companies, corporations with international activities, corporations managed by the Corporate Banking (Corporate) and Shipping divisions. The Group offers working capital facilities, corporate loans, and letters of guarantees.

This sector also includes leasing and factoring products which are offered by Alpha Leasing A.E. and ABC Factors A.E., respectively.

iii. Asset Management / Insurance

Consists of a wide range of asset management services through Group's private banking units and through its subsidiary Alpha Asset Management A.E.D.A.K. In addition, it includes the commissions of Alpha Insurance Agents A.E. from a wide range of insurance products, offered to individuals and companies.

iv. Investment Banking / Treasury

Includes stock exchange, advisory and brokerage services relating to capital markets and also investment banking facilities, offered either by the Bank or through specialized subsidiaries (Alpha Finance A.X.E.P.E.Y., Alpha Ventures A.E.). Includes also the activities of the Dealing Room in the interbank market (FX Swaps, Bonds, Futures, IRS, interbank placements – Loans etc).

v. South Eastern Europe

Consists of the Bank's branches and subsidiaries operating in South Eastern Europe.

vi. Other

This segment consists of the non-financial subsidiaries and other foreign subsidiaries excluding those in South Eastern Europe and Bank's administration section.

19. Capital adequacy

The capital adequacy ratio is determined by comparing the Group's regulatory own funds with the risks that the Group undertakes (risk weighted assets). Own funds include Tier I capital (share capital, reserves, minority interests), additional Tier I capital (hybrid debt) and Tier II capital (subordinated debt and fixed asset revaluation reserves). The risk-weighted assets arise from the credit risk of the investment portfolio and the market risk of the trading portfolio.

The Group uses all modern methods to manage capital adequacy. It has issued hybrid and subordinated debt which are included on the calculation as regulatory own-funds. The cost of these securities is lower than share capital and adds value to the shareholders.

The current capital ratios (Tier I ratio and capital adequacy ratio) are much higher than the regulatory limits set by the Bank of Greece directive (4% and 8%, respectively) and the capital base is capable to support the business growth of the Group in all areas for the next years.

	(Millions of Euro)	
	30.6.2007	31.12.2006
Risk-weighted assets from credit risk	35,170	32,603
Risk-weighted assets from market risk	737	865
Total Risk-weighted assets	35,907	33,468
Upper Tier I capital	2,871	2,701
Tier I capital	3,632	3,413
Total Tier I + Tier II capital	4,743	4,315
Upper Tier I ratio	8.0%	8.1%
Tier I ratio	10.1%	10.2%
Capital adequacy ratio (Tier I + Tier II)	13.2%	12.9%

20. Related-party transactions

The Bank and the Group companies enter into a number of transactions with related parties in the normal course of business. These transactions are performed at arms length terms and are approved by the Group's relevant committees.

- a. The outstanding balances with members of the Board of Directors and their close family members are as follows:

	30.6.2007	31.12.2006
Loans	4,330	3,100
Deposits	37,039	31,067
Debt securities in issue	19,248	15,688
Letters of guarantee	61	165
	<hr/>	
	From 1 January to	
	30.6.2007	30.6.2006
Interest income	83	-
Interest expense	892	-

- b. The outstanding balances with associates and the related results of these transactions are as follows:

	30.6.2007	31.12.2006
Assets		
Loans and advances to customers	294	611
Total	<u>294</u>	<u>611</u>
Liabilities		
Amounts due to customers	5	5
Total	<u>5</u>	<u>5</u>
	<hr/>	
	From 1 January to	
	30.6.2007	30.6.2006
Income		
Interest and similar income	20	51
Fee and commission income	-	17
Other income	-	223
Total	<u>20</u>	<u>291</u>
Expenses		
Interest and similar charges	-	3
General administrative expenses	-	320
Other expenses	1,573	-
Total	<u>1,573</u>	<u>323</u>

- c. The Board of Directors and Executive General Managers fees recorded in the income statement for the six month period ended 30 June 2007 amounted to € 6,264 (2006: € 3,814). The increase in 2007 compared to the respective period in 2006 is due to the appointment in the Bank of two new Executive General Managers on 16 May 2006.

21. Acquisitions, disposals of subsidiaries and other corporate events

- a. On 5 March 2007 the Bank filed a tender offer for the acquisition of the remaining shares of its subsidiary Alpha Leasing A.E., which the Capital Market Committee approved on 8.3.2007. During April 2007, the Bank acquired 95,773 shares representing 0.24% of the paid in share capital and voting rights of the Company. Consequently, the number of Alpha Leasing A.E. shares and voting rights held by Alpha Bank amounts to 39,585,000, or 100%. At the same time, the Capital Market Committee approved on 17.5.2007 the delisting of Alpha Leasing A.E. shares from Athens Stock Exchange following the Company's application.

- b. On 13.3.2007, the process of the separation and transfer of the Rhodes Hotel sector, from Bank's subsidiary Ionian Hotel Enterprises A.E. to Tourist Resorts A.E. was completed.
- c. On 21.3.2007, the restaurant buffet sector of Tourist Resorts A.E. was transferred to subsidiary Kafe Alpha A.E.
- d. On 23.3.2007, the transaction for the sale of Alpha Insurance A.E., a subsidiary, of Alpha Group Investment Ltd to AXA, an insurance company which is the worldwide leader in financial protection, was completed for € 255 million. At the same time, Alpha Bank and AXA have signed a long-term exclusive bancassurance agreement for the distribution of AXA insurance products through Alpha Bank's extensive branch network.
- e. On 29.3.2007, Alpha Immovables Bulgaria E.O.O.D was founded in Sofia with initial capital € 306 thousand by the Bank's subsidiary Alpha Astika Akinita A.E. The Company's main purpose is to provide real estate services.
- f. On 30 April 2007 the Bank acquired 50% of Anadolu Alpha Gayrimenkul Ticaret Anonim Sirketi, a new founded company in Istanbul , participating together with Anadolu Group. The Company will operate as a vehicle for investments in Turkey.
- g. On 14 June 2007, Ionian Supporting Services A.E. and Ionian Investments A.E. were established in Athens, of which the Group has 100% interest in both entities. The primary activity of Ionian Supporting Services A.E. is to provide support services to the Bank and the group entities, whereas Ionian Investments A.E. is involved in the acquisition and sale of securities. The share capital of each company amounts to € 60 thousand.
- h. On 19 June 2007 the Bank acquired 100% of the shares of the Cypriot company Ionian Equity Participations Ltd. The Company is at present dormant and its share capital amounts to CYP 1,000.
- i. On 29 June 2007 the transfer of 100% shares of Alpha Private Investment Services A.E.P.E.Y. from the subsidiary Alpha Bank London Ltd to the Bank was completed.

22. Restatement of comparatives

Presented below is the restatement of the interim consolidated income statement and the interim consolidated cash flow of 30.6.2006 due to the adoption of IFRS 5 and the presentation of discontinued operation arising from the sale agreement of Alpha Insurance A.E. on 23.11.2006. The sale was completed on 23.3.2007.

Consolidated income statement

	1.1. - 30.6.2006		
	Published amounts	Discontinued operations	Continuing operations
Interest and similar income	1,231,513	2,644	1,228,869
Interest expense and similar charges	(534,282)	-	(534,282)
Net interest income	697,231	2,644	694,587
Fee and commission income	205,722	1,020	204,702
Commission expense	(11,542)	-	(11,542)
Net fee and commission income	194,180	1,020	193,160
Dividend income	2,671	-	2,671
Gains less losses on financial transactions	30,473	931	29,542
Other income	46,148	16,250	29,898
	79,292	17,181	62,111
Total income	970,703	20,845	949,858
Staff costs	(241,695)	(7,976)	(233,719)
General administrative expenses	(172,487)	(6,073)	(166,414)
Depreciation and amortization expenses	(31,611)	(947)	(30,664)
Other expenses	(907)	-	(907)
Total expenses	(446,700)	(14,996)	(431,704)

	1.1 - 30.6.2006		
	Published amounts	Discontinued operations	Continuing operations
Impairment losses and provisions to cover credit risk	(130,510)	(600)	(129,910)
Share of profit (loss) of associates	(137)	-	(137)
Profit before income tax	393,356	5,249	388,107
Income tax	(86,362)	(2,346)	(84,016)
Net profit after income tax	306,994	2,903	304,091
Net profit/(losses) attributable to equity holders of the Bank	305,865	2,879	302,986
Net profit/(losses) attributable to minority interest	1,129	24	1,105
Basic earnings per share			
Basic (€ per share)	0.77		0.77
Diluted (€ per share)	0.77		0.76

Consolidated cash flow statement

	1.1 - 30.6.2006		
	Published amounts	Discontinued operations	Continuing operations
Net cash flows from operating activities	(1,282,415)	8,411	(1,290,826)
Net cash flows from investing activities	(628,661)	3,971	(632,632)
Net cash flows from financing activities	(397,083)	-	(397,083)
Net increase/(decrease) in cash and cash equivalents	(2,308,159)	12,382	(2,320,541)
Effect of exchange rate fluctuations on cash and cash equivalents	5,900	-	5,900
Total Cash flows for the period	(2,302,259)	12,382	(2,314,641)
Cash and cash equivalents at the beginning of the period	5,665,814		
Cash and cash equivalents at the end of the period	3,363,555		

23. Events after the balance sheet date

- During July 2007 the Bank sold its participation in Unisystems A.E. (ownership interest 9.67%).
- From 11 July 2007 a tax audit of Tourist Resorts A.E. is in progress for the years 2003 up to and including 2005.

Athens, 31 July 2007

The Chairman of the Board of Directors

The Managing Director

The Executive Director

Group Financial Reporting Officer

Yannis S. Costopoulos
I.D. No. X 661480

Demetrios P. Mantzounis
I.D. No. I 166670

Marinos S. Yannopoulos
I.D. No. N 308546

George N. Kontos
I.D. No. AB 522299

The above interim financial statements (pages 3-32) are the financial statements that we refer to in our report on review of interim financial information dated 31 July 2007.

Athens, 31 July 2007

KPMG Kyriacou Certified Auditors A.E.

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Certified Auditor Accountant
AM SOEL 11121

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