



**Condensed Interim Consolidated Financial Information  
as at 30 September 2011**

**In accordance with International Financial Reporting Standards  
(I.A.S. 34)**

The attached condensed interim consolidated financial statements were approved by the BoD of the Agricultural Bank of Greece  
on 29 November 2011 and are available on the web address [www.atebank.gr](http://www.atebank.gr)

| <b>CONTENTS</b>   | <b>PAGES</b> |
|---|--------------|
| Interim Consolidated Income Statement                             | 1            |
| Interim Consolidated Statement of Comprehensive Income            | 2            |
| Interim Consolidated Statement of Financial Position              | 3            |
| Interim Consolidated Statement of Changes in Equity               | 4            |
| Interim Consolidated Statement of Cash Flows                      | 5            |
| Notes to the Condensed Interim Consolidated Financial Information | 6-26         |

**Consolidated interim income statement**  
**For the period ended 30 September 2011**  
**(Amounts in thousands of Euro)**

|  | Note      | 1/1-<br>30/9/2011  | 1/1-<br>30/9/2010 | 1/7 -<br>30/9/2011 | 1/7 -<br>30/9/2010 |
|--|-----------|--------------------|-------------------|--------------------|--------------------|
| Interest and similar income  |           | 892.075            | 847.776           | 304.663            | 293.341            |
| Interest expense and similar charges   |           | (362.362)          | (271.896)         | (133.810)          | (93.715)           |
| <b>Net interest income</b>   | <b>10</b> | <b>529.713</b>     | <b>575.880</b>    | <b>170.853</b>     | <b>199.626</b>     |
| Fee and commission income  |           | 54.852             | 73.840            | 17.875             | 24.766             |
| Fee and commission expense   |           | (20.061)           | (25.954)          | (6.125)            | (7.662)            |
| <b>Net fee and commission income</b>   | <b>11</b> | <b>34.791</b>      | <b>47.886</b>     | <b>11.750</b>      | <b>17.104</b>      |
| Net trading income   | <b>12</b> | (92.474)           | (91.692)          | (80.146)           | 13.972             |
| Net investment income  |           | (86)               | (1.346)           | 1.091              | (2.427)            |
| Dividend income  |           | 5.767              | 6.085             | 3.852              | 989                |
| Other operating income   |           | 41.849             | 43.623            | 12.740             | 15.535             |
| <b>Other income</b>  |           | <b>(44.944)</b>    | <b>(43.330)</b>   | <b>(62.463)</b>    | <b>28.069</b>      |
| <b>Operating income</b>  |           | <b>519.560</b>     | <b>580.436</b>    | <b>120.140</b>     | <b>244.799</b>     |
| Staff cost   |           | (277.750)          | (316.180)         | (90.526)           | (105.455)          |
| Other  |           | (81.542)           | (87.776)          | (27.856)           | (32.109)           |
| Depreciation   |           | (27.076)           | (27.413)          | (9.601)            | (8.962)            |
| Impairment losses  | <b>13</b> | (1.200.071)        | (282.250)         | (143.586)          | (98.153)           |
| <b>Operating profit/(loss)</b>   |           | <b>(1.066.879)</b> | <b>(133.183)</b>  | <b>(151.429)</b>   | <b>120</b>         |
| Share of profit of associates  |           | (5.884)            | 1.038             | 2.093              | (3.074)            |
| <b>Profit/(loss) before tax</b>  |           | <b>(1.072.763)</b> | <b>(132.145)</b>  | <b>(149.336)</b>   | <b>(2.954)</b>     |
| Tax  | <b>14</b> | 13.445             | 16.477            | 11.690             | (7.512)            |
| <b>Loss after tax from continuing operations</b>                                   |           | <b>(1.059.318)</b> | <b>(115.668)</b>  | <b>(137.646)</b>   | <b>(10.466)</b>    |
| Profit/(loss) after tax from discontinued operations                               |           | 24.587             | (1.546)           | 9.989              | 3.832              |
| <b>Loss after tax from continuing &amp; discontinued operations</b>                |           | <b>(1.034.731)</b> | <b>(117.214)</b>  | <b>(127.657)</b>   | <b>(6.634)</b>     |
| <b>Attributable to:</b>  |           |                    |                   |                    |                    |
| Equity holders of the Bank   |           | (1.029.966)        | (117.246)         | (124.830)          | (7.388)            |
| Minority interests   |           | (4.765)            | 32                | (2.827)            | 754                |
| <b>Loss</b>  |           | <b>(1.034.731)</b> | <b>(117.214)</b>  | <b>(127.657)</b>   | <b>(6.634)</b>     |
| <b>Basic and diluted earnings/(losses) per share (expressed in Euro per share)</b> |           |                    |                   |                    |                    |
|  | <b>15</b> |                    |                   |                    |                    |
| from continuing and discontinued operations  |           | (2,2604)           | (1,7211)          | 7,7594             | (0,2249)           |
| from continuing operations   |           | (2,3098)           | (1,6849)          | 7,8573             | (0,2578)           |

The accompanying notes (pages from 6 to 26) are an integral part of these condensed interim consolidated financial information.

## Consolidated interim statement of comprehensive income

For the period ended 30 September 2011

(Amounts in thousands of Euro)

|  | 1/1-<br>30/9/2011  | 1/1-<br>30/9/2010 | 1/7 -<br>30/9/2011 | 1/7 -<br>30/9/2010 |
|--|--------------------|-------------------|--------------------|--------------------|
| <b>Profit/(loss) after tax</b>   | <b>(1.034.731)</b> | <b>(117.214)</b>  | <b>(127.657)</b>   | <b>(6.634)</b>     |
| <b>Other comprehensive income</b>  |                    |                   |                    |                    |
| Exchange rate differences  | 9.234              | (20.109)          | (856)              | (1.359)            |
| Revaluation reserve available-for-sale investments:  |                    |                   |                    |                    |
| - Valuation for the period   | (184.354)          | (247.780)         | (127.326)          | 36.487             |
| - (Gain)/Loss transferred to income statement on disposal of available-for-sale securities | 29.497             | 20.773            | 4.033              | 10.128             |
| - Impairment for the period  | 115.275            | 4.772             | 7.507              | 0                  |
| - Tax related  | 8.517              | 35.664            | 21.183             | (7.445)            |
| Share of other comprehensive income of associates  | (471)              | (22)              | (54)               | (5)                |
| <b>Other comprehensive income net of tax</b>   | <b>(22.302)</b>    | <b>(206.702)</b>  | <b>(95.513)</b>    | <b>37.806</b>      |
| <b>Total comprehensive income net of tax</b>   | <b>(1.057.033)</b> | <b>(323.916)</b>  | <b>(223.170)</b>   | <b>31.172</b>      |
| <b>Attributable to:</b>  |                    |                   |                    |                    |
| Equity holders of the Bank   | (1.053.494)        | (322.014)         | (220.454)          | 29.376             |
| Minority interests   | (3.539)            | (1.902)           | (2.716)            | 1.796              |

The accompanying notes (pages from 6 to 26) are an integral part of these condensed interim consolidated financial information.

## Consolidated interim statement of financial position

As at 30 September 2011

(Amounts in thousands of Euro)

|   | Note | 30/9/2011         | 31/12/2010        |
|---|------|-------------------|-------------------|
| <b>Assets</b>   |      |                   |                   |
| Cash and balances with the Central Bank                 | 16   | 753.125           | 873.905           |
| Loans and advances to banks                             |      | 1.039.171         | 1.042.668         |
| Trading securities                                      |      | 163.174           | 209.542           |
| Derivative financial instruments                        |      | 12.738            | 20.953            |
| Loans and advances to customers                         | 17   | 17.941.375        | 21.202.815        |
| Investment portfolio                                    | 18   | 4.010.898         | 5.389.146         |
| Investments in associates                               |      | 177.478           | 174.341           |
| Investment property                                     |      | 206.076           | 229.240           |
| Property, plant and equipment                           | 19   | 380.614           | 479.804           |
| Intangible assets                                       |      | 11.880            | 14.102            |
| Deferred tax asset                                      |      | 476.650           | 441.920           |
| Other assets  |      | 1.022.956         | 1.142.217         |
| Non-current assets held for sale                        | 20   | 319.628           | 0                 |
| <b>Total assets</b>                                     |      | <b>26.515.763</b> | <b>31.220.653</b> |
| <b>Liabilities</b>                                      |      |                   |                   |
| Deposits from banks                                     |      | 7.506.546         | 9.246.982         |
| Deposits from customers                                 | 22   | 17.238.774        | 19.682.635        |
| Liabilities at fair value through profit or loss        |      | 0                 | 53.414            |
| Derivative financial instruments                        |      | 205.547           | 145.276           |
| Provision for employee benefits                         |      | 31.306            | 37.531            |
| Other liabilities                                       |      | 300.932           | 402.687           |
| Subordinated loans                                      |      | 249.498           | 249.196           |
| Insurance reserves                                      |      | 631.732           | 653.522           |
| Liabilities related to non-current assets held for sale | 20   | 87.202            | 0                 |
| <b>Total liabilities</b>                                |      | <b>26.251.537</b> | <b>30.471.243</b> |
| <b>Equity</b>   |      |                   |                   |
| Share capital   | 23   | 760.573           | 1.326.920         |
| Treasury shares   |      | (10.052)          | (8.282)           |
| Share premium   |      | 636.731           | 92.678            |
| Reserves  |      | 380.770           | (194.631)         |
| Accumulated surplus / (deficit)                         |      | (1.548.191)       | (517.616)         |
| <b>Equity attributable to the Bank's equity holders</b> |      | <b>219.831</b>    | <b>699.069</b>    |
| Minority interests                                      |      | 44.395            | 50.341            |
| <b>Total equity</b>                                     |      | <b>264.226</b>    | <b>749.410</b>    |
| <b>Total equity and liabilities</b>                     |      | <b>26.515.763</b> | <b>31.220.653</b> |

The accompanying notes (pages from 6 to 26) are an integral part of these condensed interim consolidated financial information.

## Consolidated interim statement of changes in equity

For the period ended 30 September 2011

(Amounts in thousands of Euro)

|   | Share capital    | Treasury shares | Share premium  | Available for sale securities Reserve | Foreign Currency Reserve | Other Reserves | Accumulated surplus/(deficit) | Total            | Minority interests | Total Equity     |
|---|------------------|-----------------|----------------|---------------------------------------|--------------------------|----------------|-------------------------------|------------------|--------------------|------------------|
| <b>Balance at 1 January 2010*</b>                                       | <b>1.326.920</b> | <b>(8.338)</b>  | <b>92.711</b>  | <b>(169.833)</b>                      | <b>(50.568)</b>          | <b>133.794</b> | <b>(72.110)</b>               | <b>1.252.576</b> | <b>58.498</b>      | <b>1.311.074</b> |
| <b>Total comprehensive income:</b>                                      |                  |                 |                |                                       |                          |                |                               |                  |                    |                  |
| Profit/(loss) for the period 1/1 - 30/09/2010                           | 0                | 0               | 0              | 0                                     | 0                        | 0              | (117.246)                     | (117.246)        | 32                 | (117.214)        |
| Other comprehensive income net of tax                                   | 0                | 0               | 0              | (186.571)                             | (18.175)                 | 0              | (22)                          | (204.768)        | (1.934)            | (206.702)        |
| Total comprehensive income net of tax                                   | 0                | 0               | 0              | (186.571)                             | (18.175)                 | 0              | (117.268)                     | (322.014)        | (1.902)            | (323.916)        |
| <b>Transactions with the shareholders recognized directly to equity</b> |                  |                 |                |                                       |                          |                |                               |                  |                    |                  |
| Transfer to reserves due to distribution                                | 0                | 0               | 0              | 0                                     | 0                        | 923            | (923)                         | 0                | 0                  | 0                |
| Deferred tax on entries recognized directly to equity                   | 0                | 0               | (25)           | 0                                     | 0                        | 0              | 0                             | (25)             | 0                  | (25)             |
| Changes in Group's participations                                       | 0                | 0               | 0              | 0                                     | 0                        | 0              | (6.992)                       | (6.992)          | (2.597)            | (9.589)          |
| Dividends paid  | 0                | 0               | 0              | 0                                     | 0                        | 0              | 0                             | 0                | (798)              | (798)            |
| Total transaction with Shareholders                                     | 0                | 0               | (25)           | 0                                     | 0                        | 923            | (7.915)                       | (7.017)          | (3.395)            | (10.412)         |
| <b>Balance at 30 September 2010</b>                                     | <b>1.326.920</b> | <b>(8.338)</b>  | <b>92.686</b>  | <b>(356.404)</b>                      | <b>(68.743)</b>          | <b>134.717</b> | <b>(197.293)</b>              | <b>923.545</b>   | <b>53.201</b>      | <b>976.746</b>   |
| <b>Balance at 1 January 2011</b>  | <b>1.326.920</b> | <b>(8.282)</b>  | <b>92.678</b>  | <b>(260.276)</b>                      | <b>(68.160)</b>          | <b>133.805</b> | <b>(517.616)</b>              | <b>699.069</b>   | <b>50.341</b>      | <b>749.410</b>   |
| <b>Total comprehensive income:</b>                                      |                  |                 |                |                                       |                          |                |                               |                  |                    |                  |
| Profit/(loss) for the period 1/1 - 30/09/2011                           | 0                | 0               | 0              | 0                                     | 0                        | 0              | (1.029.966)                   | (1.029.966)      | (4.765)            | (1.034.731)      |
| Other comprehensive income net of tax                                   | 0                | 0               | 0              | (31.065)                              | 8.008                    | 0              | (471)                         | (23.528)         | 1.226              | (22.302)         |
| Total comprehensive income net of tax                                   | 0                | 0               | 0              | (31.065)                              | 8.008                    | 0              | (1.030.437)                   | (1.053.494)      | (3.539)            | (1.057.033)      |
| <b>Transactions with the shareholders recognized directly to equity</b> |                  |                 |                |                                       |                          |                |                               |                  |                    |                  |
| Share capital increase  | 706.246          | 0               | 541.785        | 0                                     | 0                        | 0              | 0                             | 1.248.031        | 0                  | 1.248.031        |
| Reverse split   | (597.593)        | 0               | 0              | 0                                     | 0                        | 597.593        | 0                             | 0                | 0                  | 0                |
| Preference shares redeem  | (675.000)        | 0               | 0              | 0                                     | 0                        | 0              | 0                             | (675.000)        | 0                  | (675.000)        |
| Treasury shares   | 0                | (1.862)         | 0              | 0                                     | 0                        | 0              | 0                             | (1.862)          | 0                  | (1.862)          |
| Transfer to reserves due to distribution                                | 0                | 0               | 0              | 0                                     | 0                        | 2.117          | (2.117)                       | 0                | 0                  | 0                |
| Deferred tax on entries recognized directly to equity                   | 0                | 0               | 2.268          | 0                                     | 0                        | 0              | 0                             | 2.268            | 0                  | 2.268            |
| Changes in Group's participations                                       | 0                | 92              | 0              | 0                                     | 0                        | (1.252)        | 1.979                         | 819              | (259)              | 560              |
| Dividends paid  | 0                | 0               | 0              | 0                                     | 0                        | 0              | 0                             | 0                | (2.148)            | (2.148)          |
| Total transaction with Shareholders                                     | (566.347)        | (1.770)         | 544.053        | 0                                     | 0                        | 598.458        | (138)                         | 574.256          | (2.407)            | 571.849          |
| <b>Balance at 30 September 2011</b>                                     | <b>760.573</b>   | <b>(10.052)</b> | <b>636.731</b> | <b>(291.341)</b>                      | <b>(60.152)</b>          | <b>732.263</b> | <b>(1.548.191)</b>            | <b>219.831</b>   | <b>44.395</b>      | <b>264.226</b>   |

\* as restated balances (note 26)

The accompanying notes (pages from 6 to 26) are an integral part of these condensed interim consolidated financial information.

**Interim consolidated statement of cash flows**  
**For the period ended 30 September 2011**  
**(Amounts in thousands of Euro)**

|   | Note | 30/9/2011          | 30/9/2010          |
|---|------|--------------------|--------------------|
| <b>Operating activities</b>   |      |                    |                    |
| Profit / (Loss) before tax  |      | (1.072.763)        | (132.145)          |
| <b>Adjustment for:</b>  |      |                    |                    |
| Depreciation and amortization   |      | 27.076             | 27.413             |
| Impairment losses   | 13   | 1.200.071          | 282.250            |
| Changes in provisions   |      | (9.686)            | 24.065             |
| Change in fair value of trading investments   |      | 79.421             | 13.242             |
| (Gain)/loss on the sale of investments, property and equipment                                  |      | 16.724             | 24.212             |
| <b>Changes in operating assets and liabilities</b>  |      |                    |                    |
| Net (increase)/decrease in loans and advances to banks  |      | (161.445)          | 65.380             |
| Net (increase)/decrease in trading securities   |      | 27.992             | 33.427             |
| Net (increase)/decrease in loans and advances to customers                                      |      | 2.765.200          | 1.461.563          |
| Net (increase)/decrease in other assets   |      | (5.490)            | (60.350)           |
| Net increase/(decrease) in deposits from banks  |      | (1.719.784)        | 2.644.857          |
| Net increase/(decrease) in deposits from customers  |      | (2.440.998)        | (2.860.457)        |
| Net increase/(decrease) in other liabilities  |      | (126.950)          | 34.611             |
| <b>Cash flows from continuing operating activities</b>  |      | <b>(1.420.632)</b> | <b>1.558.068</b>   |
| <b>Investing activities</b>   |      |                    |                    |
| Acquisition of intangible assets, property and equipment  |      | (24.396)           | (31.531)           |
| Proceeds from the sale of intangible assets, property and equipment                             |      | 15.146             | 21.768             |
| (Purchases)/Proceeds of held to maturity portfolio  |      | 11.100             | (650.565)          |
| (Purchases)/Sales of available for sale portfolio   |      | 621.206            | (1.036.649)        |
| Dividends received  |      | 5.386              | 5.830              |
| Purchases of subsidiaries and associates  |      | (3.827)            | (8.759)            |
| <b>Cash flows from continuing investing activities</b>  |      | <b>624.615</b>     | <b>(1.699.906)</b> |
| <b>Financing activities</b>   |      |                    |                    |
| Net proceeds from share capital increase  |      | 1.259.473          | 0                  |
| Share capital return - Dividends paid   |      | (675.000)          | 0                  |
| Share capital increase expenses   |      | (11.995)           | 0                  |
| <b>Cash flows from continuing financing activities</b>  |      | <b>572.478</b>     | <b>0</b>           |
| Effect of exchange rate changes on cash and cash equivalents                                    |      | (2.161)            | (551)              |
| <b>Net increase/(decrease) in cash flows from continuing operations</b>                         |      | <b>(225.700)</b>   | <b>(142.389)</b>   |
| Cash flows from discontinued operating activities   |      | 14.372             | 14.353             |
| Cash flows from discontinued investing activities   |      | (4.137)            | (3.229)            |
| <b>Net increase/(decrease) in cash flows from discontinuing operations</b>                      |      | <b>10.235</b>      | <b>11.124</b>      |
| Cash and cash equivalents at 1 January  |      | 1.579.911          | 2.980.609          |
| <b>Cash and cash equivalents at 30 September from continuing &amp; discontinuing operations</b> |      | <b>1.364.446</b>   | <b>2.849.344</b>   |
| <b>minus: Cash and cash equivalents at 30 September from discontinuing operations</b>           |      | <b>10.235</b>      | <b>11.124</b>      |
| <b>Cash and cash equivalents at 30 September from continuing operations</b>                     |      | <b>1.354.211</b>   | <b>2.838.220</b>   |

The accompanying notes (pages from 6 to 26) are an integral part of these condensed interim consolidated financial information.

## 1. GENERAL INFORMATION

The Agricultural Bank of Greece Group, "the Group" provides primarily financial and banking services to individuals and businesses. At the same time, it maintains an important presence in the industrial sector.

The Group's parent company is the Agricultural Bank, (the Bank or ATE), which was founded in 1929 while its shares have been listed in the Athens Stock Exchange since 2000 and are included in the FTSE 20 Index (index for Large Capitalization Companies).

The Bank's registered office is at 23 Panepistimiou Str. in the municipality of Athens. The purpose of the Bank, according to the Article of Association is to provide banking services on its own behalf, on behalf of third parties, that contribute to the modernization and growth of the economy and more specifically the agricultural sector.

The Group besides the parent company includes the following subsidiary – associate companies:

| Name of Subsidiary / Associate      | Activity                         | Registration Offices | Percentage of Participation |            |
|-------------------------------------|----------------------------------|----------------------|-----------------------------|------------|
|                                     |                                  |                      | 30/9/2011                   | 31/12/2010 |
| <b><u>Financial Sector</u></b>      |                                  |                      |                             |            |
| FIRST BUSINESS BANK S.A.            | Bank                             | Athens               | 39,11%                      | 39.09%     |
| A.T.E. LEASING S.A.                 | Leasing                          | Athens               | 100,00%                     | 100,00%    |
| A.T.E. CARDS S.A.                   | Credit Cards Management          | Athens               | 100,00%                     | 100,00%    |
| A.T.E. A.X.E.P.E.Y.                 | Brokerage Services               | Athens               | 100,00%                     | 100,00%    |
| A.T.E. AEDAK                        | Mutual Funds Management          | Athens               | 100,00%                     | 100,00%    |
| ATE TECHNIKI PLIROFORIKI S.A.       | Real Estate                      | Athens               | 93,07%                      | 93,07%     |
| A.B.G. FINANCE INTERNATIONAL P.L.C. | Finance                          | London               | 100,00%                     | 100,00%    |
| ATEBANK ROMANIA S.A.                | Bank                             | Bucharest            | 74,13%                      | 74,13%     |
| AIK BANKA                           | Bank                             | Nis                  | 20,83%                      | 20,83%     |
| <b><u>Non-Financial Sector</u></b>  |                                  |                      |                             |            |
| ATE INSURANCE S.A.                  | Insurance                        | Athens               | 100,00%                     | 100,00%    |
| ATE INSURANCE S.A. ROMANIA          | Insurance                        | Bucharest            | 100,00%                     | 100,00%    |
| HELLENIC SUGAR COMPANY S.A.*        | Sugar Production                 | Thessaloniki         | 82,33%                      | 82,33%     |
| SEKAP S.A.                          | Cigarette Production             | Xanthi               | 50,40%                      | 44,33%     |
| DODONI S.A.                         | Dairy Production                 | Ioannina             | 67,77%                      | 67,77%     |
| ZO.DO S.A.                          | Feedstuff Production and Trading | Ioannina             | 67,77%                      | 67,77%     |
| ELVIZ S.A.                          | Feedstuff Production             | Plati                | 99,98%                      | 99,98%     |
| ATEXCELIXI S.A.                     | Educational services             | Athens               | 100,00%                     | 100,00%    |

\* EBZ Group is consolidated, which includes subsidiaries CRVENKA, SAKASKA and EBZ Cyprus LTD.

All entities are consolidated under the full consolidation method with the exception of FIRST BUSINESS BANK S.A., AIK BANKA and SEKAP, for which the Equity method is applied. Within the closing period and in particular as at 27 April 2011, ATE TECHNIKI PLIROFORIKI S.A. was set under termination and liquidation.

ALFA ALFA ENERGY S.A. is not included in ATEbank's consolidated financial statements, due to its insignificant impact on Group's financial position.

The Group has a network of 483 branches in Greece and 31 abroad, 30 of which in Romania (ATEbank Romania) and 1 in Germany, which offer to the customers a wide range of banking activities. The Group also has 919 ATMs (Automatic Teller Machines) in Greece and 45 in Romania.

The Group has 9.307 employees, of which 6.433 are in the banking and finance sector.

The Group's condensed interim financial information for the period ended 30 September 2011 is available upon request at the Bank's registered office (23 Panepistimiou Str., Athens) or on the web address [www.atebank.gr](http://www.atebank.gr).



## 2. BASIS OF PRESENTATION

The condensed interim consolidated financial information of the Group has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, applicable to Interim Financial Reporting (IAS 34). The condensed interim financial information do not provide all the information required in the preparation of the annual financial statements and thus they should be examined in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2010.

The condensed interim financial information in standalone and consolidated basis were approved by the Board of Directors on 29 November 2011 and are available on the web address [www.atebank.gr](http://www.atebank.gr)

### "Going concern basis"

On 21 July 2011, along with the announcement of the new terms of debt restructuring plan of the Greek State, a plan concerning the prospective participation of the private sector to participate as well (Private Sector Involvement - PSI) was published. The aforementioned plan regards the voluntary exchange of specific Greek Government Bonds (GGBs) with a maturity up to the year 2020 with new securities with extended maturities which will be issued by the Greek state and their capital will be guaranteed by a high credit rating institution. Due to the Group's given intention to participate to the aforementioned Plan proceeded to an evaluation of the expected impairment of the value of the specific GGBs that it owns as at 30/09/2011 and recognized the resulting impairment loss of € 843,9 mil. in current Interim Financial Statements.

In the European Summit on 26 October 2011 the amendment of the terms regarding the initial PSI was decided. The amended PSI ("New PSI" or "PSI plus") are expected to be clarified after the negotiation of all involved parties by the end of 2011, so that the exchange of the bonds will take place in the beginning of 2012. The new plan aims to achieve a reduction in the nominal value of debt owned by the private sector by 50% in order to secure that the debt will reach 120% of GDP up to 2020.

As mentioned above, the fact that the basic terms of the new voluntary exchange program for Greek Government Bonds have not been defined yet, characteristics of the new bonds which will replace the old securities (such as nominal value, maturity, interest rate, guarantees) as well as any incentives to participate in the program, create uncertainty and do not permit any reliable reassessment of impairment losses for the Greek Government Bonds in the interim financial statements of 30.09.2011.

Group's regulatory capital, and subsequently its ability to derive liquidity from the Euro system, was negatively affected by the impairment of the Greek Government Bonds according to its participation to the PSI decided in the European Summit on 21 July 2011. Management in cooperation with the main shareholder and European Commission bodies is revising the restructuring plan in order to reinforce Group's capital base and to comply with the capital requirements set by the Bank of Greece. Moreover, the Extraordinary General Shareholders Meeting approved the Bank's share capital increase to the amount of € 289.999.999,80 by payment of cash and granting of pre-emption right to the old shareholders.

Group's participation to New PSI may result to an additional shortfall to its regulatory capital. Management in cooperation with the main shareholder, European Commission and Troika will consider all alternatives regarding the adjustment of Group's capital base to the new economic environment.

The management, taking into account the uncertainties regarding the estimated impacts deriving from a further impairment of Greek debt as well as the expected positive outcome of the aforementioned actions, has a reasonable expectation that the Group will continue in operational existence in the foreseeable future. Therefore, the Group continues to adopt the going concern basis in preparing its interim consolidated financial information.

## 3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies that have been applied by the Group for the preparation of the condensed interim financial information of 30 September 2011 are the same as those presented in the published financial statements as of 31 December 2010.

#### 4. USE OF ESTIMATION AND JUDGEMENT

The preparation of the condensed interim financial information according to I.F.R.S. requires management to make judgements, estimations and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimations.

For the preparation of those condensed interim financial information the Group made the same estimations and assumptions concerning the adoption of the accounting policies as those made for the preparation of the financial statements as at 31 December 2010 with the exception of the impairment of Greek Government Bonds (Note 7).

#### 5. COMPARATIVE ITEMS

In those circumstances whenever considered necessary, comparative items of the previous year are restated in order to render these items uniform and comparable with the respective items of the current period. For current condensed interim financial information preparation purposes, the Bank realized a reclassification between previous year's "interest income" and "net trading income" concerning derivatives interest at an amount of € 38.048 th. for which hedge accounting is applied. Moreover, "retained losses" are restated as at 1<sup>st</sup> January 2010 in order to depict fair value hedge accounting policy that the Bank applies, correctly. The impact of these restatements are further explained in Note 26.

#### 6. NEW STANDARDS

***New standards, amendments to standards and interpretations:*** Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

##### **IAS 24 (Revised) "Related Party Disclosures"**

This amendment attempts to reduce disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual financial statements. This revision does affect the Group's financial statements.

##### **IAS 32 (Amendment) "Financial Instruments: Presentation"**

This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not relevant to the Group.

##### **IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"**

This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group.

##### **IFRIC 14 (Amendment) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"**

The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group.

Amendments to standards that form part of the IASB's 2010 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB's annual improvements project. Unless otherwise stated the following amendments do not have a material impact on the Group's financial statements.

**IFRS 3 "Business Combinations"**

The amendments provide additional guidance with respect to: (i) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (ii) measuring non-controlling interests; and (iii) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

**IFRS 7 "Financial Instruments: Disclosures"**

The amendments include multiple clarifications related to the disclosure of financial instruments.

**IAS 1 "Presentation of Financial Statements"**

The amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or within the notes.

**IAS 27 "Consolidated and Separate Financial Statements"**

The amendment clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.

**IAS 34 "Interim Financial Reporting"**

The amendment places greater emphasis on the disclosure principles that should be applied with respect to significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.

**IFRIC 13 "Customer Loyalty Programmes"**

The amendment clarifies the meaning of the term 'fair value' in the context of measuring award credits under customer loyalty programmes.

Standards and Interpretations effective from periods beginning on or after 1 January 2012**IFRS 7 (Amendment) "Financial Instruments: Disclosures" – transfers of financial assets**  
(effective for annual periods beginning on or after 1 July 2011)

This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the

reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has not yet been endorsed by the EU.

**IAS 12 (Amendment) "Income Taxes"** (effective for annual periods beginning on or after 1 January 2012)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property". This amendment has not yet been endorsed by the EU.

**IAS 1 (Amendment) "Presentation of Financial Statements"** (effective for annual periods beginning on or after 1 July 2012)

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. This amendment has not yet been endorsed by the EU.

**IAS 19 (Amendment) "Employee Benefits"** (effective for annual periods beginning on or after 1 January 2013)

This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure

requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. This amendment has not yet been endorsed by the EU.

**IFRS 9 "Financial Instruments"** (effective for annual periods beginning on or after 1 January 2013)

IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU. Only once approved will the Group decide if IFRS 9 will be adopted prior to 1 January 2013.

**IFRS 13 "Fair Value Measurement"** (Effective for annual periods beginning on or after 1 January 2013)

IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. This standard has not yet been endorsed by the EU.

**Group of standards on consolidation and joint arrangements** (effective for annual periods beginning on or after 1 January 2013)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standards on its consolidated financial statements. The main provisions are as follows:

**IFRS 10 "Consolidated Financial Statements"**

IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

**IFRS 11 "Joint Arrangements"**

IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

**IFRS 12 "Disclosure of Interests in Other Entities"**

IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of financial statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

**IAS 27 (Amendment) "Separate Financial Statements"**

This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 "Consolidated and Separate Financial Statements". The amended IAS 27 prescribes the accounting and

disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 "*Investments in Associates*" and IAS 31 "*Interests in Joint Ventures*" regarding separate financial statements.

### **IAS 28 (Amendment) "Investments in Associates and Joint Ventures"**

IAS 28 "*Investments in Associates and Joint Ventures*" replaces IAS 28 "*Investments in Associates*". The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

## **7. EXPOSURE TO CREDIT RISK FROM DEBT ISSUED BY PERIPHERAL COUNTRIES IN THE EUROZONE**

### **7.1 Exposure to Greek Government debt**

On 21 July 2011, along with the announcement of the new terms of debt restructuring plan of the Greek State, such as interest rate reduction to public entities, extension of existing loans EU/IMF, active participation of EFSF, a plan concerning the prospective participation of the private sector to participate as well (Private Sector Involvement - PSI) for further strengthening of total viability of Greek Public Debt, was published. The aforementioned plan regards the voluntary exchange of specific Greek Government Bonds (GGBs) with a maturity up to the year 2020 with new securities with extended maturities and reduced fair values by 21% which will be issued by the Greek state and their capital will be guaranteed by a high credit rating institution. Due to the Group's given intention to participate to the aforementioned Plan proceeded to an evaluation of the expected impairment of the value of the specific GGBs that it owns as at 30/09/2011 and recognized the resulting impairment loss in current Interim Financial Statements. The total impairment loss amount to € 843,9 mil. and includes an amount of € 90,7 mil. concerning the unamortized "Available for sale" reserve for the reclassified GGBs and an amount of €17,0 mil. concerning the reserve of GGB's classified at 30/09/2011 to the category "Available for sale". The impairment loss of the GGBs for which is estimated that will participate in the Plan, was calculated based on the four choices given by the IIF as follows:

#### *1. "Available for sale portfolio"*

All GGB's of the portfolio in question were measured in fair value and their negative reserve was transferred in total to the Income Statement.

#### *2. GGB of "Held to maturity" and "Loans and advances to customers"*

The impairment amount is determined as the difference between book value and the present value of future cash flows discounted with the Effective Interest Rate of each security. The estimation of future cash flows of the newly issued GGBs was based on the current level of the 30 year mid-swap rate as well as on the current management's view on the four available choices.

In the European Summit on 26 October 2011 the amendment of the terms regarding the initial PSI was decided. The new plan ("New PSI" or "PSI plus") aims to achieve a reduction in the nominal value of debt owned by the private sector by 50% in order to secure that the debt will reach 120% of GDP up to 2020. The terms of the amended PSI are expected to be clarified by the end of 2011, so that the exchange of the bonds will take place in the beginning of 2012.

As mentioned above, the fact that the basic terms of the new voluntary exchange program for Greek Government Bonds have not been defined yet, characteristics of the new bonds which will replace the old securities (such as nominal value, maturity, interest rate, guarantees) create uncertainty and do not permit any reliable reassessment of impairment losses for the Greek Government Bonds in the interim financial statements of 30.09.2011 (Note 2).

The table that follows depicts the Group's total exposure to Greek Government bonds as at 30/09/2011. Treasury bills (Trading portfolio: nominal value € 19.990 thous. and fair value € 19.637 thous. and

Available for sale portfolio: nominal value € 272.870 thous. and fair value € 268.242 thous.) as well as the bond received by ATEbank in exchange for the preference shares it had issued in favour of the Greek State in the context of Law 3723/2008 (Held to maturity portfolio: nominal value € 675.000 thous.) are included.

| Category of Exposure  | Par amount / Notional | Carrying Amount  | Fair Value       |
|---|-----------------------|------------------|------------------|
| Eligible GGBs [based on the assumption for the 'new' bonds] |                       |                  |                  |
| • HTM   | 2.399.697             | 2.341.265        | 1.408.808        |
| • LAR   | 2.382.576             | 2.442.663        | 2.023.862        |
| • AFS   | 94.608                | 56.800           | 56.800           |
| • FVTPL   | 73.855                | 45.300           | 45.300           |
| <b>TOTAL</b>  | <b>4.950.736</b>      | <b>4.886.028</b> | <b>3.534.771</b> |
| Non eligible GGBs (incl. T-Bills)                           |                       |                  |                  |
| • HTM   | 1.026.031             | 973.010          | 529.606          |
| • LAR   | 11.667                | 11.667           | 6.522            |
| • AFS   | 440.070               | 349.548          | 349.548          |
| • FVTPL   | 28.730                | 23.815           | 23.815           |
| <b>TOTAL</b>  | <b>1.506.498</b>      | <b>1.358.040</b> | <b>909.490</b>   |

The following table depicts the maturity of the abovementioned Greek Government Bonds.

| Category of Exposure              | 2011 - 2014      | 2015 - 2020      | >2021          |
|-----------------------------------|------------------|------------------|----------------|
| Eligible GGBs                     |                  |                  |                |
| • HTM                             | 1.490.069        | 909.628          | 0              |
| • LAR                             | 1.491.057        | 891.519          | 0              |
| • AFS                             | 51.519           | 43.089           | 0              |
| • FVTPL                           | 62.442           | 11.413           | 0              |
| <b>TOTAL</b>                      | <b>3.095.087</b> | <b>1.855.649</b> | <b>0</b>       |
| Non eligible GGBs (incl. T-Bills) |                  |                  |                |
| • HTM                             | 675.000          | 0                | 351.031        |
| • LAR                             | 11.667           | 0                | 0              |
| • AFS                             | 272.870          | 0                | 167.200        |
| • FVTPL                           | 19.990           | 0                | 8.740          |
| <b>TOTAL</b>                      | <b>979.527</b>   | <b>0</b>         | <b>526.971</b> |

An analysis of impairment losses of Greek Government bonds is presented below.

- GGB IMPAIRMENT BOOKED AT AMORTIZED COST (LOANS AND RECEIVABLES TO CUSTOMERS PORTFOLIO & HELD TO MATURITY)

| Greek Government Bonds                  | Amortised cost / Carrying amount before impairment | Cumulative Impairment / Charge for the period | Carrying amount after impairment | AFS Reserve recycled to P&L |
|---|--|---|----------------------------------|-----------------------------|
| GGBs initially designated as LaR or HTM | 2.479.834  | (150.248)                                     | 2.329.586                        | N/A                         |
| GGB's reclassified in LaR or HTM        | 2.304.095  | (578.365)                                     | 1.725.730                        | (90.729)                    |
| <b>TOTAL</b>                            | <b>4.783.929</b>                                   | <b>(728.613)</b>                              | <b>4.055.316</b>                 | <b>(90.729)</b>             |



▪ GGB IMPAIRMENT OF AVAILABLE FOR SALE PORTFOLIO

| Greek Government Bonds | Amortised Cost | Cumulative loss in OCI (before impairment) | Cumulative loss in OCI recycled to P&L | Carrying amount / Fair Value |
|------------------------|----------------|--|--|------------------------------|
| Eligible GGBs          | 81.346         | (24.546)                                   | (24.546)                               | 56.800                       |
| Non-Eligible GGBs      | 368.853        | (19.305)                                   | N/A                                    | 349.548                      |
| <b>TOTAL</b>           | <b>450.199</b> | <b>(43.851)</b>                            | <b>(24.546)</b>                        | <b>406.348</b>               |

The following table depicts the hierarchy of the Greek Government Bonds accounted at fair value based on the objectivity of their fair value estimation.

|         | AFS                      |                               | FVTPL                    |                               |
|---------|--------------------------|-------------------------------|--------------------------|-------------------------------|
|         | Eligible GGBs Fair value | Non- Eligible GGBs Fair value | Eligible GGBs Fair value | Non- Eligible GGBs Fair value |
| Level 1 | 56.800                   | 349.548                       | 45.300                   | 23.815                        |

Group's exposure to Greek Government debt, other than GGBs, is presented in the following table.

| Category of Exposure                              | Par amount / Notional |
|---|-----------------------|
| <b>Other on Balance Sheet exposure</b>            |                       |
| Loans to Public Sector                            | 261.242               |
| Loans guaranteed by Greek State                   | 2.025.305             |
| <b>TOTAL</b>                                      | <b>2.286.547</b>      |
| <b>Other off Balance Sheet exposure</b>           |                       |
| Bonds accepted as guarantees for funding purposes | 1.407.000             |
| <b>TOTAL</b>                                      | <b>1.407.000</b>      |

## 7.2 Exposure to other European countries' debt

Group's exposure to bonds issued by other European countries as at 30/09/2011 is presented in the following table.

| Category of Exposure                            | Par amount / Notional | Carrying Amount |
|---|-----------------------|-----------------|
| <b>Bonds issued by other European countries</b> |                       |                 |
| Held to maturity (Romania)                      | 41.600                | 41.229          |
| Loans and advances to customers (Romania)       | 40.000                | 39.162          |
| Available for sale (Germany)                    | 10.500                | 11.017          |
| <b>TOTAL</b>                                    | <b>92.100</b>         | <b>91.408</b>   |

## 8. CAPITAL MANAGEMENT AND CAPITAL ADEQUACY

The Group's Risk management main concerns are:

- To comply with the capital requirements set by the regulators of the Banking markets where the Bank operates
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the Group's management, employing techniques based on the guidelines developed by the Basel Committee and the European

Community Directives, as implemented by the Bank of Greece. The required information is filed with the Authority on a quarterly basis.

Capital adequacy for the Group is measured according to the relevant direction of the Bank of Greece (Directive of the Bank of Greece 2630/2010 & 2588/07), that applies the direction of the European Union relating to the capital adequacy of financial institutions and investment companies. According to the abovementioned direction subsidiaries that are either financial institutions or investment companies are consolidated according to the full consolidation method, while companies that belong to the insurance, industrial and commercial sector are consolidated using the equity method.

The Group's regulatory capital is divided into two tiers:

- *Tier 1 capital*

Includes the share capital, the share premium reserve, the retained earnings, the reserves excluding the revaluation reserve of bonds available for sale, and the minority interest excluding intangible assets, treasury shares, and half the participation to other financial institutions share capital and the Significant Credit Exposures excesses.

- *Tier 2 capital*

Includes the subordinated loan of € 250 mil., which expires in 2018, and excludes half the participation to other financial institutions share capital and the Significant Credit Exposures excesses.

From the total of Tier 1 and 2, the participation in the Insurance company of the Group is being excluded.

The risk-weighted assets are measured by means of a hierarchy of five risk weights classified according to their nature and reflect an estimate of credit, market and other risks associated with each asset and counterparty, taking into account any eligible collateral or guarantees. A similar treatment is adopted for off-balance sheet exposure, with some adjustments aiming to reflect the nature of potential losses.

The capital adequacy ratio is determined according to Basel II. The new supervisory frame of capital adequacy, applicable from January 1st 2008, introduces capital claims against operational risk and includes amendments in the estimation of capital claims against credit risk.

Due to the Group's participation in the PSI bond exchange programme, the capital adequacy ratio as at 30.09.2011 significantly falls short of the regulatory threshold of 8%.

The management, considering current conditions as well as the new data resulting from the Group's participation in the Greek Government Bond rollover programme, in cooperation with the main shareholder and European Commission bodies, has revised the restructuring plan. Moreover, the Extraordinary General Shareholders Meeting, held on 15/11/2011, approved the Bank's share capital increase to the amount of € 289.999.999,80 by payment of cash and granting of pre-emption right to the old shareholders, in order to reinforce its equity and to comply with the regulatory limit set by the Bank of Greece.

## **9. SEGMENT REPORTING**

### **9.1 Business sectors**

The Group has 3 operating segments, as described below, which are considered to be its strategic sectors. These segments provide different services which are managed separately because different standards and promotion policy are required. For every single strategic sector, the Management assesses the internal reports on a monthly basis.

The segments are briefly described below:



**a) Financial Sector** – concerns Banking activities (retail and investment Banking) that constitute the main part of the Group's activities. This sector also comprises financial leases, brokerage activities, fund management, credit card management e.t.c.

**b) Insurance Sector** – exclusively concerns ATE INSURANCE's and ATE INSURANCE S.A. ROMANIA's activities which include general damage insurances as well as life insurances.

**c) Commercial and Industrial Sector** – concerns the industrial production and the provision of special services. Among the products are sugar and dairy products. The Group's activities refer to educational and advertising services.

Segment reporting for the period ended 30 September 2011 is as follows:

(Amounts in thousand Euro)

2011

|  | Financial sector | Insurance sector | Commercial and industrial sector | Continuing Operations | Discontinued Operations | Elimination Center | Total          |
|--|------------------|------------------|----------------------------------|-----------------------|-------------------------|--------------------|----------------|
| <b>As at 30 September 2011</b>               |                  |                  |                                  |                       |                         |                    |                |
| <b>Third party Income</b>                    |                  |                  |                                  |                       |                         |                    |                |
| -Net interest income                         | 514.308          | 15.393           | 12                               | 529.713               | (1.960)                 | 0                  | 527.753        |
| -Net fee and comission income                | 34.689           | 102              | 0                                | 34.791                | (12)                    | 0                  | 34.779         |
| -Net trading income                          | (93.082)         | 608              | 0                                | (92.474)              | 0                       | 0                  | (92.474)       |
| -Net income from other financial instruments | 4.513            | 1.168            | 0                                | 5.681                 | 0                       | 0                  | 5.681          |
| -Other operating income                      | 9.633            | 25.406           | 6.810                            | 41.849                | 45.175                  | 0                  | 87.024         |
| <b>Total Income</b>                          | <b>470.061</b>   | <b>42.677</b>    | <b>6.822</b>                     | <b>519.560</b>        | <b>43.203</b>           | <b>0</b>           | <b>562.763</b> |
| <b>Third Party income</b>                    | <b>18.766</b>    | <b>9.606</b>     | <b>(1.295)</b>                   | <b>27.077</b>         | <b>(12.227)</b>         | <b>(14.850)</b>    | <b>0</b>       |
| <b>Other non-cash items</b>                  |                  |                  |                                  |                       |                         |                    |                |
| Impairment losses                            | (1.118.608)      | (81.463)         | 0                                | (1.200.071)           | (3.434)                 | 0                  | (1.203.505)    |
| Profit/(loss) per sector                     | (994.932)        | (67.744)         | 3.358                            | (1.059.318)           | 24.587                  | 0                  | (1.034.731)    |

(Amounts in thousand Euro)

2010

|  | Financial sector | Insurance sector | Commercial and industrial sector | Continuing Operations | Discontinued Operations | Elimination Center | Total          |
|--|------------------|------------------|----------------------------------|-----------------------|-------------------------|--------------------|----------------|
| <b>As at 30 September 2010</b>               |                  |                  |                                  |                       |                         |                    |                |
| <b>Third party Income</b>                    |                  |                  |                                  |                       |                         |                    |                |
| -Net interest income                         | 563.491          | 12.587           | (198)                            | 575.880               | (550)                   | 0                  | 575.330        |
| -Net fee and comission income                | 47.777           | 102              | 7                                | 47.886                | (26)                    | 0                  | 47.860         |
| -Net trading income                          | (89.065)         | (2.603)          | (24)                             | (91.692)              | 0                       | 0                  | (91.692)       |
| -Net income from other financial instruments | 5.373            | (635)            | 1                                | 4.739                 | 0                       | 0                  | 4.739          |
| -Other operating income                      | 11.471           | 27.284           | 4.868                            | 43.623                | 18.944                  | 0                  | 62.567         |
| <b>Total Income</b>                          | <b>539.047</b>   | <b>36.735</b>    | <b>4.654</b>                     | <b>580.436</b>        | <b>18.368</b>           | <b>0</b>           | <b>598.804</b> |
| <b>Third Party income</b>                    | <b>13.139</b>    | <b>8.496</b>     | <b>714</b>                       | <b>22.349</b>         | <b>(7.214)</b>          | <b>(15.135)</b>    | <b>0</b>       |
| <b>Other non-cash items</b>                  |                  |                  |                                  |                       |                         |                    |                |
| Impairment losses                            | (277.477)        | (4.773)          | 0                                | (282.250)             | (4.945)                 | 0                  | (287.195)      |
| Profit/(loss) per sector                     | (109.222)        | (7.154)          | 708                              | (115.668)             | (1.546)                 | 0                  | (117.214)      |

## 9.2 Geographic Sectors

The table below shows the geographic allocation (secondary segment sectors) of non current assets (property, intangible and tangible assets) and operating income. The allocation is based on the country the subsidiaries keep their headquarters.

(Amounts in thousand Euro)

2011

|                                | Greece  | Other European countries | Continuing Operations | Greece | Other European countries | Discontinued Operations | Total   |
|--------------------------------|---------|--------------------------|-----------------------|--------|--------------------------|-------------------------|---------|
| <b>As at 30 September 2011</b> |         |                          |                       |        |                          |                         |         |
| Third Party Income             | 510.167 | 9.393                    | 519.560               | 26.353 | 16.850                   | 43.203                  | 562.763 |
| <b>As at 30 September 2011</b> |         |                          |                       |        |                          |                         |         |
| -Non current assets            | 585.602 | 12.968                   | 598.570               | 85.968 | 26.131                   | 112.099                 | 710.669 |

(Amounts in thousand Euro)

2010

|                                | Greece  | Other European countries | Continuing Operations | Greece | Other European countries | Discontinued Operations | Total   |
|--------------------------------|---------|--------------------------|-----------------------|--------|--------------------------|-------------------------|---------|
| <b>As at 30 September 2010</b> |         |                          |                       |        |                          |                         |         |
| Third Party Income             | 565.944 | 14.492                   | 580.436               | 1.057  | 17.311                   | 18.368                  | 598.804 |
| <b>As at 31 December 2010</b>  |         |                          |                       |        |                          |                         |         |
| -Non current assets            | 668.308 | 54.838                   | 723.146               | 0      | 0                        | 0                       | 723.146 |

Activities, in Greece, include all business sectors. In Europe, the Group's business activities take place in Romania, Serbia, Germany and Great Britain.

## 10. NET INTEREST INCOME

(Amounts in thousand Euro)

|  | 1/1-30/9/2011    | 1/1-30/9/2010    |
|--|------------------|------------------|
| <b>Interest and similar income:</b>          |                  |                  |
| Loans and advances to customers              | 728.137          | 707.598          |
| Loans to banks                               | 15.170           | 22.164           |
| Finance leases                               | 7.719            | 6.140            |
| Debt instruments                             | 141.049          | 111.874          |
|  | <b>892.075</b>   | <b>847.776</b>   |
| <b>Interest expense and similar charges:</b> |                  |                  |
| Customer deposits                            | (216.353)        | (191.244)        |
| Bank deposits                                | (138.635)        | (74.340)         |
| Subordinated loans                           | (7.374)          | (6.312)          |
|  | <b>(362.362)</b> | <b>(271.896)</b> |
| <b>Net interest income</b>                   | <b>529.713</b>   | <b>575.880</b>   |

## 11. NET FEE AND COMMISSION INCOME

(Amounts in thousand Euro)

|  | 1/1-30/9/2011   | 1/1-30/9/2010   |
|--|-----------------|-----------------|
| <b>Fee and commission income</b>       |                 |                 |
| Loans and advances to customers        | 26.158          | 32.918          |
| Money transfers                        | 7.877           | 9.119           |
| Mutual funds                           | 2.331           | 2.743           |
| Letters of guarantee                   | 3.937           | 3.985           |
| Equity brokerage                       | 1.710           | 2.279           |
| Credit cards                           | 3.020           | 3.697           |
| Import-exports                         | 733             | 571             |
| Other                                  | 9.086           | 18.528          |
|  | <b>54.852</b>   | <b>73.840</b>   |
| <b>Fee and commission expenses</b>     |                 |                 |
| Contribution to Savings Guarantee Fund | (9.017)         | (9.843)         |
| Other                                  | (11.044)        | (16.111)        |
|  | <b>(20.061)</b> | <b>(25.954)</b> |
| <b>Net fee and commission income</b>   | <b>34.791</b>   | <b>47.886</b>   |

## 12. NET TRADING INCOME

(Amounts in thousand Euro)

|                                  | 1/1-30/9/2011   | 1/1-30/9/2010   |
|----------------------------------|-----------------|-----------------|
| <b>Trading portfolio</b>         |                 |                 |
| <b>Gain minus Losses</b>         |                 |                 |
| Derivative financial instruments | (6.449)         | (48.628)        |
| Foreign exchange differences     | 1.033           | (1.935)         |
| <b>Sales</b>                     |                 |                 |
| Equity instruments               | (1.932)         | (1.205)         |
| Debt instruments                 | (5.705)         | (25.003)        |
| <b>Valuation</b>                 |                 |                 |
| Equity instruments               | 56              | (3.010)         |
| Debt instruments                 | (10.795)        | (19.567)        |
| Derivative financial instruments | (68.682)        | 7.656           |
|                                  | <b>(92.474)</b> | <b>(91.692)</b> |

## 13. IMPAIRMENT LOSSES

**(Amounts in thousand Euro)**

|  | 1/1-<br>30/9/2011  | 1/1-<br>30/9/2010 |
|--|--------------------|-------------------|
| Loans and advances to customers                              | (353.552)          | (275.204)         |
| Provision for GGB's impairment initially recognised in Loans | (138.813)          | 0                 |
| Available for sale portfolio                                 | (24.546)           | (4.772)           |
| Held to maturity securities                                  | (680.529)          | 0                 |
| Other  | (2.631)            | (2.274)           |
|  | <b>(1.200.071)</b> | <b>(282.250)</b>  |

**14. TAX**
**(Amounts in thousand Euro)**

|   | 1/1-<br>30/9/2011 | 1/1-<br>30/9/2010 |
|---|-------------------|-------------------|
| Current tax                                 | (7.253)           | (4.259)           |
| Tax provision for unaudited financial years | (1.630)           | (1.500)           |
| Deferred tax                                | 24.681            | 32.236            |
| Non-deductible tax                          | (2.353)           | (10.000)          |
|   | <b>13.445</b>     | <b>16.477</b>     |

According to current Greek Tax Law, companies will apply a 20% tax ratio for the fiscal year 2011 (24% for 2010).

The fiscal years that the Bank and its subsidiaries have not been audited by the tax authorities are as follows:

|                            |             |
|----------------------------|-------------|
| A.T.E. BANK                | 2009 – 2010 |
| A.T.E. INSURANCE           | 2008 – 2010 |
| A.T.E. LEASING             | 2008 – 2010 |
| A.T.E. CARDS               | 2009 – 2010 |
| A.T.E. A.X.E.P.E.Y.        | 2010        |
| A.T.E. AEDAK               | 2010        |
| HELLENIC SUGAR COMPANY     | 2005 – 2010 |
| DODONI                     | 2008 – 2010 |
| ELVIZ                      | 2005 – 2010 |
| ATEExcelixi                | 2010        |
| ATEBank ROMANIA            | 2005 – 2010 |
| ATE INSURANCE S.A. ROMANIA | 2007 – 2010 |

Because of the method under which the tax obligations are finalized in Greece, the Group remains contingently liable for additional taxes and penalties for its open tax years.

Against this contingency the Group using historical data from previous tax audits, has recorded a relevant provision for the unaudited tax years which amounts to € 9,2 mil. as at 30/09/2011.

**15. BASIC AND DILUTED EARNINGS / (LOSSES) PER SHARE**
**(Amounts in thousand Euro)**

|   | 1/1-<br>30/9/2011 | 1/1-<br>30/9/2010 |
|---|-------------------|-------------------|
| Earnings/(losses) after tax (in thousands of euro) from continuing and discontinued operations  | (1.029.966)       | (117.246)         |
| Minus : accrued dividend to preference shareholders (in thousands of euro)                      | 0                 | (38.229)          |
| Earnings/(losses) after tax attributable to the holders of common stocks (in thousands of euro) | (1.029.966)       | (155.475)         |
| Weighted average of number of shares in issue   | 455.649.299       | 90.332.362        |
| <b>Basic and diluted earnings/(losses) per share (expressed in euro)</b>                        | <b>(2,2604)</b>   | <b>(1,7211)</b>   |

**15.1. BASIC AND DILUTED EARNINGS / (LOSSES) PER SHARE FROM CONTINUING OPERATIONS**

**(Amounts in thousand Euro)**

|   | 1/1-<br>30/9/2011 | 1/1-<br>30/9/2010 |
|---|-------------------|-------------------|
| Earnings after tax (in thousands of euro) from continuing operations                            | (1.052.442)       | (113.975)         |
| Minus : accrued dividend to preference shareholders (in thousands of euro)                      | 0                 | (38.229)          |
| Earnings/(losses) after tax attributable to the holders of common stocks (in thousands of euro) | (1.052.442)       | (152.204)         |
| Weighted average of number of shares in issue   | 455.649.299       | 90.332.362        |
| <b>Basic and diluted earnings per share (expressed in euro per share)</b>                       | <b>(2,3098)</b>   | <b>(1,6849)</b>   |

Basic earnings per share are calculated by dividing the net profit by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

**16. CASH AND BALANCES WITH CENTRAL BANK**
**(Amounts in thousand Euro)**

|                            | 30/9/2011      | 31/12/2010     |
|----------------------------|----------------|----------------|
| Cash in hand               | 363.042        | 356.743        |
| Balances with Central Bank | 390.083        | 517.162        |
|                            | <b>753.125</b> | <b>873.905</b> |

To prepare the Statement of Cash Flows, the Group considers as cash and cash equivalents the following:

**(Amounts in thousand Euro)**

|  | 30/9/2011        | 30/9/2010        |
|--|------------------|------------------|
| Cash and balances with Central bank                  | 753.125          | 869.703          |
| Purchase and resale agreements of trading securities | 269.999          | 1.471.435        |
| Short-term placements with other banks               | 331.087          | 497.082          |
|  | <b>1.354.211</b> | <b>2.838.220</b> |

**17. LOANS AND ADVANCES TO CUSTOMERS**
**(Amounts in thousand Euro)**

| <b>17.1. Loans per sector</b>        | 30/9/2011         | 31/12/2010        |
|--------------------------------------|-------------------|-------------------|
| Credit cards                         | 532.404           | 554.624           |
| Consumer loans                       | 1.241.644         | 1.384.456         |
| Mortgages                            | 6.586.050         | 6.826.071         |
| <b>Loans to private individuals</b>  | <b>8.360.098</b>  | <b>8.765.151</b>  |
| Loans to the agricultural sector     | 2.178.814         | 2.073.973         |
| Corporate loans                      | 3.688.954         | 3.702.507         |
| Small and medium sized firms         | 2.196.537         | 2.412.540         |
| <b>Loans to corporate entities</b>   | <b>8.064.305</b>  | <b>8.189.020</b>  |
| Finance leasing                      | 380.723           | 414.776           |
| Loans to the public sector           | 3.328.193         | 5.542.848         |
|                                      | <b>20.133.319</b> | <b>22.911.795</b> |
| Less: allowance for uncollectibility | (2.191.944)       | (1.708.980)       |
|                                      | <b>17.941.375</b> | <b>21.202.815</b> |

| <b>17.2 Movement in the allowance for uncollectibility</b> | 2011             | 2010             |
|--|------------------|------------------|
| <b>Balance at 1 January</b>                                | <b>1.708.980</b> | <b>1.250.827</b> |
| Provision for impairment of loans other than GGBs          | 353.552          | 275.204          |
| Provision of GGB impairment initially recognised in Loans  | 138.813          | 0                |
| Recoveries   | (5.301)          | (4.152)          |
| Loans written-off  | (2.735)          | (1.750)          |
| Exchange rate differences                                  | (1.365)          | (138)            |
| <b>Balance at 30 September</b>                             | <b>2.191.944</b> | <b>1.519.991</b> |

**Balance at 1 October**
**1.519.991**

|                               |                  |
|-------------------------------|------------------|
| Provision for impairment      | 193.398          |
| Recoveries                    | (979)            |
| Loans written-off             | (3.438)          |
| Exchange rate differences     | 8                |
| <b>Balance at 31 December</b> | <b>1.708.980</b> |

In the balance of Loans to the Public Sector are included GGBs of a total book value of € 2.454 mil.

In order for a write off to be materialized, a proposal is submitted by the Write Off Committee, which is subsequently verified by the Asset and Liability Management Committee (ALCO) and the Board of Directors. Write offs are recorded on off balance sheet accounts in order to be monitored for prospective legal actions and probable collections.

## 18. INVESTMENT PORTFOLIO

(Amounts in thousand Euro)

|                               | 30/9/2011        | 31/12/2010       |
|-------------------------------|------------------|------------------|
| Available-for-sale securities | 1.245.196        | 2.032.140        |
| Held to maturity securities   | 2.765.702        | 3.357.006        |
|                               | <b>4.010.898</b> | <b>5.389.146</b> |

### 18.1 AVAILABLE-FOR-SALE SECURITIES

(Amounts in thousand Euro)

|                           | 30/9/2011        | 31/12/2010       |
|---------------------------|------------------|------------------|
| <b>Debt securities:</b>   |                  |                  |
| Greek Government bonds    | 417.365          | 959.020          |
| Corporate bonds           | 480.131          | 633.284          |
|                           | 897.496          | 1.592.304        |
| <b>Equity securities:</b> |                  |                  |
| Listed                    | 149.843          | 235.573          |
| Unlisted                  | 122.650          | 118.748          |
| Equity funds              | 22.938           | 23.594           |
|                           | 295.431          | 377.915          |
| <b>Mutual fund units</b>  | 52.269           | 61.921           |
|                           | <b>1.245.196</b> | <b>2.032.140</b> |

All available-for-sale securities are carried at fair value, except, for the unlisted equity securities of € 122.650 thousand, (31/12/2010: € 118.748 thousand) which are carried at cost (less any potential impairment) because fair value can not be easily determined.

### 18.2 HELD TO MATURITY SECURITIES

(Amounts in thousand Euro)

|                          | 30/9/2011        | 31/12/2010       |
|--------------------------|------------------|------------------|
| Greek Government bonds   | 2.724.474        | 3.316.976        |
| Foreign Government bonds | 41.228           | 30.030           |
| Corporate bonds          | 0                | 10.000           |
|                          | <b>2.765.702</b> | <b>3.357.006</b> |

Greek Government Bonds, held by the Group from the issue date are intended to be held until their maturity. The fair value of the above mentioned bonds as of 30/09/2011 is € 1.979.642 thousand (31/12/2010: € 2.775.634 thousand).

Held to maturity securities portfolio includes Greek Government bonds of € 675 mil. which the Bank received from the Greek State during its share capital increase through the issuance of preference shares.

The Group as at 01/04/2010, transferred to the above mentioned portfolio from the portfolio "Available-for-sale securities", Greek Government Bonds with fair value € 2.196 mil. The difference between fair

value and cost value of those securities which had been recognized in "Available-for-sale reserve" until 31/03/2010, will be gradually amortized until their maturity date.

## 19. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

During the current period, ATEbank:

- a. Participated in FBBank's (First Business Bank S.A.) share capital increase by the amount of € 3.377,33 thousand. The Group now holds 39,11% of the associate's share capital.
- b. Redeemed (by auction) 224.391 nominal shares of SEKAP S.A. paying the amount of € 450 thousand and increasing Group's participation up to 50,40% of the associate's share capital.

## 20. ASSETS HELD FOR SALE

Group's entities «Hellenic Sugar Company S.A» (EBZ) and «ELVIZ S.A.» are presented as Assets Held for Sale following a relevant ATEbank's BoD decision taken during 2011. Given the above intention of the BoD disposal procedures of the entities in question have already moved forward and are expected to be complete before the end of the next year.

Total assets of the entites held for sale amounts as at 30.09.2011 to approximately € 320 mil., while total liabilities to approximately € 87 mil.

The analysis of the assets held for sale is as follows:

### «Hellenic Sugar Company S.A.» (EBZ)

| (Amounts in thousands of Euro)          | 30/9/2011      |
|---|----------------|
| <b>Assets</b>                           |                |
| Cash and balances with the Central Bank | 76             |
| Due from banks                          | 10.146         |
| Investment portfolio                    | 194            |
| Investment property                     | 23.466         |
| Property, plant and equipment           | 86.335         |
| Deferred tax asset                      | 1.895          |
| Other assets                            | 188.304        |
| <b>Total assets</b>                     | <b>310.416</b> |
| <b>Liabilities</b>                      |                |
| Due to banks                            | 7.802          |
| Provision for employee benefits         | 5.649          |
| Other liabilities                       | 70.290         |
| <b>Total liabilities</b>                | <b>83.741</b>  |

### «ELVIZ S.A.»

| (Amounts in thousands of Euro)          | 30/9/2011    |
|---|--------------|
| <b>Assets</b>                           |              |
| Cash and balances with the Central Bank | 11           |
| Loans and advances to banks             | 2            |
| Investment portfolio                    | 229          |
| Property, plant and equipment           | 2.260        |
| Intangible assets                       | 38           |
| Deferred tax asset                      | 553          |
| Other assets                            | 6.119        |
| <b>Total assets</b>                     | <b>9.212</b> |
| <b>Liabilities</b>                      |              |
| Provision for employee benefits         | 759          |
| Other liabilities                       | 2.702        |
| <b>Total liabilities</b>                | <b>3.461</b> |

EBZ and ELVIZ after tax results, which are presented as discontinued operations, are as follows:

«Hellenic Sugar Company S.A.» (EBZ)

| (Amounts in thousands of Euro)       | 1/1-30/9/2011  | 1/1-30/9/2010 |
|--------------------------------------|----------------|---------------|
| Interest and similar income          | 972            | 2.388         |
| Interest expense and similar charges | (2.947)        | (2.503)       |
| <b>Net interest income</b>           | <b>(1.975)</b> | <b>(115)</b>  |
| Other operating income               | 45.034         | 18.999        |
| <b>Other income</b>                  | <b>45.034</b>  | <b>18.999</b> |
| <b>Operating income</b>              | <b>43.059</b>  | <b>18.884</b> |
| Staff cost                           | (8.459)        | (6.229)       |
| Other cost                           | (3.690)        | (1.773)       |
| Depreciation                         | (1.980)        | (2.844)       |
| Impairment losses                    | (3.434)        | (4.945)       |
| <b>Operating Profit/(loss)</b>       | <b>25.496</b>  | <b>3.093</b>  |
| <b>Profit/(loss) before tax</b>      | <b>25.496</b>  | <b>3.093</b>  |
| Tax                                  | 312            | (2.465)       |
| <b>Profit/(loss) after tax</b>       | <b>25.808</b>  | <b>628</b>    |
| <b>Attributable to:</b>              |                |               |
| Equity holders                       | 23.697         | (1.097)       |
| Minority interests                   | 2.111          | 1.725         |
| <b>Profit/(loss)</b>                 | <b>25.808</b>  | <b>628</b>    |

The entity employed as at 30/9/2011 2.096 persons (30/09/2010: 2.253 persons).

«ELVIZ S.A.»

| (Amounts in thousands of Euro)       | 1/1-30/9/2011  | 1/1-30/9/2010  |
|--------------------------------------|----------------|----------------|
| Interest and similar income          | 60             | 158            |
| Interest expense and similar charges | (45)           | (593)          |
| <b>Net interest income</b>           | <b>15</b>      | <b>(435)</b>   |
| Fee and commission expense           | (12)           | (26)           |
| <b>Net fee and commission income</b> | <b>(12)</b>    | <b>(26)</b>    |
| Other operating income               | 141            | (55)           |
| <b>Other income</b>                  | <b>141</b>     | <b>(55)</b>    |
| <b>Operating income</b>              | <b>144</b>     | <b>(516)</b>   |
| Staff cost                           | (888)          | (760)          |
| Other cost                           | (365)          | (781)          |
| Depreciation                         | (17)           | (17)           |
| <b>Operating Profit/(loss)</b>       | <b>(1.126)</b> | <b>(2.074)</b> |
| <b>Profit/(loss) before tax</b>      | <b>(1.126)</b> | <b>(2.074)</b> |
| Tax                                  | (95)           | (100)          |
| <b>Profit/(loss) after tax</b>       | <b>(1.221)</b> | <b>(2.174)</b> |
| <b>Attributable to:</b>              |                |                |
| Equity holders                       | (1.221)        | (2.174)        |
| Minority interests                   | 0              | 0              |
| <b>Profit/(loss)</b>                 | <b>(1.221)</b> | <b>(2.174)</b> |

The entity employed as at 30/9/2011 97 persons (30/09/2010: 107 persons).

21. DISCONTINUED OPERATIONS

Within the closing period and in particular as at 27 April 2011, ATE TECHNIKI PLIROFORIKI S.A. was set under termination and Liquidation

The entity's key financial information is as follows:

((Amounts in thousand Euro))

|                                  | ATE TECHNIKI   |
|----------------------------------|----------------|
| Total Revenues                   | 855            |
| Total Expenses                   | (1.988)        |
| Profit / (loss) before tax       | (1.133)        |
| Tax                              | (529)          |
| <b>Profit / (loss) after tax</b> | <b>(1.662)</b> |

Impact from ATE TECHNIKI PLIROFORIKH S.A. on Group's Financial position:

((Amounts in thousand Euro))

|  | ATE TECHNIKI |
|--|--------------|
| Cash and cash equivalents                  | 1.650        |
| Plant, property and equipment              | 1.730        |
| Available for sale portfolio               | 84           |
| Other assets                               | 3.628        |
| Other liabilities                          | (3.440)      |
| Net Equity as at 27.04.2011                | 3.652        |
| Participation cost                         | 4.212        |
| <b>Effect (loss) on Group's Net equity</b> | <b>(560)</b> |

As long as the above figures are considered immaterial, the Group did not implement I.F.R.S. 5 «Discontinued Operations» which demands amendment of the period results and further information.

## 22. DEPOSITS FROM CUSTOMERS

((Amounts in thousand Euro))

|                                 | 30/9/2011         | 31/12/2010        |
|---------------------------------|-------------------|-------------------|
| <b>Retail customers:</b>        |                   |                   |
| Current accounts                | 143.306           | 162.250           |
| Saving accounts                 | 8.813.317         | 11.042.938        |
| Term deposits                   | 6.078.126         | 6.443.455         |
|                                 | <b>15.034.749</b> | <b>17.648.643</b> |
| <b>Private sector entities:</b> |                   |                   |
| Current accounts                | 347.912           | 560.473           |
| Term deposits                   | 417.045           | 346.941           |
|                                 | <b>764.957</b>    | <b>907.414</b>    |
| <b>Public sector entities</b>   |                   |                   |
| Current accounts                | 1.347.156         | 1.082.526         |
| Term deposits                   | 91.912            | 44.052            |
|                                 | <b>1.439.068</b>  | <b>1.126.578</b>  |
|                                 | <b>17.238.774</b> | <b>19.682.635</b> |

## 23. SHARE CAPITAL

On 29/04/2011, the Annual Regular General Shareholder's Meeting, decided:

- The nominal value increase of each common registered share with voting rights, and a simultaneous number of shares decrease (reverse split) in proportion 10 old for 1 new, i.e. the number of common registered shares with voting rights decreased from 905.444.444 to 90.544.444, and the share capital decreased by € 597.593.333,28 in order to form an equivalent special reserve according to article 4 parag.4a L.2190/20. The nominal value of the share price decreased to € 0,60 per share.



- The Bank's share capital increase with cash payment amounting to € 706.246.663,20 and the issuance of 1.177.077.772 new common shares with nominal value € 0,60 and sale price € 1,07, with the purpose of raising capital amounting up to € 1.259.473.216,04.
- The redemption of preference shares which had been undertaken as a whole by the Greek State, according to article 1 of L.3723/2008 concerning «Liquidity reinforcement of the Economy in order to tackle the impact of international financial crisis», providing the taking of the necessary approvals.

On 30-06-2011 ATEbank's Board of Directors Meeting certified the cash payment of the whole amount of the Share Capital increase , amounting to € 1.259,47 mil., decided by the Annual Regular General Shareholders' Meeting of 29/04/2011 and was carried out from 10/06/2011 until 24/06/2011.

ATEbank, in order to implement the decision of the Regular General Shareholders' Meeting on 29/04/2011, and according to 10/5/10.05.2011 approval decision of the Bank of Greece's Credit and Insurance Issues Committee, proceeded on 18/07/2011 to the repurchase of the total amount of preference shares (937.500.000) amounting to € 675.000.000, owned by the Greek State in the frame of the above mentioned law (L.3723/2008).

Following the above, as at 30 September 2011 the share capital of the Bank is € 760.573.329,61, consists of 1.267.622.216 common registered shares with voting rights, of nominal value € 0,60 per share, fully paid.

With the completion of the share capital increase the percentage owned by the Greek State, primary shareholder of the Bank, amounts to 89,90% from 77,31% of the share capital.

Due to the Bank's participation in the PSI programme and in order to reinforce the Tier 1 capital, the Extraordinary General Shareholders Meeting on 15/11/2011 approved the further share capital increase of the Bank to the amount of € 289.999.999,80 by payment of cash, granting or pre-emption right to the old shareholders and issuance of new common nominal shares.

## 24. CONTINGENT LIABILITIES AND COMMITMENTS

### (a) Litigation

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business. Against this contingency, a provision has been formed, in case the Group suffers a loss, of a final amount of € 22,2 mil. (2010: € 22,3 mil.). In the opinion of management, after consultation, with legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial condition of the Group after considering the above provision.

### (b) Letters of guarantee and letters of credit

The contractual amounts of the Group's off-balance sheet financial statements that commit to extend credit to customers are as follows:

| (Amounts in thousand Euro) |                |                |
|----------------------------|----------------|----------------|
|                            | 30/9/2011      | 31/12/2010     |
| Letters of guarantee       | 279.716        | 284.126        |
| Letters of credit          | 41             | 163            |
|                            | <b>279.757</b> | <b>284.289</b> |

### (c) Assets pledged

| (Amounts in thousand Euro)                                |                   |                   |
|---|-------------------|-------------------|
|   | 30/9/2011         | 31/12/2010        |
| Loans to customers  | 3.479.143         | 4.272.327         |
| Trading bonds   | 53.409            | 121.006           |
| Available-for-sale bonds                                  | 116.986           | 1.301.955         |
| Held to maturity bonds                                    | 2.493.268         | 3.038.925         |
| Loans to customers according to Law 3723/2008 (Pillar 3)  | 1.917.469         | 1.741.013         |
| Loans to customers according to Law 3723/2008 (Pillar 3A) | 4.653.705         | 0                 |
|   | <b>12.713.980</b> | <b>10.475.226</b> |

In accordance with the Monetary Policy Council Act No 54/27.2.2004 as in force, and following its amendment by Monetary Policy Council Act 75/01.11.2010, the Bank of Greece accepts as collateral for monetary policy purposes and intraday credit non marketable assets, which should meet the terms and conditions of the above acts. In this frame, the Bank has collateralised customer loans and securities in the Bank of Greece with a view to raise its liquidity either intradaily or via participation in main or exceptional or long-term refunding from the European Central Bank and as a guarantee to customers' repos-deposits.

The Group has pledged bonds as collaterals into Repo agreements with third party financial institutions of a total value of € 554,3 mil.

Furthermore, the Bank, in accordance with the article 3 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", entered into a loan facility of € 1,4 bil. which is kept by the European Central Bank as a collateral for the liquidity reinforcement. According to the above, the Bank has pledged customer receivables of € 1,9 bil. as a collateral to the Greek State.

Also, the Bank, in accordance with the article 2 of Law 3723/2008 concerning the "Liquidity Reinforcement to the economy to face the consequences of the international financial crisis", has issued a bond guaranteed by the Greek State of € 4,7 bil.

## 25. RELATED PARTY TRANSACTIONS

The Group is controlled mainly by the Greek State that holds 89,90% of the share capital. The remaining share capital is widely held.

Related parties include a) BoD Members and members of the key management personnel and close members of the family and financial dependants of the above, b) associate companies of the Group.

The balances of the related party transactions of the Group are:

a) With BoD Members and members of the key management personnel, and close members of the family and financial dependant of the above

(Amounts in thousand Euro)

|          | 30/9/2011 | 31/12/2010 |
|----------|-----------|------------|
| Loans    | 2.951     | 4.213      |
| Deposits | 9.045     | 10.675     |

Key Management Personnel Fees

|       | 30/9/2011 | 31/12/2010 |
|-------|-----------|------------|
| Fees  | (1.893)   | (2.371)    |
| Other | (615)     | (588)      |

b) With its associates

(Amounts in thousand Euro)

| ASSETS                          | 30/9/2011     | 31/12/2010    |
|---------------------------------|---------------|---------------|
| Loans and advances to customers | 36.264        | 36.120        |
| <b>Total assets</b>             | <b>36.264</b> | <b>36.120</b> |
| LIABILITIES                     |               |               |
| Deposits from customers         | 984           | 1.973         |
| <b>Total liabilities</b>        | <b>984</b>    | <b>1.973</b>  |

| <b>INCOME STATEMENT</b>     | <b>30/9/2011</b> | <b>31/12/2010</b> |
|-----------------------------|------------------|-------------------|
| <b>Income</b>               |                  |                   |
| Interest and similar income | 3.134            | 1.132             |
| <b>Total income</b>         | <b>3.134</b>     | <b>1.132</b>      |

| <b>Letters of Guarantee</b> | <b>30/9/2011</b> | <b>31/12/2010</b> |
|-----------------------------|------------------|-------------------|
| LGs                         | 46.317           | 0                 |

## 26. PREVIOUS YEAR's ITEMS RESTATEMENT

In the consolidated financial statement of the year 2010, the Bank restated certain items in the comparative financial position and income statement of the year that ended at 31 December 2009 in relation to the respective published consolidated financial statements of 2009, with the intention to depict correctly the fair value hedge accounting that the Group applies regarding fixed rate loan portfolio of an amount at about € 1,9 bil.

The above restatement has an effect on equity as at 1<sup>st</sup> January 2010, as it is reported in Consolidated Statement of changes in Equity. The restatement impact on initially published items is analyzed in the following table:

(Amounts in thousand Euro)

|   | <b>Publication as at<br/>31 December<br/>2009</b> | <b>Restatement<br/>effect</b> | <b>Restated as at<br/>31 December<br/>2009</b> |
|---|---|-------------------------------|--|
|   | Increase /<br>(Decrease)                          | Increase /<br>(Decrease)      | Increase /<br>(Decrease)                       |
| Retained Earnings /(losses) as at 1 January 2010  | (21.925)  | (50.185)                      | (72.110)                                       |
| Total Equity before minority as at 1 January 2010 | 1.302.761   | (50.185)                      | 1.252.576                                      |
| Total Equity and minority as at 1 January 2010    | 1.361.259   | (50.185)                      | 1.311.074                                      |

## 27. SUBSEQUENT EVENTS

1. Within the closing period, the subsidiary ATEBANK ROMANIA proceeded to a share capital increase, in which ATEBANK participated, applying the relative BoD decision and following the pertinent approval from the Competition Directorate of the European Commission, by an amount of € 19,4 mil. The share capital increase of the entity in question was completed in November and therefore the Bank's participation percentage in the entity increased from 74,13% to 84,00%.
2. On 03/10/2011 ATEBank's Board of Directors Meeting decided the employment of financial advisors in order to commence the divestment process from its participation in ATEBANK ROMANIA S.A. and DODONI S.A. Furthermore, the B.o.D. decided the acquisition of the participation of International Finance Corporation (15%) in ATEBANK ROMANIA, in the context of the existing shareholders agreement and the exercise of put option from IFC.
3. On 15/11/2011 Extraordinary General Shareholders' Meeting approved the increase of the Bank's share capital to the amount of € 289.999.999,80 by payment of cash, granting of pre-emption right to the old shareholders and issuance of new common nominal shares.
4. In the European Summit on 26 October 2011 the amendment of the terms regarding the initial PSI was decided. The amended PSI ("New PSI" or "PSI plus") are expected to be clarified after the negotiation of all involved parties by the end of 2011, so that the exchange of the bonds will take place in the beginning of 2012. The new plan aims to achieve a reduction in the nominal

value of debt owned by the private sector by 50% in order to secure that the debt will reach 120% of GDP up to 2020 (Note 2 and 7).

There are no other significant issues occurred after the balance sheet date that require reporting.

---

Athens, 29 November 2011

THE GOVERNOR

THE VICE CHAIRMAN

THE HEAD OF FINANCE  
DEPARTMENT

THEODOROS PANTALAKIS  
I.D. AE 119288/07

ADAMANTINI LAZARI  
I.D. AB 205785/06

SPYRIDON KOLIATSAS  
I.D. AK 088470/11