ALPHA BANK

ANNUAL REPORT

For the period from 1 January to 31 December 2017

(In accordance with Law 3556/2007)

Athens, 20 March 2018

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Statement by the Members of Board of Directors
(in accordance with article 4 paragraph 2 of Law 3556/2007)

To the best of our knowledge, the annual financial statements that have been prepared in accordance with the applicable accounting standards, give a true view of the assets, liabilities, equity and financial performance of Alpha Bank A.E. and of the group of companies included in the consolidated financial statements taken as a whole, as provided in article 4 paragraphs 3 and 4 of Law 3556/2007, and the Board of Directors' annual report presents fairly the evolution, performance and financial position of Bank, and group of companies included in the consolidated financial statements taken as a whole, including the analysis of the main risks and uncertainties that they face.

Athens, 20 March 2018

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE DEPUTY CEO OF NON-PERFORMING LOANS AND TREASURY MANAGEMENT
VASILEIOS T. RAPANOS ID. No AI 666242	DEMETRIOS P. MANTZOUNIS ID. No I 166670	ARTEMIOS CH. THEODORIDIS ID. No AB 281969

Board of Directors' Annual Management Report as at 31.12.2017

THE GREEK ECONOMY

2017 is considered a year of recovery for the Greek economy, as economic activity strengthened, especially after the successful conclusion of the 2nd Review, the 5-year government bond issuance - after three years of the Greece's absence from the markets - and the country's credit ratings upgrade from international rating agencies. The GDP growth rate in 2017 stood at 1.4% (ELSTAT, first estimate), from -0.2% in 2016 (constant prices 2010, seasonally adjusted data). The main contributor to 2017 GDP growth was investment (including change in inventories) by 2.1pps, while private consumption contributed only by 0.1pps. On the contrary, public consumption and net exports had a negative contribution in 2017 GDP growth by 0.3pps and 0.4pps, respectively.

The main factors that supported the economy in 2017 were the following:

A) The Greek economy exporting dynamics, mainly in the services sector. Exports of goods and services increased by 13.5% yoy in 2017, against a fall by 6.1% in 2016. The main contributors to the aforementioned increase were the exports of services and in particular the increase of the revenues mainly from tourism, followed by shipping. Moreover, exports of goods showed a strong upward trend in 2017 (+14.1% in 2017, from -1.2% in 2016), while the increase of exports excluding fuel (2017: 9.6%, 2016: 1.4%), is of great importance. The recovery of the exports is attributed to the shift of businesses towards the production of tradable goods in order to counterbalance losses from the collapse of domestic demand, evidenced throughout the economic crisis.

B) The strengthening of the industrial production. In 2017, industrial production increased by 4.1%, yoy, against a smaller increase by 2.5% in 2016. Moreover, the turnover index of industrial production increased by 11.6% in 2017, mainly due to the increase of sales in the external market. The gross value added of the sector in the nine-month period of 2017 increased by 8.7%, yoy. Purchasing Managers' Index-PMI in manufacturing, in December 2017, remained at a level above 50 (the threshold for the manufacturing sector's expansion) for a seventh consecutive month and stood at 53.1 units; one of the highest performances registered during the economic crisis. Finally, the contribution of industrial sector to employment was significant, as it offered 48.8 thousand new jobs in the 9-month period of 2017.

C) The unemployment rate decline. The unemployment rate in Greece, though it remains at a high level compared to the EU average, is on a downward trend since its peak in July 2013. In particular, unemployment rate was 20.9% in November 2017, i.e. 7.1 basis points down from July 2013, and 2.2 basis points down from January 2017.

In 2017, both confidence indicators and conjunctural indicators signal that the Greek economy is on a recovery path. In particular:

- Economic Sentiment Indicator (ESI) in Greece, according to the European Commission data, improved significantly in H2 2017. Especially in December 2017, the index climbed to 101 units, from 95.1 units in December 2016. However, in 2017, the ESI index in Greece stood on average at a level lower than the one in the Eurozone.
- The general index of volume in retail trade increased by 1.1% yoy in 2017, against a fall by 0.6% in 2016. The increase of the volume index in 2017 was due to the increase of main sub-sectors of retail trade such as supermarkets, clothing-footwear and books-stationary, etc.
- Tourist arrivals in 2017 increased by 9.7% yoy, from a smaller increase of 5.1% in 2016, while travel receipts increased by 10.5% from a sharp drop of 6.5% in 2016.
- Private building activity, in the 11month period of 2017, increased by 23.6% in terms of volume and by 10.3% in terms of the number of building permits.
- In 2017, new passenger cars registrations increased significantly by 22.1%, yoy, against a smaller increase by 10.9% in 2016.
- In Q4 2017, house price index, according to the Bank of

Greece, continued to fall, albeit at a declining pace. In particular, the index decreased by 0.3% yoy in Q4 2017 from a decrease of 0.6% yoy in Q3, -1.2% in Q2 and -1.7% in Q12017. All in all, in 2017 apartment price index price decreased by 1.0%, from a higher drop of 2.4% in 2016.

- In the beginning of 2017, consumer price index returned to a positive territory, as a result of the increase in energy prices and in indirect taxes. In 2017, Consumer Price Index increased by 1.1% yoy, on average, against a fall by 0.8% in 2016.

Despite the positive development of short-term indicators, the current favorable international environment, as it is defined by the enhanced growth prospects of Europe and the supportive monetary policy of ECB, main challenges arise ahead for the Greek economy, which will determine its recovery prospects in the long run. These challenges are the following:

First, the specification of the debt relief measures, as described at the Eurogroup in spring 2016.

Second, the above development, combined with the creation of a cash buffer in order for Greece to cover its financing needs at least until the end 2019, will set the scene for a smooth and sustainable access of the Greek state to the markets.

Third, the speed-up of the privatization programme and the projected infrastructure projects, in combination with the absorption of the EU structural funds. This will trigger the attraction of new investments and lead to the revival of Greek businesses.

Fourth, the formation of fiscal space through the rationalization of the primary surplus targets set. The adjustment towards more realistic targets not only will lead to higher growth rates in the next decade, but also it will entrench investors' confidence.

Fifth, the reorientation of the fiscal policy mix that will enable the de-escalation of the high tax rates. Fiscal adjustment has been highly supported by increases in tax rates and social security contributions undermining growth prospects.

In 2018, the prospects of the Greek economy appear to be positive. The conclusion of the 3rd Review and the positive assessment for the closure of the third Economic Adjustment Programme in August, are expected to strengthen confidence in the economy. GDP growth rate is expected to hover at 2.4% (Bank of Greece's estimate, Feb. 2018) and the economic expansion will be supported by exports, investment and private consumption. The increase of private investment will be strengthened, reflecting the further restoration of confidence and the easing of liquidity conditions in the economy. Significant challenges though do exist, relating to both internal and external factors. In the domestic environment, possible delays in the implementation of the reforms and privatization programme could hurdle recovery prospects. In the external environment, risks and uncertainties arise from potential geopolitical tensions.

In 2017, **Greek banks** achieved higher pre-tax profit than in 2016 (Euro 287 bn in 9M- 2017 versus Euro 148 bn in 9M 2016, on a consolidated basis), mainly as a result of the increase in net commission income, the decrease in operating cost and the significant fall in interest expenses. Furthermore, the capital adequacy of the banking system showed marginal improvement. The Common Equity Tier 1- CET1, on a consolidated basis, stood at 17.1%[1] in September 2017 and the capital adequacy ratio at 17.2%[1].

Liquidity conditions in the banking sector improved in 2017 as the private sector deposits increased by Euro 5 bn, as compared to 2016, as a result of the use of electronic means of payments in the context of capital controls, and the partial return of deposits from abroad[1]. The outstanding amount of private sector deposits[2] stood at Euro 126.35 bn in December 2017 of which Euro 103.9 bn were household deposits and Euro 22.4 bn enterprise deposits. Total deposits in the banking system, (private sector and general government deposits) amounted to Euro 137.8 bn in December 2017, registering a 4.5%[3] yoy increase.

Furthermore, in 2017, the reliance of Greek banks on the Eurosystem's mechanism for emergency funding (i.e. ELA plus ECB) continued to decrease. In particular, in 2017, the funding fell gradually and in December 2017 amounted to Euro 33.7 bn, from Euro 66.6 bn in December 2016.

Regarding the credit expansion, in end-December 2017 the outstanding amount of loans to the private sector amounted to Euro 183.9 bn[4] versus Euro 195.2 bn in end-December 2016. The contraction of credit to the private sector, continued in 2017, albeit at a slower pace (December 2017:

[1] Bank of Greece: Governor's Report for the year 2017.

[2] Excluding the Bank of Greece. Moreover as of December 2016 deposits in the Consignment Deposits and Loan Fund are excluded from the domestic deposits as the institution has been reclassified from the financial sector to the general government sector.

[3] Growth rates are calculated taking into account reclassifications and exchange rate variations.

-0.9%[4], December 2016: -1.4%). According to the bank of Greece[1] this is partially due to the reduction of the loan interest rates and the improvement of the economic activity.

Nevertheless, despite the improvement in banks' operating environment, the stock of non- performing exposures remained high in September 2017 to Euro 100.4 bn or 44.6%[1] of total exposures from 44.8% in December 2016,. The above marginal improvement was the result of write-offs and loan paybacks.

The expected strengthening of the Greek Economy in 2018 and the improvement of consumer and business confidence, in combination with further progress in the non-performing exposures management, are estimated to contribute to a more favorable environment for the Greek banking system. However, the challenges for banks in 2018, on top of the effort to further reduce the non-performing exposure ratio, are the ECB's EU-wide banking sector stress test and the implementation of the International Financial Reporting Standard 9 (IFRS 9).

INTERNATIONAL ECONOMY

The uncertainty that began started appearing in the financial markets in the first half of 2017, mainly due to pre-election campaign promises of the new president in the United States of America (U.S.A.) and the planned elections in large Eurozone economies were reduced during the year. The proliferation of pro-European forces vis-à-vis Eurosceptics, the avoidance of early elections in Italy and the efforts to shape the new institutional relationship between the United Kingdom (U.K) and the European Union (E.U.) have played an essential role to reducing uncertainty.

Global economic activity accelerated in 2017 at the highest rate over the latest years, manifesting in a relatively balanced growth in both advanced and emerging economies. Economic growth in China exceeded investors' expectations, while the economies of Russia and Brazil recovered, relying mainly on commodity prices.

According to the latest forecasts by the International Monetary Fund (IMF, January 2018), world GDP is expected to increase by 3.7% in 2017 and 3.9% in 2018 from 3.2% in 2016. In particular, the rate of change in GDP in developed economies is estimated to be 2.3% in 2017 and 2018, from 1.7% in 2016. As regards the international trade in goods and services, it recorded a high growth rate of 4.7% in 2017, which is expected to be sustained in 2018 (4.6%), compared with 2.5% in 2016 (IMF, January 2018).

In developed economies, low inflation allows the continuation of expansionary monetary policy in order to strengthen recovery and improve the financial conditions for the private sector. The major Central Banks aim to increase the medium term inflation close to 2%, by using a combination of conventional and unconventional measures of expansionary monetary policy (such as very low or even negative interest rates), applying Asset Purchase Programmes (APP) and forward guidance.

The risks for the international economy are mainly related to geopolitical developments and the gradual increase in funding costs. The international economy's strong growth dynamic in the second half of 2017, coupled with the U.S.A. tax reform and the satisfactory growth performance in the Eurozone, China, India, Turkey, Brazil and Russia, bode well with the assessment that the international economy growth rate will remain high in 2018. The stabilization of the economic situation in advanced economies and the marked recovery in international trade are expected to reinforce economic activity in emerging economies as well. Further weakening of uncertainty, strengthening expectations and the improved economic climate can contribute to a strong and sustainable economic expansion.

The Organization of Petroleum Exporting Countries (OPEC) and other oil-producing countries, such as Russia, extended their agreement to contain production levels in order to boost further the oil price. The strengthening of global economic activity contributed to the decline in oil reserves, with oil prices rising by 23.1% in 2017 on annual basis, while non-fuel commodity prices increased by 6.5% (IMF, January 2018).

In the U.S.A., the rate of GDP change is estimated to rise to 2.3% in 2017 and further increase to 2.7% in 2018. A key factor in boosting economic activity is considered to be the adopted tax reforms, which include measures such as a significant reduction in the corporate tax rate (from 35 % to 21%) and incentives to repatriate business profits. The above are expected to cumulatively add 1.2 percentage points to GDP growth rate by 2020.

In China, GDP growth is estimated to have risen marginally to 6.8% in 2017 from 6.7% in 2016, while it is expected to slow down to 6.6% in 2018 and 6.4% in 2019 (IMF, January 2018). In 2017, economic adjustment continued aiming to

[4] The outstanding amounts include loans, holdings of corporate bonds and securitized loans serviced by credit institutions. Growth rates are calculated taking into account reclassifications and transfers of loans/corporate bonds, write-offs and exchange rate variations.

increase the contribution of private consumption and reduce the contribution of exports and government investment to growth. In addition, in 2017, Authorities tightened the regulations governing non-banking intermediaries in order to limit credit expansion and risk arising from them.

In Japan, economic growth is estimated to have risen by 1.8% in 2017 from 0.9% in 2016, largely due to the significant rise in domestic demand. The pace of change in GDP is expected to decelerate to 1.2% in 2018 and 0.9% in 2019. In April 2014, the Bank of Japan adopted non-conventional monetary policy measures, such as the purchase of assets and the control of the bond yield curve, in order to meet its medium-term inflation target (2%). Monetary policy coupled with increased private consumption and expansionary fiscal policy led to a appreciable increase in the Consumer Price Index (CPI) in 2017 to 0.5% (annual change), compared to -0.1% in the 2016. However, the CPI still remains significantly below the Central Bank's medium-term target.

In the Eurozone, according to the IMF the GDP growth rate was set at 2.4% in 2017, compared with 1.8% in 2016, and is expected to decline to 2.2% in 2018.. The economic recovery led the Eurozone unemployment rate to 9.1% in 2017, while it is expected to fall further, to 8.5% in 2018 and 7.9% in 2019 according to the European Economic Forecast Autumn 2017. The recovery is mainly driven by domestic demand, as the European Central Bank (ECB) has adopted accommodative monetary policy since June 2014. The way the ECB signaled the extension of the quantitative easing program on 26 October 2017 made clear that key interest rates will not change before the end of the quantitative easing (QE) and implied that changes in the communique will mark the upcoming interest rate hike. It is noted that the deposit facility rate is negative since June 2014 (-0.10%), while it has fallen further since March 2016 to -0.40%. As underlined by the ECB, the continuation of expansionary monetary policy is needed so that the inflation increase becomes sustainably. However, monetary policy needs to be accompanied by the necessary reforms in the labour and product markets so to improve the Eurozone competitiveness, create new jobs and render the recovery sustainable.

The risks to the Eurozone economy originate mainly from abroad and are related to geopolitical developments, possible deterioration of financing conditions from rising interest rates, increasing protectionism in world trade, and the negotiations regarding the U.K.'s departure from the E.U.

In June 2016 the United Kingdom (UK) voted to leave the European Union (EU). During early 2017, the formal process to leave the EU was triggered and the UK government has been negotiating with the EU since this date. Negotiations are ongoing and it is not expected that a final agreement will be completed until closer to the departure date, originally expected to be March 2019, although there may be a transitional period implemented beyond this date. The Bank is actively monitoring developments but at this time does not see any significant impacts on its the business in the UK. There may be longer term impacts which we cannot foresee or predict with any certainty.

In Southeastern Europe, Cyprus growth rate is estimated to have risen to 3.5% in 2017, from 3.0% in 2016, relying mainly on private consumption and investment. However, growth is expected to fall to 2.9% in 2018 and 2.7% in 2019 (European Commission, European Economic Forecast Autumn 2017).

In Romania, the growth rate was the highest among the countries of the European Union in 2017, supported mainly by private consumption at the back of lower taxes, significant wage increases and low inflation. In particular, GDP is estimated to have increased by 5.7% in 2017, from 4.6% in 2016, while it is projected to slow down to 4.4% in 2018 and 4.1% in 2019 (European Commission, European Economic Forecast Autumn 2017).

Analysis of Group financial information[5]

On 31.12.2017 the total assets amounted to € 60,8 billion, decreased by € 4,1 billion or 6.3% compared to 31.12.2016. At the end of December 2017, the total Group Loans and advances to customers, before allowance for impairment losses, amounted to € 54,4 billion, decreased by € 2,6 billion compared to 31.12.2016 (€ 57 billion). The decrease in allowance for impairment losses by € 1,5 billion reflects the write-offs recognized during the year and resulted in Loans and advances to customers of amount € 43,3 billion compared to € 44,4 billion on 31.12.2016.

The total due to customers (including debt securities in issue) of the Group amounted to € 34,9 billion showing an increase compared to 31.12.2016 by € 1,9 billion or 5,9%, resulting to a loans (before allowance for impairment) to deposits ratio of 156%. This ratio was improved compared to 31.12.2016 when it was 173%, as a result of the gradual deposit inflow during the year. The increase of the deposits and the increase of the sale and repurchase agreements (repos), along with the decrease in the investment securities,

[5] According to European Securities and Markets Authority guidelines (ESMA), the definition and precise calculation of the ratios are presented in the Annual Report's Appendix.

led to the decrease of the Due to banks balance (mainly the Eurosystem), which amounted to € 13,1 billion, decreased by 31% compared to 31.12.2016.

Assets held for Sale and Liabilities related to Assets held for Sale, include the figures of the subsidiaries APE Fixed Assets A.E. and Alpha Commercial Property Attikis II A.E. as well as the figures of the joint ventures APE Commercial Property A.E and APE Investment Property A.E. In addition, during the year, the Bank initiated the sale process for retail and corporate loans portfolio in Greece and in Romania, which meet the requirements to be classified as "Held for sale" in accordance with IFRS 5 and consequently the fair value of the disposal group of loans was included in held for sale assets. Within the framework of the approved by European Commission, Restructuring Plan the disposal of the Banking subsidiary Alpha Bank Srbija A.D. was completed on 11.4.2017.

On 31.12.2017 the Group's Equity amounted to € 9.6 billion, improved compared to 31.12.2016 when amounted to € 9.1 billion, while the Common Equity Tier 1 ratio amounted to 18.3%.

Analyzing the financial performance of the year the net interest income amounted to € 1,942.6 million compared to € 1,924.1 million of the year 2016, positively affected by the decrease in the securities issued by the Bank and guaranteed by the Greek State in accordance with Law 3723/2008 as well as by the decrease in the funding cost by the Eurosystem, which both offset loans reduced contribution in the net interest income.

Net fee and commission income amounted to € 323.5 million increasing by 1.8% compared to the previous year, when amounted to € 317.9 million. This increase was a result of both loans commission income and mutual funds commission income increase.

Gains less losses on financial transactions recorded a profit of € 144.7 million, reflecting the increased gains from the sale of the Greek Government bonds. The Group's total revenue amounted to € 2,466.7 million, increased by 3.3% compared to 2016 when amounted to € 2,387.1 million.

The Group's total expenses before impairment losses and provisions to cover credit risk amounted to € 1,293 million, increased by 5.5% compared to 2016 when amounted to € 1,225.5 million. In addition, within the framework of the business plan for the period 2017-2019, the Bank through the implementation of restructuring strategic projects, aims at the optimization of its operating functions' efficiency and effectiveness, at the reduction of the operating cost, at the digital transformation and at the capitalization of new solutions. The Bank in order to face with the reasonable need for staff reduction, as a result of the upcoming restructuring and the required reallocation of roles and responsibilities, decided, during the fourth quarter of 2017, to continue the staff voluntary redundancy scheme and to this extent a new provision of € 92.7 million was recorded (Provision for separations schemes).

During the year, a loss of € 79 million was recorded relating to write-offs/impairments of fixed assets (31.12.2016: € 49.5 million) as a result of the valuation of investment, own-used and acquired through auctions property as well as a result of the valuation of the Group's intangible assets. The total expenses to total revenue ratio, excluding the gains less losses on financial transactions and other nonrecurring expenses, reduced by 0.7% compared to the comparative year (31.12.2017: 47.5%, 31.12.2016: 48.2%).

The impairment losses and the provisions to cover credit risk amounted to € 1,005.4 million compared to € 1,168 million in the previous year, i.e. decreased by 13.9%, The cost of credit risk amounted to 172 base points compared to 191 base points the previous year.

Group's Profit before income tax was € 165.1 million while Income tax amounted to € 75.6 million. Losses after tax from discontinued operations amounted to € 68.5 million, mainly due to the recycling of Alpha Bank Srbija A.D. translation reserve, resulting to Profit after income tax for the Group of € 21.1 million.

Other information

Since 2016 there were no distributable profits, in accordance with article 44a of Codified Law 2190/1920, the Bank's Ordinary General Meeting of Shareholders on 30.6.2017, decided the non-distribution of dividend to ordinary shareholders of the Bank.

Bank's branches as at 31.12.2017 were 470, out of which 469 established in Greece and 1 established in United Kingdom (London).

Risk Management

The Group has established a framework of thorough and discreet management of all kinds of risks facing on the best supervisory practices and which is based on the common European legislation and the current system of common banking rules, principles and standards is improving continuously over the time in order to be applied in a coherent and effective way in a daily conduct of the Bank's activities within and across the borders making effective the corporate governance of the Bank.

The main objective of the Group during 2017 was to maintain the high quality internal corporate governance and compliance within the regulatory and supervisory provisions risk management in order to ensure the confidence in the conduct of its business activities through sound provision of suitable financial services.

Since November 2014, the Group falls within the Single Supervisory Mechanism (SSM) - the new financial supervision system which involves the European Central Bank (ECB) and the Bank of Greece - and as a major banking institution is directly supervised by the European Central Bank (ECB). The Single Supervisory Mechanism is working with the European Banking Authority (EBA), the European Parliament, the Eurogroup, the European Commission and the European Systemic Risk Board (ESRB) within their respective competences.

Moreover, since January 1st, 2014, EU Directive 2013/36/EU of the European Parliament and of the Council dated June 26, 2013 along with the EU Regulation 575/2013/EU dated June 26, 2013 ("CRD IV") are effective. The Directive and the Regulation gradually introduce the new capital adequacy framework (Basel III) of credit institutions.

In this new regulatory and supervisory risk management framework, Alpha Bank Group strengths its internal governance and its risk management strategy and redefining its business model in order to achieve full compliance within the increased regulatory requirements and the extensive guidelines. The latest ones are related to the governance of data risks, the collection of such data and their integration in the required reports of the management and supervisory authorities.

The Group's new approach constitutes of a solid foundation for the continuous redefinition of Risk Management strategy through (a) the determination of the extent to which the Bank is willing to undertake risks (risk appetite), (b) the assessment of potential impacts of activities in the development strategy by defining the risk management limits, so that the relevant decisions to combine the anticipated profitability with the potential losses and (c) the development of appropriate monitoring procedures for the implementation of this strategy through a mechanism which allocates the risk management responsibilities between the Bank units.

More specifically, the Group taking into account the nature, the scale and the complexity of its activities and risk profile, develops a risk management strategy based on the following three lines of defense, which are the key factors for its efficient operation:

- Development Units of banking and trading arrangements (host functions and handling customer requests, promotion and marketing of banking products to the public (credits, deposit products and investment facilities), and generally conduct transactions (front line), which are functionally separated from the requests approval units, confirmation, accounting and settlement.

  They constitute the first line of defense and 'ownership' of risk, which recognizes and manages risks that will arise in the course of banking business.

- Management and control risk and regulatory compliance Units, which are separated between themselves and also from the first line of defense.

  They constitute the second line of defense and their function is complementary in conducting banking business of the first line of defense in order to ensure the objectivity in decision-making process, to measure the effectiveness of these decisions in terms of risk conditions and to comply with the existing legislative and institutional framework, by involving the internal regulations and ethical standards as well as the total view and evaluation of the total exposure of the Bank and the Group to risk.

- Internal audit Units, which are separated from the first and second line of defense.

  They constitute the third line of defense, which through the audit mechanisms and procedures cover an ongoing basis of all operation of the Bank and the Group. They ensure the consistent implementation of the business strategy, by involving the risk management strategy through the true and fair implementation of the internal policies and procedures and they contribute to the efficient and secure operation.

Credit Risk

Credit risk arises from the potential weakness of borrowers' or counterparties' to repay their debts as they arise from their loan obligations to the Group.

The primary objective of the Group's strategy for the credit risk management in order to achieve the maximization of the adjusted relative to the performance risk is the continuous, timely and systematic monitoring of the loan portfolio and the maintenance of the credit risks within the framework of acceptable overall risk limits. At the same time, the conduct of daily business within a clearly defined framework of granting credit is ensured.

The framework of the Group's credit risk management is developed based on a series of credit policy procedures, systems and measurement models by monitoring and auditing models of credit risk which are subject to an ongoing review process. This happens in order to ensure full compliance with the new institutional and regulatory framework as well as the international best practices and their adaptation to the requirements of respective economic conditions and to the nature and extent of the Group's business.

In 2017, in the context of the Bank's and subsidiaries' compliance with the new International Financial Reporting Standards (IFRS 9), the Group carried out additional work on the development of statistical models, the updating of risk policies and methodologies and the development of appropriate IT infrastructures.

Under this perspective and with main scope to further strengthen and improve the credit risk management framework in 2017, the following actions have been performed:

- Continuous updating of Credit Policy Manuals for Wholesale Banking and Retail Banking in Greece and abroad, adapted to the regulatory framework, the international best practices, the given macroeconomic conditions and the Group's risk appetite, so as to ensure their proper and effective operation.
- Development of a framework for the validation of credit risk assessment models, which is carried out either in order to develop new models or to modify existing ones, or as part of a constant assessment of these models' predictive ability.
- Alignment of the credit risk rating systems of Greece and all Group Subsidiaries abroad based on the requirements of the new International Financial Reporting Standards 9 (IFRS 9).
- Development of the necessary policies, procedures and models for the adoption of the International Financial Reporting Standards (IFRS) 9 at Group level.
- Updating the Group Loan Impairment Policy, in compliance with the new evolving institutional and supervisory requirements for prudential supervision.
- Centralized management and automated approval process and collections policy mechanisms for retail banking in Greece and abroad.
- Updating Group Write-off Policy, in compliance with the regulatory requirements for the management of non-performing exposures.
- Design and implement initiatives in order to enhance the level of automation, accuracy, comprehensiveness, quality, reconciliation and validation of data, as part of the Bank's strategic objective to a holistic approach for the development of an effective data aggregation and reporting framework, in line with BCBS 239 requirements.
- The mechanism for the submission of counterparties analytical data for legal entities, the governance structure, the operational model and quality control framework is already in place in order to meet the requirements for the monthly submission of analytical credit risk data according to the European Union regulation 2016/867 and the Bank of Greece Governor's Act 2677/19.5.2017. (AnaCredit).
- Improvement of the existing Early Warning Mechanism aiming further automation. More specifically, through the Early Warning System for Credit Risk, these procedures and actions are defined to identify borrowers or parts of the loan portfolio in time, with probability of non-serving the Group's debts, so that targeted actions at the borrower level and / or portfolios by country where the Group operates.
- Updating of Environmental and Social Risk Policy. During the credit approval process, supplementary to the credit risk assessment, the strict compliance of the principles of an environmentally and socially responsible credit facility is also examined.
- Centralized and automated approval process for retail banking applications in Greece and abroad
- Complete centralization of the collections policy mechanisms for retail banking (mortgage loans, consumer loans, credit cards, retail banking corporate loans) in Greece and abroad.
- Systematic estimation and assessment of credit risk per counterparty and per sector of economic activity.
- Periodic stress tests as a tool of assessment of consequences of various macroeconomic scenarios to establish the business strategy, the business decisions and the capital position of the Group. The stress tests are performed according to the requirements of the regulatory framework and they are fundamental parameters of the Group's credit risk management Policy.

Additionally, the following actions are in progress in order to enhance and develop the internal system of credit risk management:

- Continuous upgrade of databases for performing statistical tests in the Group's credit risk rating models.
- Upgrade and automation of the aforementioned process in relation to the Wholesale and Retail banking by using specialized statistical software.
- Gradual implementation of an automatic interface of the credit risk rating systems with the central systems (core banking systems I-flex) for all Group companies abroad and the local shipping monitoring system.
- Reinforcing the completeness and quality control mechanism of crucial fields of Wholesale and Retail Credit for monitoring, measuring and controlling of the credit risk.
- Update of the framework and policies for the management of overdue and non-performing loans, in addition to the existing obligations, which arise from the Commission Implementing Regulation 2015/227 of January 9, 2015 of the European Committee for amending Executive Committee Act (EU) No. 680/2014 of the Committee for establishing executive technical standards regarding the submission of supervisory reports by institutions in accordance with the regulation (EU) No. 575/2013 of the European Parliament and the Council and Executive Committee Act of Bank of Greece, P.E.E. 42/30.5.2014 and the amendment of this with the Executive Committee Act of Bank of Greece, P.E.E. 47/9.2.2015 and P.E.E. 102/30.8.2016, which define the framework of supervisory commitments for the management of overdue and non-performing loans from credit institutions.

  This framework develops based on the following pillars:

  a. the establishment of an independent operation management for the "Troubled assets" (Troubled Asset Committee). This is achieved by the representation of the Administrative Bodies in the Evaluation and Monitoring of Denounced Customers Committee as well as in the Arrears Councils,

  b. the establishment of a separate management strategy for these loans, and

  c. the improvement of IT systems and processes in order to comply with the required periodic reporting to management and supervisory mechanisms.

Liquidity and interest rate risk of banking portfolio

During 2017 capital controls in the Greek banking system, which were imposed for the first time in June 29th, 2015, remains (even though slightly relaxed) resulting to the reduction of capital sources from the banking system. The deposit gathering campaigns during the year by offering new improved products has led to an increase of customer deposits both at Bank and at Group level by the end of the year. Thus, on 31.12.2017 the deposits of the Bank increased 1,25 billion. Euro, almost 4.3% compared to 31.12.2016, whereas in the respective period, the deposits in the Greek banking system were increased by 4.1%. Respectively, the deposits of the Group increased by 5.9% (1,95 billion Euro) mainly due to the deposits inflows from the subsidiaries banks of Cyprus and Romania.

In 2017 and within the context of disengaging fully from the Government Guaranteed Bonds (Pillar II) placed as collateral for ELA funding, the Bank repaid fully an amount of € 1 billion. Consequently, at the same date, the bank is not subject any longer to the provisions and the relevant publications of Law 3723/2008. It should be noted that, since April 2014, the Hellenic Republic has ceased to hold any preference shares of the Bank under article 1 of Law 3723/2008 (Pillar I), following their fully redemption and debt securities in accordance with article 3 of Law 3723/2008 (Pillar III) have been cancelled.

During the year, especially after the completion of the second evaluation of the Greek programme in the summer of 2017, the improvement of the economic climate as well as the restoration of confidence in the Greek economy were reflected in the interbank transactions. Specifically, an increase of € 1.89 billion in Group's repurchase agreements was evident. Furthermore, in 2017 because of the expiration or sale of securities, mainly of EFSF bonds, a decrease of € 2 billion in the investment portfolio was noted.

In August, the Bank successfully completed the issuance of covered bonds of amount of € 1 billion as part of the Covered Bonds Programme. In October, the second funding transaction of $250 million was successfully completed through the securitization of shipping loans following the initial securitization of $500 million in 2014. Both transactions, previously mentioned, further contribute to the improvement and the diversification of Bank's liquidity sources.

As a result from the above developments on 31.12.2017 Bank's financing from the Eurosystem decreased by 44% reaching the level of € 10.2 billion, of which € 7 billion came from the emergency funding mechanism of Bank of Greece (ELA). At the same time, the Bank's Targeted Long Term refinancing operations of ECB (TLTRO-II) increased by € 1.6 billion, replacing in this way the short-term financing by the European Central Bank. In 2017, the ECB Governing Council decreased the maximum limit of Emergency Liquidity Assistance (ELA) to the Greek banking sector by € 25.9 billion, from € 50.7 billion to € 24.8 billion.

During 2017, the Bank reviewed, in the context of Pillar II requirements, both Internal Capital Adequacy Assessment Process (ICAAP) and Internal Liquidity Adequacy Assessment Process (ILAAP). Furthermore, in the second semester of 2017, the Bank reviewed the policies and procedures of the Recovery Plan along with the policies and procedures of the liquidity stress test scenarios. At the same time, all the Bank Subsidiaries have reviewed both Contingency Funding Plans and Recovery Plans.

The interbank financing (short, medium to long-term) and the Early Warning Indicators of the Bank and of Group's subsidiaries are monitored on a daily basis with reports and checks in order to capture daily variations.

Due to the criticality of the Greek economy, stress tests are incurred frequently for liquidity purposes in order to assess potential outflows (contractual or contingent). The purpose of this process is to determine the level of the immediate liquidity, which is available in order to cover the Bank's needs. These exercises are carried out in accordance with the approved Liquidity Buffer and Liquidity Stress Scenario of Group's policy.

During 2017, the interest rate risk of the banking portfolio remained at low levels without noticing any exceeding limits. For the period from March to June, the Bank participated in ECB test with regards to the sensitivity analysis of the banking portfolio by conducting six hypothetical stress scenarios of interest rate variability. These scenarios were implemented on a Group basis for denominated in Euro exposures and for denominated in other currencies, participating of at least 20% in the banking portfolio, exposures. The result of this test in NII and EVE was positive for the Bank, with no need for additional capital to cover interest rate risk from a regulatory perspective.

During the year, the review and update of interest rate risk stress scenarios along with the regulatory requirements were completed. The estimations for the Banking portfolio net interest income volatility and the estimations for loans and deposits economic value, were also updated with the aim of auditing the effect both in the short and medium to long term interest rate risk and in Earning at Risk (EaR) and Economic Value of Equity (EVE). At the same time the Group's and Bank's loans fair value methodology was updated in accordance with IFRS9 requirements. Furthermore, within thecontext of Risk Appetite, Banking portfolio interest rate limits were also updated.

The continuous update of the Assets and Liabilities Management (ALM) system is essential for the evolution and the development of the product mix of the Bank, by taking into account the current balance sheet structure and the economic conditions. In particular, the audit and the finalization of the conventions of repricing and of movement of non-maturing assets-liabilities are parts of the efficient and the effective management of asset liability risk. It has to be noted that at the end of 2017, in accordance with the new directions of the European Banking Authority, a review of all applicable assumptions has been completed as a part of the annual update of the applied assumptions.

Market, Counterparty and Foreign Currency Risk

The Group has developed a strong control environment applying policies and procedures in accordance with the regulatory framework and the international best practices in order to meet business needs incurring market and counterparty risk while limiting adverse impact on results and equity. The framework of methodologies and systems for the effective management of those risks is evolving on a continuous basis in accordance with the changing circumstances in the markets and in order to meet customer requirements.

The valuation of bonds and derivative positions are monitored on an ongoing basis. Each new position is examined for its characteristics and an appropriate valuation methodology is developed, in case it is required. On a regular basis stress tests are conducted in order to assess the impact on the results and the equity, in the markets where the Group operates.

A detailed structure for trading limits, investment limits and counterparty limits have been adopted and implemented. This structure involves regular monitoring of trigger events in order to perform extra revisions. The limit usage is monitored on an ongoing basis and any limit breaches identified are reported officially.

For the mitigation of the market risk of the banking portfolio, hedging relationships are applied using derivatives and hedge effectiveness is tested on a regular basis.

Within the year, the market risk decreased and concerns the following:

- The open foreign exchange position, where the open foreign exchange position in RSD decreased significantly due to the sale of the subsidiary in Serbia.
- The investment position of the Greek government bonds, where the volatility of the credit margins of these bonds was reduced, while the position remained stable.
- The investment position of shares following the Bank's participation in Liability Management Exercises (LME), which decreased with gradual sales.

Operational Risk

Operational risk is the risk of loss from inadequate or failed internal processes and IT systems, people (intentionally or unintentionally) and external events. Operational risk also includes legal risk. The Group has adopted the Standardised Approach for the operational risk capital calculation and fulfils all quality requirements set therein.

During 2017 the development of a robust internal operational risk capital calculation model was completed. The model is based on the principles of the Advanced Measurement Approach (AMA) and is utilized within the context of Pillar II (Internal Capital Assessment Process). Additionally, the Group's Operational Risk Management Policy was revised and specific projects for the improvement of the risk assessment processes on Information and Communication Technology Risk and Model Risk were initiated.

The Group continued the enrichment of its operational risk monitoring techniques by introducing additional Key Risk Indicators (KRIs) and improved its practices on operational risk events management and monitoring. Lastly, as a standard practice, the Group implemented during the year the Risk Control Self-Assessment (RCSA) process in accordance with the overall planning. In the context of this process, potential operational risk exposures are identified and assessed and corrective action plans are introduced. Additionally, a dedicated process for outsourcing risk assessment has been implemented, which will be further enhanced during 2018.

The operational risk events, the risk and control self-assessment results as well as, other operational risk issues are systematically monitored by the Bank and the Group Companies by the competent Operational Risk Management Committees which review the relevant information and ensure the implementation of Operational Risk mitigation measures.

Management Non-Performing Exposures (NPEs)

As a result of the Greek financial crisis started in 2009, the Bank experienced challenges related to the deterioration of its asset quality, while the NPE/NPL levels increased across all business segments.

However, in a non-conducive economic environment with serious delays in the legal framework, the Bank is continuously responding to the challenging economic environment by reviewing and adjusting its strategic priorities in order to tackle the high levels of NPEs.

During the past years the Bank's NPE Management infrastructure and Strategy have been revisited leveraging also recommendations of the Bank of Greece Troubled Asset Review as well as provisions in the Bank of Greece Executive Committee Act 42/47 and 102/2016.

Moreover, on the 30th of September 2016 the Bank submitted to the Single Supervisory Mechanism (SSM) the NPE/NPL targets along with the NPE Strategy Explanatory Note and the relevant Action Plan, depicting the Bank's full commitment towards the active management and reduction of NPEs over the business plan period 2016-2019.

The Bank's Troubled Assets management objective is to reduce significantly the Solo-level NPL/NPE volume as per Business Plan through active management and reduction of NPL/NPE stock, curtailing new NPL/NPE formation and minimizing medium term losses for the Bank.

The achievement of objectives is driven by the implementation of initiatives concerning:

- Governance, policies and operating model through increased oversight and active involvement of the BoD with clear roles and accountabilities
- Portfolio segmentation and analysis based on detailed execution roadmaps within a strict and defined segmentation framework under continuous review/update
- Flexible and upgraded modification products and final settlement solutions aiming at long-term viability of customers.
- Human resources management with specialized teams and targeted training. Attracting specialized executives and setting up a Coordinating and Monitoring Office of the Bank's Restructuring Program (TPO).
- Strategic initiatives such as joint ventures with Cepal for Retail exposures and Pillarstone (subsidiary of the international private equity firm KKR) on the management of selected large corporate non–performing exposures.
- Evaluation of the Property Repossession (REO) strategy in

order to determine the best way to maximize their value for the Bank in the current economic environment

During the first year of the Business Plan the Bank managed to achieve its NPL/NPE reduction targets, despite the challenging macroeconomic environment and the presence of certain impediments in the resolution of non-performing exposures.

In addition, on the 29th of September 2017 the Bank submitted the updated NPE/NPL targets to the SSM, which is the sequel to the Note submitted on the 30th of September 2016 including the review of the progress made in reducing NPEs/NPLs against the first year's targets, as well as any changes to the Bank's strategy aiming to facilitate achieving the Targets for the remainder of the Business Plan period.

The successful implementation of the Bank's NPE Strategy is affected by a number of external/ systemic factors that include – among others – the following:

- Electronic auctions to support liquidations and serve as a credible enforcement threat to borrowers
- The reform of Out of Court Settlements (OCW) framework which provides an electronic platform where a quick and effective debt extrajudicial settlement/restructuring can be achieved for businesses
- Criminal law protection for bank officials involved in debt restructuring as long as they follow due process
- Acceleration of L.3869 court decisions
- Realization of NPL Forum's outcome for the resolution of common large Corporate cases
- Realization of a continuously improving macroeconomic scenario

The Bank's full commitment towards the active management and reduction of NPEs over the Business Plan period is reinforced through the constant review and calibration of the Bank's strategies, products, and processes to the evolving macroeconomic environment.

Capital Adequacy

According to article 5 of Law 4303/17.10.2014 as amended by article 4 of Law 4340/1.11.2015 "Recapitalization of financial institutions and other provisions of the Ministry of Finance" deferred tax assets that have been recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, which were accounted until 30.6.2015, are converted into final and settled claims against the Greek State, in case the accounting result for the period after taxes is a loss, according to the audited and approved by the Ordinary Shareholders' General Meeting financial statements.

In accordance with article 39 of CRR 575/2013,a risk weight of 100% will be applied to the above mentioned deferred tax assets that may be converted into tax credit, instead of being deducted from regulatory capital.

On 31.12.2017, the amount of deferred tax assets which is eligible to the scope of the aforementioned Law for the Bank and the Group and is included in Common Equity Tier I amounts to €3,296 million and constitutes 36.7%. of the Group's Common Equity Tier I and 6.7% of the respective weighted assets.

Any change in the above framework that will result in the non-recognition of deferred tax assets as a tax credit will have an adverse effect on the Bank's and Group's capital adequacy.

Organizational Structure and Corporate Governance

Since 2009 discrete units for the management of Retail and Wholesale NPLs have been established which are key pillars for the Bank. These independent Units report directly to the Bank Deputy CEO Non-Performing Loans and Treasury Management through the Heads of each division. Moreover, they are responsible for all the areas which are related to the exposure management – such as monitoring the portfolio and the front line services.

Furthermore, the establishment of the Troubled Assets Committee (TAC) with enhanced / expanded responsibilities is a key pillar in the governance of NPEs management.

Due to the constant need of intense focus on NPE management so as to meet the ambitious SSM targets, the Bank has streamlined the monitoring functions and the management of past due exposures. Dedicated teams are in place within the Bank to monitor the evalution of a wide range of NPL-related strategies and metrics within the Bank's NPE Strategy aiming at a significant reduction of their distressed assets by the end of 2019 within a challenging environment.

Prospects for the future

The Bank's future results will be a function of, among other factors, the developments in the Greek economy, as they will largely define the potential for positive developments in terms of the management of non-performing loans and the restoration of a healthy liquidity profile for the Bank.

Transactions with related parties

According to the corresponding regulatory framework, this report must include the main transactions with related parties. All the transactions between related parties, the Bank and the Group companies, are performed in the ordinary course of business, conducted according to market conditions and are authorized by corresponding management personnel. There are no other material transactions between related parties beyond those described in the following paragraph.

A. The outstanding balances of the Group transactions with key management personnel which is composed by members of the Board of Directors and the Executive Committee of the Bank, as well as their close family members and the companies relating to them, as well as the corresponding results from those transactions are as follows:

Amounts in thousand of Euro

Loans and advances to customers	1,339
Due to customers	10,438
Employee defined benefit obligations	244
Letters of guarantee and approved limits	2,244
Interest and similar income	47
Fee and commission income	3
Interest expense and similar charges	15
Fees paid to key management and close family members	3,581

B. The outstanding balances and the corresponding results of the most significant transactions of the Bank with Group companies are as follows:

i. Subsidiaries

(Amounts in thousand of Euro)

Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
Banks					
1. Alpha Bank London Ltd	12,883	1,068	3,109		634
2. Alpha Bank Cyprus Ltd	78,444	537,619	1,268	1,179	58,894
3. Alpha Bank Romania S.A.	878,718	148,366	4,533	3,013	295,603
4. Alpha Bank Srbija A.D.			267	85	
5. Alpha Bank Albania SH.A.	19,339	30,078	206	514	
Leasing					
1. Alpha Leasing A.E.	204,201	727	5,042	166	
2. ABC Factors A.E.	323,008	210	15,921	38	2,000
Investment Banking					
1. Alpha Finance A.E.P.E.Y.	399	19,266	782	1,098	
2. SSIF Alpha Finance Romania S.A.		2			
3. Alpha A.E. Investment Holdings		2,823	3,894	218	
4. Alpha A.E. Ventures Capital Management - AKES		2,485	36	13	
5. Emporiki Ventures Capital Developed Markets Ltd		9,300			
6. Emporiki Ventures Capital Emerging Markets Ltd		8,829			
Asset Management					
1. Alpha Asset Management A.E.D.A.K.	2,743	31,985	15,993	379	
Insurance					
1. Alpha Insurance Agents A.E.		2,707		12	
2. Alphalife A.A.E.Z.	4,802	16,357	(6,234)	139	
Real estate and hotel					
1. Alpha Astika Akinita A.E.	347	62,249	981	6,469	
2. Emporiki Development and Real Estate A.E.		766	1	42	
3. Alpha Real Estate Bulgaria E.O.O.D.		202			
4. Chardash Trading E.O.O.D.		3,502		15	
5. Alpha Investment Property Attikis A.E.		135	162		
6. Alpha Investment Property Attikis II A.E.		582	521		
7. Stockfort Ltd	24,128	567	490	16	
8. AGI-RRE Zeus S.R.L.	33,392		993		

9. AGI-RRE Poseidon S.R.L.	13,293		446		
10. AGI-BRE Participations 2 E.O.O.D.	9,215		225		
11. AGI-BRE Participations 2BG E.O.O.D.	8,376		202		
12. AGI-BRE Participations 3 E.O.O.D.	19,793		416		
13. AGI-BRE Participations 4 E.O.O.D.	16,181				
14. APE Fixed Assets A.E.		23			
15. HT-1 E.O.O.D.	490		10		
16. SC Carmel Residential S.R.L.	6,907		495		
17. AGI-RRE Cleopatra S.R.L.	12,760		535		
18. AGI-RRE Hera S.R.L.	4,163		224		
19. Alpha Investment Property Neas Kifisias A.E..	3,231	35	50		
20. Alpha Investment Property Kallirois A.E.	271	34	3		
21. Alpha Investment Property Livadias A.E.	4,441	880	136		
22. Alpha Investment Property Kefalariou A.E.		256	1		
23. Ashtrom Residents S.R.L.	9,828		534		
24. AGI-BRE Participations 5 E.O.O.D.	8,700				
25. Cubic Center Development S.A.	27,751		1,066		
26. Alpha Investment Property Neas Erythreas A.E.	8,120	207	243		
27. Alpha Investment Property Chanion A.E. (former Anaplasis Plagias A.E.)		458	972		
28. AGI SRE Participations 1 DOO	27,550		357		
29. Alpha Investment Property Spaton A.E.	13,691	205	231		
30. Alpha Investment Property Kallithea A.E.	1,350	1,373			
Special purpose and holding entities					
1. Alpha Credit Group Plc		8,961			
2. Alpha Group Jersey Ltd	59	15,285			15,542
3. Alpha Group Investments Ltd		39,630	1,940	11	
4. Ionian Holdings A.E.		340,793	4,290	1,733	
5. Ionian Equity Participations Ltd		13	507		
6. Emporiki Group Finance Plc		1,185			
7. AGI-RRE Participations 1 Ltd		1,935			
8. Alpha Group Ltd	15,777	16,021	15,777		
9. Katanalotika Plc	1,192				
10. Epihiro Plc		1,251			
11. Irida Plc	372,105	125,013	35		
12. Pisti 2010-1 Plc		167			
13. Alpha Shipping Finance Ltd	6	295,467	6,238	13,674	
14. Umera Ltd	402,055	28,310	2,362	68	779
15. AGI-RRE Poseidon Ltd	28,902		970		
16. AGI-BRE Participations 4 Ltd	3,403		66		
17. AGI-RRE Artemis Ltd	1,751		56		
18. Zerelda Ltd		998			
19. AGI-Cypre Ermis Ltd	1,000,115	137,419	17,143	88	622
20. AGI-SRE Ariadni DOO			771		
21. AGI-CYPRE ALAMINOS LTD	8,444		169		
22. AGI-CYPRE TOCHINI LTD	1,300		26		
23. AGI-CYPRE MAZOTOS LTD	7,486		150		
24. Alpha Proodos DAC	15	239,476	60	5,526	
25. AGI-BRE PARTICIPATIONS 1 E.O.O.D.			137		
Other companies					
1. Kafe Alpha A.E.		296	16	226	

2. Alpha Supporting Services A.E	298	36,762	600	6,391	
3. Real Car Rental A.E.		31			
4. Evisak A.E.			1	4	
5. Emporiki Management A.E.	21	1,822	60	10	
6. Alpha Bank Notification Services A.E.	140	1,471	283	4,842	

ii. Joint ventures

(Amounts in thousand of Euro)

Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
1. APE Commercial Property A.E.		546	2	63	
2. APE Investment Property A.E.	69,905	6,667	1,867	4	
3. Alpha TANEO A.K.E.S.		170			
4. Rosequeens Properties S.R.L.	24,290		859		

iii. Associates

(Amounts in thousand of Euro)

Name	Assets	Liabilities	Income	Expenses	Letters of guarantee and other guarantees
1. AEDEP Thessalias and Stereas Ellados		299			
2. Banking Information Systems A.E.		71			
3. Olganos A.E.	3,044		9		
4. Alpha Investment Property Eleona A.E.	52,019	288	832		
5. Cepal Holdings A.E (former Actua Hellas Holdings S.A.)	1,427	12,205	16	5,555	
6. Propindex		50			
7. Alpha Investment Property I A.E.	451	7,597	2,116	24	

Total	**3,772,720**	**2,203,495**	**111,469**	**51,615**	**374,074**

C. Other related party transactions

The outstanding balances and the corresponding results are analyzed as follows:

(Amounts in thousand of Euro

	Assets	Liabilities	Income	Expenses
Employees Supplementary Funds – TAP		7		1
Hellenic Financial Stability Fund – HFSF			10	

Corporate Responsibility – Non-financial Report

Alpha Bank Corporate Responsibility Policy

With a view to ensuring its sustainable development, Alpha Bank is committed to operating responsibly, taking into account the economic, social and environmental parameters of its operation, both in Greece and in the other countries where it is present. To this end, it promotes communication and cooperation with all its Stakeholders.

In order to enhance social responsibility and integrate it into the Group's principles and values in the best possible way, Alpha Bank applies the law and aligns its activity with internationally recognised guidelines, principles and initiatives on sustainable development, such as the Organization for Economic Co-operation and Development (OECD) Guidelines on Responsible Business Conduct, the Principal Conventions of the International Labour Organisation (ILO), and the United Nations' Universal Declaration of Human Rights (UDHR).

Alpha Bank's **organisation and operation** follow the best banking and business practices. They are governed by principles such as integrity and honesty, impartiality and independence, confidentiality and discretion, in line with the Bank's Code of Ethics and the principles of Corporate Governance. Particular significance is attached to the identification, measurement and management of the undertaken risk, to the compliance with the applicable legal and regulatory frameworks, to transparency and to the provision of full, accurate and truthful information to the Bank's Stakeholders.

The Bank's primary goals are credibility, reliability and efficiency in banking services. Its key concerns are to continuously improve the Products and Services it offers and to ensure that its **Customers'** banking needs are addressed in a modern and responsible manner. It examines and incorporates non-financial criteria (on issues related to the environment, society and corporate governance) in its financing procedures, as well as in developing and placing new products and services on the market.

Alpha Bank is responding with increased awareness to matters concerning the protection of the **environment** and the conservation of natural resources and is committed to addressing the direct and indirect impacts of its activities on the environment

Alpha Bank implements responsible policies with regard to its **Human Resources**. In particular, the Bank:

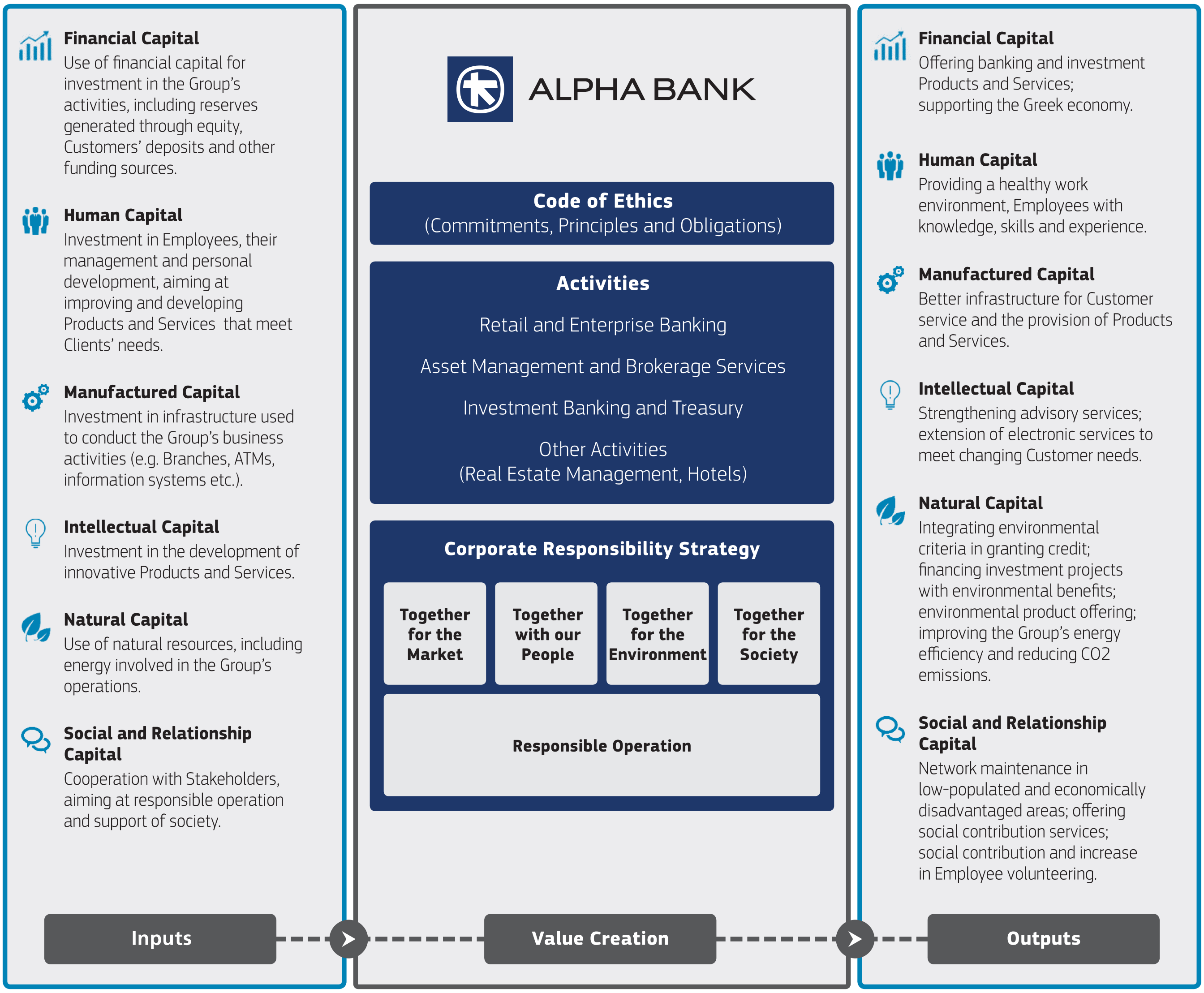
- Respects and defends the diversity of its Employees (i.e. age, gender, ethnic origin, religion, disability/special capabilities, sexual orientation etc.).
- Ensures top-quality working conditions and opportunities for advancement based on merit and equitable treatment, free of discrimination.
- Offers fair remuneration, based on contracts, which are in agreement with the corresponding national labour market and ensure compliance with the respective national regulations on minimum pay, working hours and the granting of leave.
- Defends human rights, recognises the right to union membership and to collective bargaining, and opposes all forms of child, forced or compulsory labour
- Treats all Employees with respect.
- Provides Employees with continuous education and training.
- Ensures the health and safety of Employees at the workplace and helps them balance their professional and personal life.

The Bank's activities are directly linked to the society and the citizens. Therefore, Alpha Bank seeks to contribute to the efforts to support the **society** and the citizens, giving priority to culture, education, health and the protection of the environment.

The Bank applies the Corporate Social Responsibility principles across the entire range of its activities and seeks to ensure that its suppliers and partners also comply with the values and business principles that govern its operation.

Business Model

The business model of Alpha Bank aims to create value for its Stakeholders. Alpha Bank invests in its Employees, in its Network and infrastructures in order to develop and place on the market high quality Services and Products. It also works together with its Stakeholders in order to identify their requirements in a timely manner, to ensure its responsible operation and to support the society. Alpha Bank provides a healthy work environment, in which its Employees broaden their knowledge and skills and contribute to the development of new products and services. Alpha Bank supports the Greek economy, enhances its electronic services, offers products and services with specific social and environmental, and actively contributes to the society.



Alpha Bank Business Model

Codes and Procedures

The Corporate Governance Code of Alpha Bank sets out the framework and the guidelines for the governance of the Bank and is revised by the Board of Directors. The Code also defines the duties and the allocation of responsibilities between the Board of Directors, the Board Committees, the Executive Committee and the other Committees of the Bank and is published on the Bank's website (www.alpha.gr).

Matters of Corporate Governance, as well as the management of matters concerning sustainability in general, are determined by the Board of Directors based on the recommendations submitted by the competent Divisions.

In 2017 the Board of Directors revised the Corporate Governance Code and the Charters of the Board of Directors' Committees to which explicitly defined and distinct responsibilities have been assigned, in full alignment with the relevant regulatory framework and with the recent best practices of corporate governance. In addition, it also revised the Policy for the Evaluation of Senior Executives and Key Function Holders and the Policy for the Succession Planning of Senior Executives and Key Function Holders. In the first half of 2018, the Board of Directors supported by an external advisor will evaluate its effectiveness as well as the individual contribution of each Member to the Board.

Additionaly, the Code of Ethics was revised based on the principles of morality and ethics. It describes the Bank's commitments and practices regarding its activities, its management, and the rules of conduct that apply to its Executives and Employees not only in their interactions with each other, but also with business parties and with the Shareholders. The application of the Code of Ethics and of the principles of Corporate Governance, together with the operation of the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee, have allowed Alpha Bank to enhance effectively the principles of integrity and transparency in its operations and to ensure optimal management of risk.

The Bank attaches great importance to matters of ethics and transparency and has in place clear rules and regulations, established by the Staff Regulations and the Acts of the General Management, regarding matters such as the protection of personal data, the prohibition for Executives and Employees to accept gifts in the course of performing their official duties, and potential cases of conflict of interests in conducting transactions.

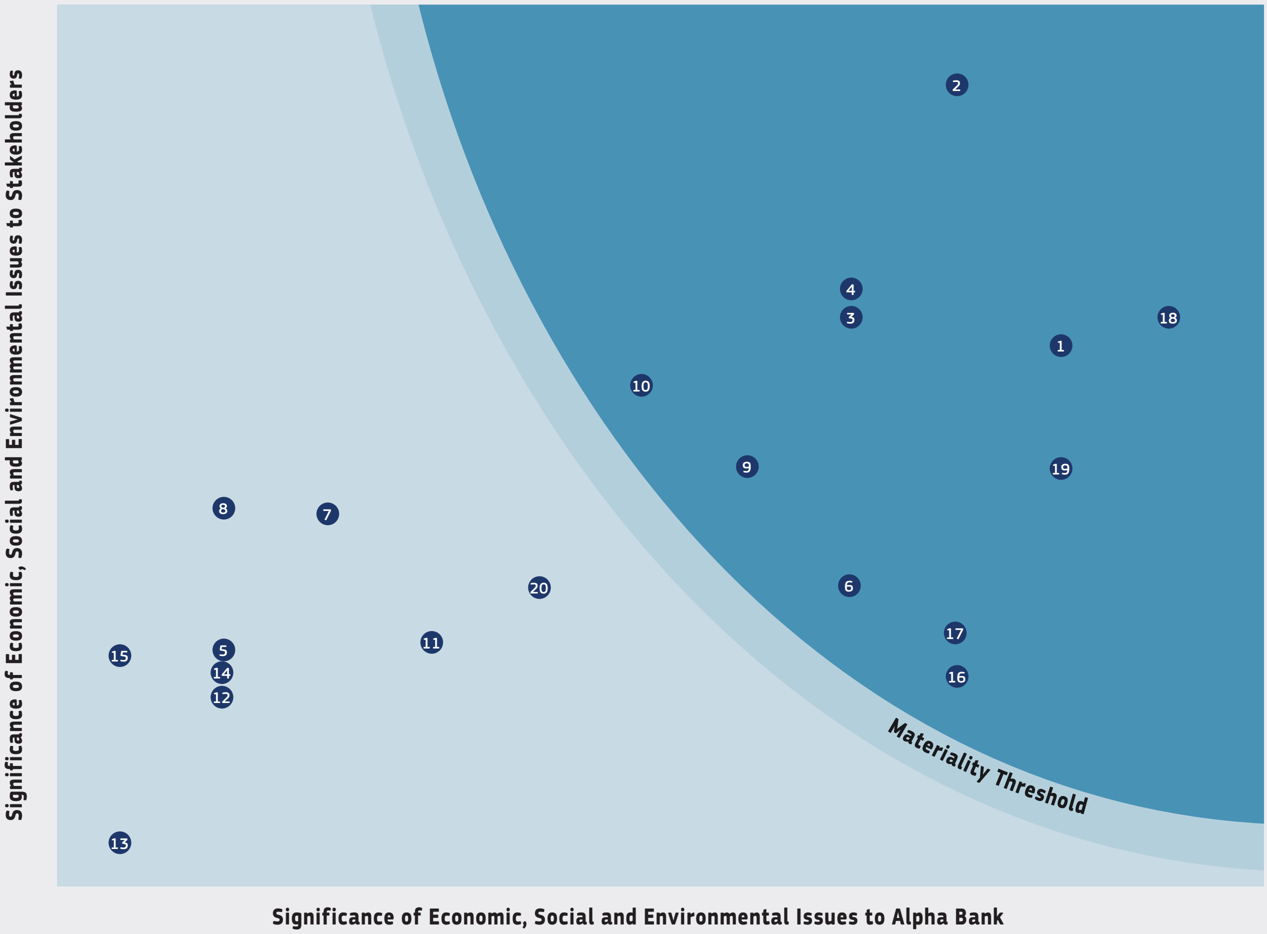
Alpha Bank has policies, procedures and management systems to ensure compliance with the applicable regulatory framework, its responsible operation and the continuous improvement of its performance. Whenever necessary, instructions are issued to the Branches of the Bank, but also to Group Companies in Greece and abroad, while the Employees attend corresponding training programs. Since 2016, the Group has incorporated the "Environmental and Corporate Responsibility Risk Management Policy in the Business Credit Processes" in the Group's existing Credit Risk Management Framework and the Group's Credit Policy, thereby enhancing the effective management of the environmental and social dimension of financing. The Policy presents the responsibilities and the approach followed in managing environmental and social risk at every stage of the lending process – from identifying the origin of credit risk to assessing it, granting final approval and monitoring the Group's Wholesale Banking Customers. It also provides an industry-specific Exclusion List (a list of sectors that the Group does not finance), as well as a list of crucial industry sectors/activities associated with environmental and social risk.

Identification of Material Issues

In 2017, Alpha Bank enhanced the process for the identification and mapping of the most material issues for its responsible operation (Materiality Analysis). In the process of identifying the most significant issues the following stakeholders participated:

- Executives of the Senior Management to determine the Bank's perspective, as well as
- 5,423 representatives of all stakeholder groups of the Bank through an online anonymous questionnaire.

The issues that emerged are presented in the following chart and have been validated by the Bank's Management.



1. Customer Service and Satisfaction
2. Protection of Customers' Personal Data
3. Modern Banking
4. Responsible Communication with Customers
5. Product Portfolio
6. Management of Human Resources
7. Fair Labour Practices
8. Human Rights Issues
9. Employees Training and Development
10. Health and Safety at the Workplace
11. Impact on Society / Local Communities
12. Social Contribution
13. Support of Culture
14. Energy Consumption and Dealing with Climate Change
15. Other Environmental Impacts
16. Risk Management
17. Corporate Governance and Management
18. Compliance
19. Economic Performance
20. Responsible Procurement

Performance in 2017

The table below presents sample indicators on Alpha Bank's performance in 2017. The indicators have been selected taking into account the internationally recognized Global Reporting Initiative guidelines. Detailed information and additional performance indicators for the Bank, together with information on the corporate responsibility activities of the Group's subsidiaries, are presented in the Alpha Bank Corporate Responsibility Report 2017.

Indicators	Alpha Bank	Group Alpha Bank
Employees (number of Employees)	8,341	11,357
Women Employees	54%	57%
Employee Training (hours of training per Employee)	16.7	19.3
Number of fatalities (number of Employees)		
Number of injuries (number of Employees)		1
Social contribution (Euro)	1,528,131	1,703,952
Percentage of monetary transactions made through alternative networks[2]	80%	80%[4]
Convictions against the Directors of the Bank3 for any felony offence including those under Law 4022/2011 for «corruption offences».		

[1] Includes data from the Group's Banks in Greece, Cyprus, Albania and Romania.

[2] Includes all the monetary and account transactions via: ATMs, ACTCs, e-Banking (Web, Phone, Mobile), standing orders for companies' debts, mass payments like payrolls, suppliers' payments, etc.

[3] As the Directors of the Bank are defined the members of the Bank's Board of Directors and General Managers.

[4] It does not include data from Alpha Bank Albania.

In 2017, Alpha Bank, after its successful assessment by the FTSE International Organisation, remained a constituent of the Financial Times Stock Exchange 4Good (FTSE4Good) Emerging Index, which assesses listed companies in emerging markets with a positive financial, environmental and social performance. Its inclusion in the FTSE4Good international index proves that, in parallel with its business activity, the Bank is also highly aware of environmental and social issues. At the same time, it also strongly motivates it to strengthen its presence in the Corporate Responsibility domain, both in Greece and internationally.

In addition, for the first time, Alpha Bank reported to the CDP platform the required information for the climate change questionnaire, achieving a C rating, which classifies it in the average of the financial institutions participating in CDP.

In 2017, the Hellenic Institute of Business Ethics awarded Alpha Bank as an acknowledgment of its contribution to the promotion of the principles of Business Ethics, Social Responsibility and Corporate Governance in the academic community, private and public sector enterprises and organizations.

Finally, the Group, in an effort to support events that present key international sustainability issues, which are expected to affect companies and organizations in the short term, sponsored:

- the Sustainability Forum 2017 which took place in Greece,
- the 15th Corporate Social Responsibility Conference organized by the Hellenic-American Chamber of Greece on "Inclusive Cities and Engaged Citizens: Rebuilding our Society Sustainably" and
- the 10th Corporate Social Responsibility Conference held in Cyprus, dedicated to the 17 Sustainable Development Goals of the 2030 Agenda.

Athens, 20 March 2018

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

VASILEIOS T. RAPANOS
ID No AI 666242

Explanatory Report of the Board of Directors of Alpha Bank for the Year 2017

The present Explanatory Report of the Board of Directors of Alpha Bank (hereinafter the "Bank") to the Ordinary General Meeting of Shareholders of the Bank for the year 2017 contains detailed information, pursuant to the provision of article 4 par. 7 of Law 3556/2007, the reference date being 31.12.2017, in accordance with the order in which they are written in the provision in question.

In particular:

a. 1. On 1.1.2017 the share capital of the Bank stood at the total amount of Euro 461,064,360.00, divided into 1,536,881,200 common, nominal, voting, paperless shares, of a nominal value of Euro 0.30 each. Out of the said common, nominal, voting, paperless shares, 1,367,706,054 have been subscribed by Private Investors and 169,175,146 have been issued by the Bank and have been subscribed by the Hellenic Financial Stability Fund, pursuant to Law 3864/2010, governed by virtue of the terms thereof.

2. The Board of Directors of the Bank at its meeting dated 23.2.2017 resolved on the issuance of 6,813,636 and 4,545 new common, nominal, voting, paperless shares, of a nominal value and offer price of Euro 0.30 and Euro 22.00 each and on their distribution to Crédit Agricole S.A. and to Crédit Agricole Corporate and Investment Bank respectively. The said issuance took place following the resolution of the Board of Directors of the Bank dated 23.2.2017 on the certification of the payment of the increase of the share capital of the Bank by Euro 2,045,454.30 due to the conversion of 1,500 common bonds, of a nominal value of Euro 100,000 each, of the convertible bond loan of a principal amount of Euro 150,000,000 which had been issued by virtue of the resolution dated 27.12.2012 of the Second Iterative Extraordinary General Meeting of the common Shareholders and of the Special Meeting of the preferred Shareholders of the Bank.

3. On the date of the eighth exercise process for Titles Representing Share Ownership Rights (hereinafter "Warrants"), i.e. on 12.6.2017, no Warrants were exercised.

4. On the date of the ninth and final exercise process for Warrants on 11.12.2017, 6,608 Warrants were exercised on shares issued by the Bank and held by the Hellenic Financial Stability Fund, thus resulting in 979 common shares. Pursuant to the relevant legislation, the Warrants which were not exercised until the date of the final exercise process automatically expired and have been cancelled by the Hellenic Financial Stability Fund.

Following the above-mentioned under 1 to 4, on 31.12.2017 the share capital of the Bank stood at the total amount of Euro 463,109,814.30, divided into 1,543,699,381 common, nominal, voting, paperless shares, of a nominal value of Euro 0.30 each. Out of the said common, nominal, voting, paperless shares, 1,374,525,214 are held by Private Investors and 169,174,167 are held by the Hellenic Financial Stability Fund, pursuant to Law 3864/2010, governed by virtue of the terms thereof.

All shares are listed for trading on the Securities Market of the Athens Exchange.

The 1,374,525,214 shares that have been subscribed by Private Investors represent 89% of the total paid-in share capital of the Bank and embody all the rights and obligations provided for in the law and the Bank's Articles of Incorporation.

The 169,174,167 shares held by the Hellenic Financial Stability Fund represent 11% of the total paid-in share capital of the Bank; they have the rights stipulated by law and are subject to the restrictions of the law. With regard to these shares, it is noted that the Hellenic Financial Stability Fund:

- became a shareholder of the Bank, within 2013, in the context of the recapitalisation of the Greek credit institutions, on the basis of Law 3864/2010, having, however, restricted voting rights at the General Meeting,

- has issued, in accordance with Law 3864/2010 and Cabinet Act 38/2012, Warrants in order to offer the shares of the Bank it undertook to Private Investors. These Warrants may be exercised within the time periods referred to in the relevant legislation,
- may vote at the General Meeting only on resolutions pertaining to the amendment of the Articles of Incorporation, including the increase or reduction of the share capital or the grant of a relevant authorisation to the Board of Directors, the merger, split-up, conversion, revival, extension of the term of operation or winding-up of the Bank, the transfer of assets, including the sale of Group Companies or on any other item for which an enhanced majority is required in accordance with the stipulations of Codified Law 2190/1920.
- also possesses all the other rights stipulated by Law 3864/2010, as it is each time in force.

b. The Articles of Incorporation contain no restrictions on the transfer of Bank shares, save as otherwise provided for in the law.

c. From the Bank's records, on 31.12.2017 there are no qualified, direct or indirect holdings within the meaning of Law 3556/2007, in its share capital, with the exception of the Hellenic Financial Stability Fund, which holds common shares representing 11% of the total paid-in share capital of the Bank.

d. There are no shares issued by the Bank possessing special rights of control, with the exception of the common shares held by the Hellenic Financial Stability Fund in reference to the rights that the Hellenic Financial Stability Fund enjoys by virtue of Law 3864/2010.

e. The Articles of Incorporation contain no restrictions on voting rights and the deadlines for exercising the same on shares issued by the Bank, save the restrictions foreseen in Law 3864/2010 with regard to the shares held by the Hellenic Financial Stability Fund.

f. To the knowledge of the Bank, there are no shareholder agreements providing for restrictions on share transfers or restrictions on the exercise of voting rights on shares issued by the Bank, save as otherwise provided for in the provisions of the laws stipulating the rights of the Hellenic Financial Stability Fund.

g. There are no rules in the Articles of Incorporation for the appointment and replacement of Members of the Board of Directors as well as for the amendment of the Articles of Incorporation of the Bank, which are at variance with the stipulations of the law as in force.

h. The Bank may increase its share capital by virtue of a resolution of the General Meeting of Shareholders or of the Board of Directors, in accordance with the law and the Articles of Incorporation.

The General Meeting of Shareholders of 27.6.2014 renewed until 27.12.2017 the validity of the authority (articles 13 par. 1 case (b) and 3a par. 3 item first of Codified Law 2190/1920) granted by the General Meeting to the Board of Directors of the Bank: (i) to increase the share capital of the Bank, through the issuance and distribution of new shares, the amount whereof shall be paid in cash and/or by contribution in kind, and (ii) to issue a bond loan convertible into shares issued by the Bank.

For as long as the Bank participated in the programmes for the enhancement of the economy's liquidity as per Law 3723/2008, the Bank was not allowed to purchase its own shares (article 28 par. 2 of Law 3756/2009).

It is also noted that on 20.6.2017 the Bank ceased using the guarantee scheme of the Hellenic Republic (Pillar II) and fully repaid the respective liquidity to the Bank of Greece. Thus, the Bank is not subject any longer to the provisions and the relevant restrictions of Law 3723/2008. It is reminded that, since April 2014, the Hellenic Republic has ceased to hold any preference shares of the Bank under article 1 of Law 3723/2008 (Pillar I), following their full redemption, and the special instruments under article 3 of Law 3723/2008 (Pillar III) have already been cancelled.

Additionally, for as long as the Hellenic Financial Stability Fund participates in the share capital of the Bank, the latter may not purchase its own shares without the former's approval.

The Bank does not hold any of its own shares.

i. The Bank has entered into no major agreement, which comes into effect, is amended or expires upon a change of control of the Bank following a public tender offer.

j. The Bank has entered into no agreement with Members of the Board of Directors or the Personnel, providing for compensation upon their resignation or dismissal without just cause, or upon termination of tenure or employment, owing to a public tender offer, except in accordance with the provisions of the law.

Corporate Governance Statement for the year 2017

Pursuant to the provision of paragraph 1 of article 43bb of Codified Law 2190/1920, the Annual Management Report of the Board of Directors of Alpha Bank (hereinafter the "Bank") includes the Corporate Governance Statement for the year 2017. The reference date of the Corporate Governance Statement is 31.12.2017.

The items c), d), f), h), i) of article 10 of Directive 2004/25/EC of the European Parliament and of the Council, as they are incorporated in the items c), d), e), g), h) of article 4 par. 7 of Law 3556/2007, are analysed in the Explanatory Report of the Board of Directors to the General Meeting of Shareholders, which is included in the Annual Management Report of the Board of Directors.

Specifically, the required information is listed below:

A. Corporate Governance Code and Corporate Governance practices

1. The Bank operates within the framework of the Alpha Bank Corporate Governance Code, which is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=120&la=2).

2. Effective Corporate Governance constitutes an expressed goal of the Bank which is constantly pursued, taking into account the institutional framework requirements, the best practices at an international and a European level, the Shareholders' interest and the expectations of stakeholders and society.

In particular, the Corporate Governance Code as well as the Corporate Governance practices which are implemented by the Bank are in accordance with the requirements of the relevant legislative, supervisory and regulatory framework, both of the European Union and of Greece and with the international best practices in Corporate Governance and aim at the increase of the long-term economic value of the Bank, taking into consideration the interests of the Shareholders, those transacting with the Bank, the Employees and other Stakeholders.

The Bank complies with the legislation requirements for corporate governance pertaining to listed companies, the special legislation of the Financial Stability Fund and the provisions applied to credit institutions pursuant to European Union Law as well as with the guidelines issued by the European Banking Authority, the European Securities and Markets Authority and the European Central Bank on this thematic area.

The said practices are included in the Alpha Bank Corporate Governance Code, which sets the framework and guidelines for the governance of the Bank as well as in the policies and the procedures applied by the Bank pertaining to corporate governance issues, such as, indicatively, conflicts of interests, related parties, remuneration, nomination of candidate Members of the Board of Directors and the operation of the Committees of the Board of Directors. The Board of Directors is responsible for the revision of the Code.

The Corporate Governance Code of Alpha Bank defines the duties and allocates responsibilities among the Board of Directors, its Committees, the Executive Committee and the other Committees of the Bank, regulates issues pertaining to the composition, the operation and the evaluation of the Board of Directors, the obligations of its Members, issues pertaining to the General Meeting of Shareholders as well as issues pertaining to the Internal Control System of the Bank. The Code is based on the principles of responsibility, accountability, fairness and transparency.

The Bank complies with the Corporate Governance Code and provides explanations in case it deviates from its provisions, providing explanations for the reasons of any deviation. The Bank did not deviate from the Corporate Governance Code in 2017.

Alpha Bank implemented, as early as 1994, the principles of Corporate Governance, enhancing transparency in communication with the Bank's Shareholders and keeping investors promptly and continuously informed. In this context, the Bank has adopted the following modifications, before their establishment as regulatory and legal requirements: the separation of the Chair's duties from those of the

Managing Director - CEO and the establishment of the Audit Committee of the Board of Directors.

Since then, the Bank constantly enhances the corporate governance framework it applies by adopting practices and measures beyond those defined in the relevant legislation, such as a larger number of Non-Executive Independent Members of the Board of Directors, having a Non-Executive Chair of the Board of Directors, the establishment of monthly meetings of the Audit Committee of the Board of Directors and the Risk Management Committee of the Board of Directors as well as the establishment of joint meetings of the Audit Committee with the Risk Management Committee.

Furthermore, the Board of Directors examines periodically corporate governance issues and during 2017 it revised the Corporate Governance Code and the Charters of the Board of Directors' Committees (which Committees have been assigned with explicitly defined and distinct responsibilities), in order for them to be aligned with the relevant regulatory framework and with the recent best practices of corporate governance.

The Bank offers the new Members of the Board of Directors an introductory informational programme on Corporate Governance, Risk Management, Internal Audit, Compliance, Capital Adequacy, Financial Services as well as the possibility for relevant information seminars and information meetings. Moreover, the Bank provides continuous information sessions to the Non-Executive Members of the Board of Directors to update them on current issues of the banking market and on the regulatory developments in the financial sector.

The Bank, in accordance with the best practices of corporate governance, and aiming to further enhance the collaboration within the Group, has launched a series of meetings between the Members of the Board of Directors of the Bank and representatives of the Group Companies. In this context, in 2017 the Board of Directors and Bank Executives visited Alpha Bank Cyprus Ltd.

The Corporate Governance Code of the Bank stipulates expressly the distinguished responsibilities of the Chair of the Board of Directors, the Vice Chair and the Managing Director - CEO.

The Board of Directors convenes every month or more often if necessary. The Articles of Incorporation of the Bank provide the Board of Directors with the option to meet by teleconference. The calendar of the meetings of the Board of Directors and its Committees for every year is set and notified at the end of the previous year. The minutes of the meetings of the Board of Directors and its Committees are ratified at the next regular meeting of the Board of Directors or of the relevant Committee. The tenure of the Members of the Board of Directors is four years, while Codified Law 2190/1920 stipulates up to six years.

Article 3 of Law 3016/2002 stipulates, inter alia, that the number of Non-Executive Members of the Board of Directors cannot be less that 1/3 of the total number of Members. Out of a total of twelve (12) Members of the Board of Directors of the Bank, the number of Non-Executive Members amounts to eight (8), i.e. 67% of the total, thus exceeding by far the minimum number for such Members set by Law 3016/2002.

In accordance with the above-mentioned article of Law 3016/2002, at least two (2) Non-Executive Members should also be Independent. In the Board of Directors of the Bank, the respective number exceeds, as in the case mentioned above, the minimum requirement set by law and amounts to five (5), i.e 42% of the total.

The Board of Directors, taking into account the constantly changing landscape in the banking sector and the supervisory framework and in the light of the smooth implementation of the NPL-NPE business plan, has resolved that, as of 1.3.2017, the three General Managers and Executive Members of the Board of Directors should be appointed Deputy CEOs and that their responsibilities should be allocated anew as follows:

- The General Manager Mr. Spyros N. Filaretos is appointed Deputy CEO - Chief Operating Officer.
- The General Manager Mr. Artemios Ch. Theodoridis is appointed Deputy CEO, Non-Performing Loans and Treasury Management.
- The General Manager Mr. George C. Aronis is appointed Deputy CEO, Retail, Wholesale Banking and International Network.

Additionally, the Bank has adopted a Code of Ethics for the performance of duties with the purpose to implement the standards required by modern corporate governance and effective Internal Audit. Specifically, the Code describes the commitments and the practices of the Bank regarding its activities, the management, the rules of conduct of Executives and Employees towards each other, but also towards those transacting with the Bank and towards the Shareholders.

During 2017, the Code of Ethics was revised in accordance with best ethical principles. The said Code, as in force, is posted on the Bank's website (http://www.alpha.gr/page/default.asp?la=2&id=5393).

The Corporate Governance and Nominations Committee ascertained that the current composition of all the Committees of the Board of Directors, namely the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee, meets the requirements of the regulatory framework, is consistent with the principles of Corporate Governance of the Bank and contributes to the effective and smooth operation of the Committees and the Bank.

It also ascertained that the Members of the Board of Directors represent different business sectors as well as different geographical areas and are acknowledged for their character, integrity, ability of leadership, management, thought and constructive collective operation in a team environment as well as for their financial knowledge and other professional and business experience. The level of experience and knowledge of all the Members of the Board of Directors and its Committees was evaluated by the Board of Directors as very high, while their work was evaluated as extremely effective.

Lastly, it was ascertained that the Members comply with the stipulations of article 83 of Law 4261/2014 on the combination of directorships that Board Members may hold at the same time, that they do not have any personal or private interests, as defined in article 2 of Law 3016/2002 and that the Non-Executive Independent Members of the Board of Directors fulfil the conditions for being Independent, in accordance with Law 3016/2002 and the Corporate Governance Code.

Additionally, at the annual Meeting of the Non-Executive Members of the Board of Directors, the Non-Executive Members recognised that the Board operations are conducted in an effective manner and that the Members of the Board of Directors contribute to very effective and productive Board meetings. During the meetings, the Members deliberate openly in an environment of trust and they feel free to express their views and the relevant arguments. During the Meeting, the Non-Executive Members evaluated the performance of the Executive Members and highlighted the contribution of each and every one of them to the accomplishment of satisfactory results during these highly volatile economic circumstances which the country is experiencing as well as their excellent cooperation with their Non-Executive peers.

The main objective is that the Members attend more than 85% of the Board of Directors meetings. The Corporate Governance and Nominations Committee deemed that there were no Member absences from Board meetings without a valid reason. The Members of the Board of Directors who were absent had informed the Bank in time of the relevant reasons and had authorised in writing another Member of the Board of Directors to represent them at the meeting where they were not present due to impediment.

During the year the Bank, in response to the changing landscape in Greek banking and in accordance with the legislative and regulatory requirements, proceeded to modify the composition of its Board of Directors in order to replace Non-Executive Members with persons who possess international experience of many years in banking, audit, risk management and Non-Performing Loans.

In 2017 Mr. Evangelos J. Kaloussis, Ms Panagiota S. Iplixian (representative of the Financial Stability Fund) and Ms Marica S. Ioannou-Frangakis (representative of the Greek State) departed the Board of Directors of the Bank. Within the same year, Ms Carolyn G. Dittmeier and Mr. Spyridon-Stavros A. Mavrogalos-Fotis (representative of the Hellenic Financial Stability Fund) were elected as Members.

Ms Carolyn G. Dittmeier and Mr. Spyridon-Stavros A. Mavrogalos-Fotis were provided by the Bank with the previously-mentioned detailed introductory informational programme on Corporate Governance, Risk Management, Internal Audit, Compliance, Capital Adequacy and Financial Services.

The Board of Directors, in accordance with the Code and the Evaluation Policy it has adopted, proceeds on an annual basis to the assessment of its effectiveness as well as that of its Committees. Every three years, the Board of Directors may appoint an external consultant for its assessment.

3. In order to enhance the active participation of the Shareholders in the General Meetings and the genuine interest in issues relating to its operation, the Bank develops procedures of active communication with its Shareholders and establishes the appropriate conditions so that the policies and strategies adopted are based on the constructive exchange of views with them.

Within 2017, a roadshow took place, aiming to inform investors on matters of Corporate Governance of the Bank. Through this initiative, the Bank enhances its relations with proxy advisors and institutional investors who focus on corporate governance, providing them, where necessary, with further information so as to facilitate their decision-making process on Corporate Governance matters of the Bank in view of the Annual Ordinary General Meeting of Shareholders.

In order to ensure the reliable, secure and broad dissemination of institutional information to its Shareholders, the Bank declares the "Officially Appointed Mechanism for the Central Storage of Regulated Information" of the Hellenic Exchanges S.A. (HELEX), which is currently managed by the Athens Exchange and operates through the "HERMES" communication system, in accordance with the Athens Exchange Rulebook (www.helex.gr), as the means of disclosure of regulated information and information provided by law to its Shareholders before the General Meeting. Through this disclosure, the prompt and non-discriminatory access to the relevant information is made available to the general public and particularly to the Shareholders, given that the above System, as recognised by law, is considered reasonably reliable for the effective dissemination of information to the investing public and meets the national and European range requirements of the law.

B. Internal Control and Risk Management System

1. Internal Control System

The Internal Control System, on which the Bank places great emphasis, comprises auditing mechanisms and procedures, relating to all the activities of the Bank, aiming at its effective and secure operation.

The Internal Control System ensures:

- the consistent implementation of the business strategy with an effective utilisation of the available resources,
- the identification and management of all risks undertaken,
- the completeness and the credibility of the data and information required for the accurate and timely determination of the financial situation of the Bank and the generation of reliable financial statements,
- the compliance with the current regulatory framework, the internal regulations, the rules of ethics,
- the prevention and avoidance of erroneous actions that could jeopardise the reputation and interests of the Bank, the Shareholders and those transacting with it,
- the effective operation of the IT systems in order to support the business strategy and the secure circulation, processing and storage of critical business information.

The evaluation of the adequacy and effectiveness of the Internal Control System of the Bank is conducted:

a) On a continuous basis by the Internal Audit Division of the Bank through audits effected as well as by the Compliance Division with respect to the observance of the regulatory framework.

   The audit plan of the Internal Audit Division is based on the prioritisation of the audited areas, by identifying and assessing the risks and the special factors associated with them. In addition, any instructions or decisions of the Management of the Bank, along with regulatory framework requirements and extraordinary developments in the overall economic environment are taken into account.

   The Audit Committee of the Board of Directors approves the audit plan and is updated every quarter on its implementation, the main conclusions of the audits and the implementation of the audit recommendations as well as on the compliance with the regulatory framework.

b) On an annual basis by the Audit Committee of the Board of Directors, on the basis of the relevant data and information from the Internal Audit Division, the findings and observations from the External Auditors as well as from the Regulatory Authorities.

   In 2017, the Audit Committee evaluated the Internal Control System of the Bank for 2016.

c) Every three years by External Auditors, other than the regular ones.

   These are highly experienced individuals in the field of internal audit (external auditors or special advisors), who are independent of the Group and for whom there is no question of a conflict of interests.

   The Audit Committee determines the criteria and the selection procedures for external auditors by submitting a relevant recommendation to the Board of Directors, which should include at least two possible choices for the audit engagement and a duly justified preference for one of them. Furthermore, the Audit Committee approves the range and the contents of the audit activities, through the monitoring of the statutory audit of the annual and consolidated financial statements and especially its performance, taking into account any findings and conclusions of the competent authority, in accordance with par. 6 article 26 of Regulation (EU) No 537/2014.

The Bank has in place Policies and Procedures for the preparation of the financial statements and the recognition of financial events, in accordance with the current legislation and the accounting standards in force, as defined in the International Financial Reporting Standards (IFRS), that have been adopted by the European Union, pursuant to Regulation 1606/2002 of the European Parliament and the Council of the European Union of 19 July 2002.

Almost all transactions, with a very few exceptions, are carried out through specialised computerised applications, per business activity of the Bank and the Group, which support the Officers' authorisation limits and the procedures for double-checking transactions.

The accounting system of the Bank and the Group is supported by specialised IT systems which have been adapted to the business requirements of the Bank and the requirements of the accounting standards.

Audit and accounting reconciliation procedures have been established in order to ensure the correctness and the legitimacy of the entries in the accounting books as well as the completeness and validity of the financial statements.

Furthermore, in order to ensure the independence of the regular audit of the financial statements of the Group, the Board of Directors applies specific policies and procedures in order to formulate a recommendation for the General Meeting with regard to the election of a regular auditor.

The Audit Committee of the Board of Directors supervises and assesses the drafting procedures for the interim and the annual financial statements of the Bank, in accordance with the current audit standards, and studies the reports of the External Auditors as regards deviations from the current accounting practices, informing accordingly the Board of Directors about the statutory audit's result, its contribution to the integrity of the financial reporting as well as the Audit Committee's role in the said process. Finally, the Audit Committee reviews and monitors the independence of statutory auditors, in accordance with the laws in force at the time, and in particular the adequacy of the provision of non-audit services to the Bank and the Group.

2. Risk Management

The Bank places great emphasis on the identification, measurement and management of the risks undertaken and, to this end, it has assigned these tasks to the Risk Management Business Unit. The Risk Management Business Unit reports to the General Manager - Chief Risk Officer of the Group, to the Risk Management Committee and (through the latter) to the Board of Directors of the Bank.

The effective management of all types of risk focuses on accurate and efficient measurement using specialised methods and calculation models, and on the adoption of policies and limits through which the Bank's exposure to various risks is monitored.

The Operational Risk Committee convenes regularly or whenever deemed necessary depending on the circumstances and ensures that the appropriate processes, methodologies and infrastructure to manage the operational risk of the Group exist, while approving recommendations to limit operational risk.

The Credit Risk Committee convenes regularly, assesses the adequacy and the efficiency of the credit risk management policy and procedures of the Bank and the Group and resolves on the planning of the required corrective actions.

The Troubled Assets Committee (TAC) convenes regularly and examines issues related to the portfolios managed by the Non-Performing Loans Divisions under the supervision of the Deputy CEO, Non-Performing Loans and Treasury Management, in order to achieve the operational goals of the Bank and the Group, pertaining to which it may propose further decision-making to the Credit Risk Committee and subsequently to the Board of Directors for the final approval, through the Risk Management Committee of the Board of Directors.

The Assets-Liabilities Management Committee (ALCo) convenes regularly every quarter, examines issues related to Treasury and Balance Sheet Management and the overall financial volumes of the Bank and the Group and resolves on them, approving the respective actions and policies.

The Bank has fully complied with the provisions of the institutional framework with respect to its trouble assets.

The Audit Committee and the Risk Management Committee review in a joint session every quarter the financial statements of the Bank and the Group compiled in accordance with the International Financial Reporting Standards (IFRS) and propose to the Board of Directors the approval thereof.

C. General Meeting, Board of Directors and Committees of the Board of Directors

1. General Meeting

The General Meeting of Shareholders is the supreme governing body of the Bank and resolves on all corporate matters, apart from those that fall within the exclusive jurisdiction of the Board of Directors, unless the latter resolves, on a particular item of its agenda, to relegate it to the General Meeting. Its resolutions shall be binding upon all the Shareholders including those absent or dissenting.

The General Meeting, unless otherwise foreseen by law and the Articles of Incorporation, is vested with exclusive authority to resolve on the following matters:

(a) amend the Articles of Incorporation, including the resolutions to increase or to reduce the share capital;

(b) elect Members to the Board of Directors and award the status of Independent Member of the Board of Directors;

(c) appoint regular auditors and determine their remuneration;

(d) approve and reform the Annual Financial Statements and determine the distribution of the annual profits of the Bank;

(e) issue bond loans pursuant to articles 8 (without prejudice to article 3a par. 1 section b of Codified Law 2190/1920) and 9 of Law 3156/2003;

(f) merge, split-up, convert, revive, extend the term of operation or wind-up the Bank;

(g) change the nationality of the Bank;

(h) appoint liquidators; and

(i) resolve on any other issues stipulated by law.

2. Board of Directors

The Board of Directors is responsible for the general administration and management of corporate affairs as well as for the representation of the Bank in all its relations and resolves on all issues concerning the Bank. It performs any action for which the relevant authority is bestowed upon it, apart from those actions for which the General Meeting of Shareholders is the sole competent authority.

The primary concern of the Board of Directors, while exercising its powers, is to promote the interests of the Bank, the Shareholders and its Employees as well as of other interested parties (as the case may be). The Board of Directors monitors the compliance and adherence to the provisions of the law, within the framework of the corporate interest as well as the compliance to procedures of reliable and timely information and communication.

Pursuant to the Presubscription Agreement of 28 May 2012, the Hellenic Financial Stability Fund is represented in the Board of Directors of the Bank. The representative of the Hellenic Financial Stability Fund is also a Member of the Audit Committee, the Risk Management Committee, the Remuneration Committee and the Corporate Governance and Nominations Committee of the Board of Directors.

As of 20.6.2017, the Bank ceased using the guarantee scheme of the Hellenic Republic, in accordance with the provisions of article 2 of Law 3723/2008 (Pillar II), and has fully repaid the respective liquidity to the Bank of Greece. Consequently, as of the same date, the Bank is not subject any longer to the provisions and the relevant restrictions of Law 3723/2008, inclusive of the obligation to appoint a representative of the Hellenic Republic to the Bank's Board of Directors. It is reminded that, since April 2014, the Hellenic Republic has ceased to hold any preference shares of the Bank under article 1 of Law 3723/2008 (Pillar I), following their full redemption, and the special instruments under article 3 of Law 3723/2008 (Pillar III) have already been cancelled.

It is noted that as of 20.3.2017, the representative of the Greek State, Ms Marica S. Ioannou - Frangakis resigned and was not replaced by the Greek State since then and until 20.6.2017, when the right of the Greek State to be represented on the Board of Directors of the Bank ceased.

The Board of Directors convenes at least on a monthly basis. In 2017, it convened 15 times. The average participation rate of the Members of the Board of Directors in the meetings stood at 92% (based on the composition of the Board of Directors as of 31.12.2017).

3. Committees of the Board of Directors

3.1 The Audit Committee of the Board of Directors, under the chairmanship of Mr. E.J. Kaloussis until 28.9.2017 and then under that of Ms C.G. Dittmeier, who possesses specialised knowledge in finance and audit, assists the Board of Directors in the adaptation and implementation of an adequate and effective Internal Control System for the Bank and the Group, which it evaluates on an annual basis, supervises and evaluates the procedures followed in drawing-up the published annual and interim Financial Statements of the Bank and of the Group, approves the Financial Statements of the Bank and of the Group before they are submitted to the Board of Directors, ensures the independent and unprejudiced conducting of internal and external audits in the Bank and assesses the performance and effectiveness of the Internal Audit and Compliance Divisions of the Bank and the Group.

The Audit Committee convenes at least on a monthly basis. In 2017, it convened twelve (12) times and the Members' participation rate in the meetings stood at 100% (based on the Committee's composition as of 31.12.2017).

The specific duties and responsibilities of the Audit Committee are determined in its Chapter which was amended in November 2017 and is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=3295&la=2).

3.2 The Risk Management Committee of the Board of Directors, under the chairmanship of Mr. J.A. Vanhevel, recommends to the Board of Directors the risk undertaking and capital management strategy, checks its implementation, evaluates its effectiveness and defines the principles governing risk management with regard to identifying, forecasting, measuring, monitoring, controlling and handling it in line with the adequacy of the available resources as well as with the limits of the Risk Appetite of the Bank and of the Group. It evaluates and monitors the implementation of the Troubled Assets Management Strategy and the performance of actions on Non-Performing Exposures. The Member of the Committee Mr. R.R. Gildea possesses expertise and experience in risk management and Non-Performing Loans.

The Risk Management Committee convenes at least on a monthly basis. In 2017, it convened twelve (12) times and the Members' participation rate in the meetings stood at 100% (based on the Committee's composition as of 31.12.2017).

The specific duties and responsibilities of the Risk Management Committee are determined in its Chapter, which was amended in November 2017 and is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=3295&la=2).

3.3 The Audit Committee and the Risk Management Committee convene jointly to review the progress of the International Financial Reporting Standard (IFRS) 9 implementation project as well as Cyber Risk issues.

In 2017, the Committees convened eleven (11) times and the Members' participation rate in the meetings stood at 100% (based on the Committees' composition as of 31.12.2017).

3.4 The Remuneration Committee of the Board of Directors formulates the remuneration policy and the benefits policy of the Bank and Group Personnel as well as of the Members of the Board of Directors and submits recommendations accordingly to the Board of Directors.

The Remuneration Committee convenes at least twice a year. In 2017, it convened five (5) times and the average participation rate of the Members in the meetings stood at 95% (based on the Committee's composition as of 31.12.2017).

The specific duties and responsibilities of the Remuneration Committee are determined in its Chapter which was amended in November 2017 and is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=3295&la=2).

3.5 The Corporate Governance and Nominations Committee of the Board of Directors attends to the implementation of the legal, regulatory and supervisory framework with regards to the composition, structure and operation of the Board of Directors as well as of international corporate governance best practices. Additionally, it formulates the Policy for the Nomination of Candidates to the Alpha Bank Board of Directors, the Policy for the Succession Planning of Senior Executives and Key Function Holders and the Policy for the Evaluation of Senior Executives and Key Function Holders.

In particular, as far as the Policy for the Nomination of Candidates to the Alpha Bank Board of Directors is concerned, the Committee evaluates the qualifications with regards to the different business sectors and the interaction of the candidate with the geographical areas served by the Bank and the

Group. It takes into consideration their professional and management experience, their skills, integrity of character, and their ability to fulfil the independence criteria. During the nomination procedure, it assesses the balance of knowledge, qualifications, experience, skills, views as well as gender within the Board of Directors, so as to rule with perspicuity on the role and skills that the candidate Members must have.

The Corporate Governance and Nominations Committee convenes at least twice a year. In 2017, it convened five (5) times and the average participation rate of the Members in the meetings stood at 84% (based on the Composition of the Corporate Governance and Nominations Committee as of 31.12.2017).

The specific duties and responsibilities of the Corporate Governance and Nominations Committee are determined in its Chapter, which was amended in November 2017 and is posted on the Bank's website (http://www.alpha.gr/page/default.asp?id=3295&la=2).

D. Composition of the Board of Directors and the Board of Directors' Committees for the year 2017

Board of Directors	Audit Committee	Risk Management Committee	Remuneration Committee	Corporate Governance and Nominations Committee
Chairman (Non-Executive Member) Vasileios T. Rapanos				
Vice Chairman (Non-Executive Independent Member) Evangelos J. Kaloussis (until 28.9.2017)	● (until 28.9.2017)	○ (until 28.9.2017)		
EXECUTIVE MEMBERS				
Managing Director – CEO Demetrios P. Mantzounis				
Deputy CEOs				
Spyros N. Filaretos				
Artemios Ch. Theodoridis				
George C. Aronis				
NON-EXECUTIVE MEMBERS				
Efthimios O. Vidalis (from 29.5.2014)	○ (as of 28.9.2017)		○	○
NON EXCECUTIVE INDEPENDENT MEMEBERS				
Ibrahim S. Dabdoub			●	○
Shahzad A. Shahbaz		○ (until 28.9.2017)		●
Jan A. Vanhevel	○	●		
Carolyn G. Dittmeier	○ (from 26.1.2017 until 28.9.2017) ● (as of 28.9.2017)	○ (as of 28.9.2017)		
Richard R. Gildea		○	○	
NON EXCECUTIVE MEMBER in accordance with Law 3723/2008				
THE GREEK STATE (until 20.6.2017) via its appointed representative: Ms Marica S. Ioannou – Frangakis (until 20.3.2017)				
NON EXCECUTIVE MEMBER in accordance with Law 3864/2010				
Panagiota S. Iplixian (until 23.2.2017) As representative, and upon instruction of the Hellenic Financial Stability Fund.	○	○	○	○
Spyridon-Stavros A. Mavrogalos-Fotis (as of 23.2.2017) As representative, and upon instruction of the Hellenic Financial Stability Fund.	○	○	○	○

● Committee Chair ○ Committee Member

CVs of the Members of the Board of Directors

CHAIRMAN
(Non-Executive Member)

Vasileios T. Rapanos

He was born in Kos in 1947. He is Professor Emeritus at the Faculty of Economics of the University of Athens and he has been an Ordinary Member of the Academy of Athens since 2016. He studied Business Administration at the Athens School of Economics and Business (1975) and holds a Master's in Economics from Lakehead University, Canada (1977) and a PhD from Queen's University, Canada. He was Deputy Governor and Governor of the Mortgage Bank (1995-1998), Chairman of the Board of Directors of the Hellenic Telecommunications Organization (1998-2000), Chairman of the Council of Economic Advisors at the Ministry of Economy and Finance (2000-2004), and Chairman of the Board of Directors of the National Bank of Greece and the Hellenic Bank Association (2009-2012). He has been the Chairman of the Board of Directors of the Bank since May 2014.

VICE CHAIRMAN
(Non-Executive Independent Member)

Evangelos J. Kaloussis (until 28.9.2017)

He was born in 1943 and is the Chairman of the Federation of Hellenic Food Industries (SEVT) as of 2006, whereas he has been a member of the Federation's Board of Directors since 2002. He was Chairman of NESTLE HELLAS S.A. from 2001 until 2015. He was a Member of the Board of Directors of the Bank from 2007.

EXECUTIVE MEMBERS

MANAGING DIRECTOR - CEO

Demetrios P. Mantzounis

He was born in Athens in 1947. He studied Political Sciences at the University of Aix-Marseille. He joined the Bank in 1973 and he has been a Member of the Board of Directors of the Bank since 1995. In 2002 he was appointed General Manager and he has been the Managing Director since 2005.

DEPUTY CEOs

Spyros N. Filaretos

He was born in Athens in 1958. He studied Economics at the University of Manchester and at the University of Sussex. He joined the Bank in 1985. He was appointed Executive General Manager in 1997 and General Manager in 2005. In October 2009 he was appointed Chief Operating Officer (COO) and in March 2017 Deputy CEO - Chief Operating Officer. He has been a Member of the Board of Directors of the Bank since 2005.

Artemios Ch. Theodoridis

He was born in Athens in 1959. He studied Economics and holds an MBA from the University of Chicago. He joined the Bank as Executive General Manager in 2002. In 2005 he was appointed General Manager and in March 2017 Deputy CEO, Non-Performing Loans and Treasury Management. He has been a Member of the Board of Directors of the Bank since 2005.

George C. Aronis

He was born in Athens in 1957. He studied Economics and holds an MBA, major in Finance, from the Athens Laboratory of Business Administration (ALBA). He has worked for multinational banks for 15 years, mostly at ABN AMRO BANK in Greece and abroad. He joined Alpha Bank in 2004 as Retail Banking Manager. In 2006 he was appointed Executive General Manager, in 2008 General Manager and in March 2017 Deputy CEO, Retail, Wholesale Banking and International Network. He has been a Member of the Board of Directors of the Bank since 2011.

NON-EXECUTIVE MEMBERS

Efthimios O. Vidalis

He was born in 1954. He holds a BA in Government from Harvard University and an MBA from the Harvard Graduate School of Business Administration. He worked at Owens Corning (1981-1998), where he served as President of the Global Composites and Insulation Business Units. Furthermore, he was Chief Operating Officer (1998-2001) and Chief Executive Officer (2001-2011) of the S&B Industrial Minerals Group, where he served on the Board of Directors for 15 years. He is an executive member of the Board of Directors of the TITAN Group. He was a member of the Board of Directors of the Hellenic Federation of Enterprises (SEV) from 2006 to 2016 as well as founder and Chairman of the SEV Business Council for Sustainable Development from 2008 to 2016. He has been a Member of the Board of Directors of the Bank since May 2014.

NON-EXECUTIVE INDEPENDENT MEMBERS

Ibrahim S. Dabdoub

He was born in 1939. He studied at the Collège des Frères in Bethlehem, at the Middle East Technical University in

Ankara, Turkey and at Stanford University, California, U.S.A. He was the Group Chief Executive Officer of the National Bank of Kuwait from 1983 until March 2014. He is Vice Chairman of the International Bank of Qatar (IBQ), Doha and a member of the Board of Directors of the International Institute of Finance (IIF) as well as Co-Chair of the Emerging Markets Advisory Council (EMAC), Washington D.C. He is also a member of the Bretton Woods Committee, Washington D.C. and of the International Monetary Conference (IMC). Furthermore, he is a member of the Board of Directors of the Central Bank of Jordan, Amman, of the Board of Directors of the Consolidated Contractors Company, Athens, and of the Board of Advisors of Perella Weinberg, New York. In 1995, he was awarded the title of "Banker of the Year" by the Arab Bankers Association of North America (ABANA) and in 1997 the Union of Arab Banks named him "Arab Banker of the Year". In 2008 and 2010 he was given a "Lifetime Achievement Award" by "The Banker" and "MEED" respectively. He has been a Member of the Board of Directors of the Bank since May 2014.

Carolyn G. Dittmeier (as of 26.1.2017)

She was born in 1956. She holds a BSc in Economics from the Wharton School of the University of Pennsylvania (1978). She is a statutory auditor, a certified public accountant, a certified internal auditor and a certified risk management assurance professional. She focused her career on the auditing sector, taking on the role of Chief Internal Audit Executive of the Poste Italiane Group between 2002 and 2014. Previously, she had gained professional experience with the auditing firm KPMG and the Montedison Group as both financial controller and later Head of Internal Audit. She has carried out various professional and academic activities focusing on risk and control governance. She was Vice Chair of the Institute of Internal Auditors (IIA) from 2013 to 2014 (director since 2007); Chair of the European Confederation of Institutes of Internal Auditing-ECIIA (2011-2012) and of the Italian Association of Internal Auditors (2004-2010). Furthermore, she served as Independent Director and Chair of the Risk and Control Committee of Autogrill SpA, as well as Independent Director and Chair of the Risk and Control Committee of Italmobiliare SpA. She is currently President of the Statutory Audit Committee of Assicurazioni Generali SpA. She has been a Member of the Board of Directors of the Bank since January 2017.

Shahzad A. Shahbaz

He was born in 1960. He holds a BA in Economics from Oberlin College, Ohio, U.S.A. He has worked at various banks and investments firms, since 1981, including the Bank of America (1981-2006), from which he left as Regional Head (Corporate and Investment Banking, Continental Europe, Emerging Europe, Middle East and Africa). He served as Chief Executive Officer (CEO) of NDB Investment Bank/Emirates NBD Investment Bank (2006-2008) and of QInvest (2008-2012). He is currently the Investment Advisor at Al Mirqab Holding Co. He has been a Member of the Board of Directors of the Bank since May 2014.

Jan A. Vanhevel

He was born in 1948. He studied Law at the University of Leuven (1971), Financial Management at Vlekho (Flemish School of Higher Education in Economics), Brussels (1978) and Advanced Management at INSEAD (The Business School for the World), Fontainebleau. He joined Kredietbank in 1971, which became KBC Bank and Insurance Holding Company in 1998. He acquired a Senior Management position in 1991 and joined the Executive Committee in 1996. In 2003 he was in charge of the non-Central European branches and subsidiaries while in 2005 he became responsible for the KBC subsidiaries in Central Europe and Russia. In 2009 he was appointed CEO and implemented the Restructuring Plan of the group until 2012 when he retired. From 2008 until 2011 he was President of the Fédération belge du secteur financier (Belgian Financial Sector Federation) and a member of the Verbond van Belgische Ondernemingen (Federation of Enterprises in Belgium), while he has been the Secretary General of the Institut International d'Études Bancaires (International Institute of Banking Studies) since May 2013. He was also a member of the Liikanen Group on reforming the structure of the EU banking sector. He has been a Member of the Board of Directors of the Bank since April 2016.

Richard R. Gildea

He was born in 1952. He holds a BA in History from the University of Massachusetts (1974) and an MA in International Economics, European Affairs from The Johns Hopkins University School of Advanced International Studies (1984). He served in JP Morgan Chase from 1986 until 2015 wherein he held various senior management positions throughout his career. He was Emerging Markets Regional Manager for the Central and Eastern Europe Corporate Finance Group, London (1993-1997) and Head of Europe, Middle East and Africa (EMEA) Restructuring, London (1997-2003), as well as Senior Credit Officer in EMEA Emerging Markets, London (2003-2007). From 2007 until 2015 he was Senior Credit Officer for JP Morgan's Investment Bank

Corporate Credit in EMEA Developed Markets, London and was appointed Senior Risk Representative to senior committees within the Investment Bank. He is currently a member of the Board of Trustees at The Johns Hopkins University School of Advanced International Studies, Washington D.C., of the Chatham House (the Royal Institute of International Affairs), London and of the International Institute of Strategic Studies, London. He has been a Member of the Board of Directors of the Bank since July 2016.

NON-EXECUTIVE MEMBER (pursuant to the provisions of Law 3723/2008)

THE GREEK STATE, via its appointed representative:

Marica S. Ioannou – Frangakis (until 20.3.2017)

She was born in Asyut, Egypt in 1950. She holds a BSc in Economics from the London School of Economics (LSE), University of London, U.K. and an MA in Development Economics from the University of Sussex, U.K. From 1978 to 1993 she worked at the Agricultural Bank of Greece, initially as Head of the Economic Forecasting Department (1978-1990) and then at the Privatisations Unit of the Governor's Office (1990-1993). From 1993 to 2010 she served as Head of the Liquidations Department of Ethniki Kefaleou S.A., a company of the National Bank of Greece group. She is currently an independent researcher focusing on Macroeconomics and Finance. She is a member of the Board of Directors of the Nicos Poulantzas Institute as well as of the Steering Committee of the EuroMemo Group. Following a decision by the Minister of Finance, she was a Member of the Board of Directors of the Bank as a representative of the Greek State from March 2015.

NON-EXECUTIVE MEMBER (pursuant to the provisions of Law 3864/2010)

Panagiota S. Iplixian (until 23.2.2017)

She was born in 1949. She holds a BA in Business Administration and a Postgraduate Diploma in Management Studies from the University of Northumbria, Newcastle upon Tyne, England, and specialised in "Organisation and Methods" at the British Institute of Administrative Management. From 1972 to 1987, she worked for consulting firms. From 1987 until 2000 she worked for commercial banks in the United States and from 2000 until 2009 for EFG Eurobank Ergasias. From 2010 until 2012 she was a Non-Executive Independent Member of the Board of Directors of the Hellenic Financial Stability Fund. From October 2011 until December 2013 she was Non-Executive Vice President of the Board of Directors of New Proton Bank, representing the Hellenic Financial Stability Fund. She was a Member of the Board of Directors of the Bank, representing the Hellenic Financial Stability Fund, from January 2014.

Spyridon-Stavros A. Mavrogalos-Fotis (as of 23.2.2017)

He was born in Athens in 1968. He holds a BSc in Computer Information Systems from the American College of Greece (1991) and a Master of Business Administration (MBA) in Finance from the University of Nottingham (1992). He is a chartered auditor-accountant (ACCA) and an internal auditor. From 1993 to 1996 he worked as auditor for KPMG and then for ABN AMRO. From 1996 to 2002 he served as internal auditor and subsequently as Risk Management Head at EFG Eurobank Ergasias. From 2002 to 2007 he was the Cosmote Group COO. Additionally, from 2008-2013 he was Assistant General Manager at the National Bank of Greece. From October 2013 to March 2016 he served as Managing Director at the ETHNIKI Hellenic General Insurance Company and as Chairman at its subsidiaries in Greece, Cyprus and Romania. He was the General Secretary of the Hellenic Association of Insurance Companies and since 2014 he has been Vice Chairman and non-executive member of the Insurance Company Europe AEGA. He has been a Member of the Board of Directors of the Bank, representing the Hellenic Financial Stability Fund, since February 2017.

SECRETARY

George P. Triantafyllides

He was born in Athens in 1963. He holds a BSc from Oregon State University. He has served as a Naval Officer in the United States Navy. He joined the Bank in 1994 and has worked in various areas of responsibility, while in 2001 he was assigned to the Secretariat of the Board of Directors. He has been the Manager of the Secretariat of the Board of Directors and the Secretary of the Board of Directors of the Bank since 2014.

E. Management Committees

The Committees composed by Members of the Management of the Bank are the Executive Committee, the Assets-Liabilities Management Committee (ALCo), the Treasury and Balance Sheet Management Committee, the Operational Risk Committee, the Credit Risk Committee and the Troubled Assets Committee.

1. The Executive Committee is the senior executive body of the Bank. It convenes at least once a week under the chairmanship of the Managing Director - CEO and with the participation of the Deputy CEOs, the General Managers and the Secretary of the Committee. Depending on the subjects under discussion, other Executives or Members of the Management of Group Companies participate in the proceedings. The Executive Committee carries out a review of the domestic and international economy and market developments and examines issues of business planning and policy. Furthermore, the Committee deliberates on issues relating to the development of the Group and submits recommendations on the Rules and Regulations of the Bank as well as on the budget of each Business Unit. Finally, it submits recommendations on the Human Resources policy and the participation of the Bank or the Group Companies in other companies.

It is noted that as of 4.12.2017 the Operations Committee has ceased its operation, and its responsibilities have been transferred to the Executive Committee.

2. The Assets-Liabilities Management Committee (ALCo) convenes regularly every quarter under the chairmanship of the Managing Director - CEO. The General Managers, the Executive General Managers and the Managers of the Asset Liability Management Division, the Market and Operational Risk Division, the Analysis and Performance Management Division, the Deposit and Bancassurance Products Division, the Accounting and Tax Division, the Economic Research Division, the Credit Control Division, the Credit Risk Data and Analysis Division, the Trading Division and the Capital Management and Banking Supervision Division participate as Members. The Committee examines and decides on issues related to Treasury and Balance Sheet Management and monitors the course of the results, the budget, the funding plan, the capital adequacy and the overall financial volumes of the Bank and the Group, approving the respective actions and policies. In addition, the Committee approves the interest rate policy, the structure of the investment portfolios and the total market, interest rate and liquidity risk limits.

3. The Treasury and Balance Sheet Management Committee convenes regularly every month under the chairmanship of a Deputy CEO. The Deputy CEOs, the General Manager - Chief Risk Officer, the General Manager - Chief Financial Officer, the Executive General Manager of Treasury Management and the Managers of the Asset Liability Management Division and the Market and Operational Risk Division participate as Members. The Committee examines and submits recommendations to ALCo or to the Executive Committee of the Bank on issues generally related to the Treasury and Balance Sheet Management, such as capital structure, interest rate policy, total market risk limits, interest rate and liquidity risk limits, the funding policy of the Bank and the Group, liquidity management, stress test assumptions, hedging strategies, funds transfer pricing, the structure of the investment portfolios and capital and liquidity allocation to the business units.

4. The Operational Risk Committee convenes regularly under the chairmanship of the Managing Director - CEO and with the participation of the General Managers, the Information Technology and Operations Executive General Manager and the Manager of the Market and Operational Risk Division. The Operational Risk Committee ensures that the appropriate organisational structure, processes, methodologies and infrastructure to manage operational risk are in place. In addition, it is regularly updated on the operational risk profile of the Group and the results of the operational risk assessment process; reviews recommendations for minimising operational risk; assesses forecasts regarding Third Party Lawsuits against the Bank; approves the authorisation limits of the Committees responsible for the management of operational risk events of the Bank and the Group Companies and reviews the operational risk events whose financial impact exceeds the limits of the other Committees.

5. The Credit Risk Committee convenes regularly at least every quarter under the chairmanship of the Managing Director - CEO and with the participation of the General Managers and the Managers of the Credit Control Division, the Credit Risk Data and Analysis Division and the Capital Management and Banking Supervision Division. The Credit Risk Committee assesses the adequacy and the efficiency of the credit risk management policy and procedures of the Bank and the Group with regard to the undertaking, monitoring and management of credit risk per Business Unit (Wholesale Banking, Retail Banking, Private and Investment Banking), geographical area, product, activity, industry et al. and resolves on the planning of the required corrective actions.

6. The Troubled Assets Committee (TAC) reports to the Deputy CEO, Non-Performing Loans and Treasury Management and convenes on a monthly basis or ad hoc under the chairmanship of either the Non-Performing Loans - Wholesale Banking Executive General Manager or the Non-Performing Loans - Retail Banking Executive

General Manager while the Managers of the Strategic Planning Division, the Credit Control Division, the Credit Risk Data and Analysis Division, the Capital Management and Banking Supervision Division, the Budgeting and Controlling Division, the Non-Performing Loans Monitoring Division - Retail and the Non-Performing Loans Monitoring Division - Wholesale participate in the meetings The Committee examines issues related to the portfolios managed by the Divisions under the supervision of the Deputy CEO, Non-Performing Loans and Treasury Management, in order to achieve the operational goals of the Bank and the Group, pertaining to which it may propose further decision-making to the Credit Risk Committee and subsequently to the Board of Directors for the final approval, through the Risk Management Committee of the Board.

Finally, the Bank states that it complies immediately with any additional disclosure requirements which are set by the institutional framework for Credit Institutions.

F. Description of the diversity policy applied to management, administration and supervision bodies.

To Alpha Bank, the provision of equal opportunities for employment and advancement to all its Employees is not merely a legal obligation, but a cornerstone of its Human Resources policy. This policy is incorporated in the Human Resources management procedures and practices and ensures the implementation thereof in every country where Alpha Bank is present. Seeking to implement gender equality in action and to address the issue of the low percentage of women in positions of responsibility, issues which are typical of the Greek labour market, the Bank has taken a number of measures which help its Employees balance their professional and family life, while also promoting equitable treatment and merit-based Personnel advancement, with equal advancement opportunities for female Employees. The Bank also applies a uniform, gender-neutral salary policy to all categories of Personnel. The Bank respects and defends the diversity of its Employees irrespective of gender, age, nationality, political and religious convictions or any other discrimination. Further to the above principles, the Bank recognises the need for diversity pertaining to skills, background, knowledge and experience in order to facilitate constructive discussion and independent thinking. It ensures top-quality work conditions and opportunities for advancement that are based on merit and equitable treatment. It offers fair remuneration, based on contracts which are in agreement with the conditions of the corresponding national labour market and ensures compliance with the respective national regulations, inter alia, on minimum pay, working hours and the granting of leave.

Moreover, the Bank defends human rights and opposes all forms of child, forced or compulsory labour. Alpha Bank respects Employee rights and is committed to safeguarding them fully, in accordance with the national, the European Union Law and the Conventions of the International Labour Organization.

With respect to diversity, persons of different age groups and of diverse academic and professional experience participate in the Board of Directors and in the Top Management, thus providing the knowledge and the experience required for the proper and effective fulfilment of their duties. Moreover, the Members of the Board of Directors hold different nationalities and have a wealth of international experience as members of Boards of Directors or top executives in other countries. Furthermore, the Board of Directors of the Bank applies a Diversity Policy pertaining to gender in accordance with which Alpha Bank strives to achieve and maintain over time a balanced gender profile at Board level. This might not always be achievable in the short term. However, whenever the above target is not reached, the Corporate Governance and Nominations Committee informs the Board of Directors and makes its achievement a priority when nominating candidates.

<u>Employees in position of Responsibility* as of 31.12.2017</u>:

	Age Breakdown as of 31.12.2017					
Gender	**18-25**	**26-40**	**41-50**	**51+**	**Total**	**Percentage**
Male		48	262	208	518	63.40%
Female		24	210	65	299	36.60%
Total:		**72**	**472**	**273**	**817**	**100%**
Percentage		8.81%	57.77%	33.42%	100%	

Educational level	Breakdown as of 31.12.2017	Percentage
Postgraduate Studies (Master's, PhD)	296	36.23%
Tertiary Education (graduates of Universities or Technological Education Institutes)	277	33.90%
High School (Lyceum) graduates	244	29.87%
Total	**817**	**100%**

* **Positions of Responsibility** are defined as the positions from Branch Manager and above.

The percentage and number of Employees in managerial positions per educational level, points out that Employees in managerial positions holding postgraduate degrees represent in 2017 the highest percentage, i.e. 36.23%.

G. Remuneration Policy

The Remuneration Policy is consistent with the values, business strategy, objectives and, in general, the long-term interests of the Bank and the Group Companies and complies, inter alia, with the dictates of Law 4261/2014 and Regulation (EU) No 575/2013.

In particular, in the context of effective risk management, it discourages excessive risk undertaking and prevents or minimises the emergence of conflicts of interest which are to the detriment of the proper, wise and moral management of risks. It also correlates the remuneration received by the Human Resources of the Bank and Group Companies with the risks they undertake and manage.

For the determination of the fixed remuneration, further to the provisions of the labour legislation and the collective labour agreements, the market practices and the significance of each position are also taken into account. In order to establish an objective and fair Remuneration Policy, the assessment of job positions is required. Furthermore, the performance management system motivates the achievement of outstanding long-term results without encouraging excessive risk undertaking. More specifically, the evaluation of the performance of an Executive takes into account the achievement of his/her goals, which include operational results, adherence to internal procedures, customer relations and subordinates management, but also includes qualitative criteria relating to his/her personality demonstrated in the performance of his/her duties.. The proper and selective implementation of the variable remuneration policy is considered a necessary tool of Human Resources Management and is required for attracting and/or keeping Executives at Bank and Group level, thus contributing significantly to the achievement of the long-term business objectives of the Bank and the Group Companies.

Information about the Remuneration of the Members of the Board of Directors for the year 2017 (1.1-31.12.2017), in application of Regulation (EU) No 575/2013, article 450

	Members of the Board of Directors	
	Non-Executive	Executive
Number of beneficiaries	11	4
Fixed Remuneration total	1,012,750.03	1,432,950.06
Variable remuneration total split into:	-	-
Cash	-	-
Shares	-	-
Share linked instruments	-	-
Other types	-	-
Amounts of outstanding deferred remuneration split into:	-	-
Vested	-	-
Unvested	-	-
Amounts of deferred remuneration awarded during the financial year, paid out and reduced through performance adjustments	-	-
Number of beneficiaries of new sign-on payments	-	-
Total amount of new sign-on payments	-	-
Number of beneficiaries of severance payments	-	-
Total amount of severance payments	-	-
Highest severance amount awarded to a single person	-	-

Athens, 20 March 2018

THE CHAIRMAN
OF THE BOARD OF DIRECTORS

VASILEIOS T. RAPANOS
ID No AI 666242

Deloitte Certified Public Accountants S.A.
3a Fragoklissias &
Granikou str.
Maroussi Athens GR 151-25
Greece

Tel: +30 210 6781 100
Fax: +30 210 6776 221-2
www.deloitte.gr

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Alpha Bank S.A.

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of Alpha Bank S.A. (the Bank) and its subsidiaries (the Group), which comprise the separate and consolidated balance sheet as at 31 December 2017, and the separate and consolidated statement of income and comprehensive income, separate and consolidated statement of changes in equity and separate and consolidated statement of cash flows for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the separate and consolidated financial position of the Bank and the Group as at 31 December 2017 and its separate and consolidated financial performance and its separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as endorsed by the European Union.

Basis for Opinion

We concluded our audit in accordance with International Standards on Auditing (ISAs) as these have been incorporated into the Greek legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report. We have been independent of the Bank and the Group during the whole period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as incorporated into the Greek legislation and the ethical requirements in Greece relevant to the audit of the separate and consolidated financial statements and we have fulfilled our ethical requirements in accordance with the applicable legislation and the above mentioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Deloitte.

Key audit matters

Allowance for loans and advances to customers

Loans and advances to customers for the Bank and the Group amounted to € 38.521 million and € 43.318 million respectively as at 31 December 2017 compared to € 40.262 million and € 44.409 million respectively as at 31 December 2016, net of Allowance for impairment losses for the Bank and the Group amounting to € 8.781 million and € 11.038 million respectively as at 31 December 2017, compared to € 10.385 million and € 12.558 million respectively as at 31 December 2016.

Measurement of the allowance for impairment on loans and advances to customers is deemed a key audit matter as the determination of the assumptions used by Management in estimating the allowance is highly subjective due to the high degree of judgment applied by Management.

The Bank and the Group establish an allowance for impairment on loans and advances to customers for incurred credit losses on both an individual and on a collective basis.
The most significant judgements are:

- Methodologies and policies selected by Management, valuation of collaterals and assumptions of discounted cash flows used for the individually assessed loans.
- Methodologies and policies selected by Management as well as assumptions made to support the calculation of collective allowance for impairment losses including segmentation, the Probability of Default, Loss Given Default and Loss Emergence Period.

Management has provided further information about principles and accounting policies for determining the allowance for impairment losses on loans and advances to customers, management of credit risk and the review of impairment in Notes 1.13, 17 and 38.1 to the separate and Notes 1.14, 17 and 41.1 to the consolidated financial statements.

From 1 January 2018, the Bank and the Group have adopted IFRS 9, resulting in credit losses being recognized when they are expected rather than when they have incurred. Management has disclosed information regarding the estimated impact of IFRS 9 in Note 1.1 Basis of presentation to the separate and the consolidated financial statements and Note 39 and 42 to the separate and the consolidated financial statements respectively.

How our audit addressed the Key audit matters

Based on our risk assessment process, we evaluated the appropriateness of the methodologies and policies chosen by Management in relation to the allowance for impairment losses on loans and advances to customers.

We assessed, among others, the following elements:

For individually assessed loans:

- Assessing design and implementation of internal controls relevant to the audit, including the internal controls over the significant assumptions, inputs, calculation and methodologies used.
- Assessing the appropriateness of provisioning methodologies and policies selected by Management.
- Testing the completeness of the identification of loans having evidence of impairment, by selecting a sample of performing loans and independently assessing whether any IAS 39 loss indicators were present.
- For a sample of loans, testing appropriateness and reasonableness of significant assumptions for impairment charges with the support of our valuation specialists in testing the collateral values, cash flow assumptions and exit strategies. Re-performing the discounted cash flow calculations and comparing our results with those arrived by the Management and investigating any differences arising.
- Assessing the completeness and accuracy of disclosures against the relevant accounting standards.

For collectively assessed loans

- Assessing design and implementation of internal controls relevant to the audit, including the internal controls over the significant assumptions, inputs, calculation and methodologies used by Management.
- Assessing the appropriateness of the policy and methodologies selected, testing the significant credit risk factors used By the Management, with the assistance of our credit risk specialists where required for the loans grouped under homogenous populations including the Probability of Default, Loss Given Default and Loss Emergence Period.

We have assessed the estimated impact of IFRS 9 with particular focus on the methodology, policies and assumptions used by Management to determine the expected future credit losses, with the assistance of our credit risk specialists. We also assessed the completeness and accuracy of IFRS 9 transitional disclosures.

Deferred Tax Asset Recoverability

The Bank and the Group have recognized a deferred tax asset of € 4.282 million and € 4.331 million respectively as at 31 December 2017 compared to € 4.477 million and € 4.519 million respectively as at 31 December 2016, out of which an amount of € 305 million and € 325 million respectively as at 31 December 2017 relates to deferred tax on carried forward tax losses, compared to € 431 million and € 451 million respectively as at 31 December 2016.

Measurement of the deferred tax asset is deemed a key audit matter as it is highly judgmental because it requires assumptions and forecasts on future taxable profits, evaluation of historical tax losses, which may not be appropriate under the circumstances.
Management has provided further information about the deferred tax asset in Notes 1.29.3 and 23 to the separate and Notes 1.31.3 and 23 to the consolidated financial statements.

Based on our risk assessment, we have evaluated the method used to determine the amount of deferred tax asse recognized and examined the budgets and assumptions prepared by Management relating to the future taxable profits.

Our examination included the following elements where we also made use of our tax specialists:

- Assessing the design and implementation of the internal controls relevant to the audit, around the preparation and review of budgets and forecasts, including the internal controls over the significant assumptions, inputs, calculation and methodologies used.
- Evaluating Management's assessment of recent changes to the tax law affecting deferred tax balances.
- Challenging the reasonableness of Management's significant assumptions and forecasts of future profits and how these affect the deferred tax balance in light of the historical accuracy of such forecasts, current results and restructuring plan requirements.

General Information Technology Controls systems and internal controls over financial reporting

The Bank's and the Group's financial reporting processes are highly dependent on Information Technology ("IT") systems supporting automated accounting and reconciliation procedures, thus leading to a complex IT environment, pervasive in nature in which a significant number of transactions are processed daily, across numerous locations.
This is a key audit matter since it is important that controls over access security, system change control and datacenter and network operations, are designed and operate effectively to ensure complete and accurate financial records/information.

Based on our risk assessment, we have tested the design and operating effectiveness of General Information Technology Controls (GITCs) relevant for financial reporting Our assessment included the evaluation of access over applications, operating systems and databases, the process followed over changes made to information systems, as we as datacenter and network operations.

In summary, our key audit activities included, among others, testing of:

- User access provisioning and de-provisioning process
- Privileged access to applications, operating systems and databases
- Periodic review of user access right process
- Change management process over applications, operating systems and databases (i.e. user request, user acceptance testing and final approval for promotion to production).
- Datacenter and network operations.

Other Matter

The separate and consolidated financial statements of the Bank and the Group for the year ended 31 December 2016 were audited by another auditor who expressed an unmodified opinion on those separate and consolidated financial statements on 30 March 2017.

Other Information

Management is responsible for the other information. The other information, included in the Annual Report prepared in accordance with Law 3556/2007, comprises the Board of Directors Report, referred to in the section ”Report on Other Legal and Regulatory Requirements”, the Statement by the Members of the Board of Directors, the Explanatory Report of the Board of Directors and the Corporate Governance Report but does not include the separate and consolidated financial statements and our auditor’s report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRSs, and for such internal control as Management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the separate and consolidated financial statements, Management is responsible for assessing the Bank’s and the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Bank and the Group or to cease operations, or has no realistic alternative but to do so.
The Audit Committee (article 44 of Law 4449/2017) of the Bank is responsible for overseeing the Bank’s and Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as these have been transposed into the Greek legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, as these have been transposed into the Greek legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank’s and Group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank’s and Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Bank and the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) **Board of Director's Report**

Taking into consideration that Management is responsible for the preparation of the Board of Director's report which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 (part B) of Law 4336/2015 we note the following:

a) The Board of Director's report includes the Corporate Governance Statement which provides the information required by article 43bb of Greek Codified Law 2190/1920.
b) In our opinion, the Board of Director's report has been prepared in accordance with the applicable legal requirements of article 43a and 107a and paragraph 1 (cases c and d) of article 43bb of Greek Codified Law 2190/1920 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended 31 December 2017.
c) Based on the knowledge we obtained during our audit of the Bank and the Group and its environment, we have not identified any material inconsistencies in the Board of Director's Report.

2) **Additional Report to the Audit Committee**

Our audit opinion on the separate and consolidated financial statements is consistent with the additional report to the Audit Committee referred to in Article 11 of the European Union (EU) Regulation 537/2014.

3) **Non-audit Services**

We have not provided to the Bank and the Group any prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014.

The allowable non-audit services provided to the Bank and the Group by Deloitte Certified Public Accountants S.A., which is a member firm of Deloitte Touche Tohmatsu Limited ("DTTL"), during the year ended 31 December 2017 are disclosed in Note 42 and 45 to the separate and the consolidated financial statements respectively. In addition, allowable non-audit services amounting to € 0.17 million and € 0.19 million have been provided to the Bank and the Group respectively by other member firms of DTTL and their respective affiliates.

4) **Appointment**

We have been appointed statutory auditors by the General Assembly of the Shareholders of Alpha Bank S.A. on 30 June 2017. The year ended 31 December 2017 is the first year we serve as statutory auditors.

Athens, 20 March 2018

The Certified Public Accountant

Alexandra V. Kostara
Reg. No. SOEL: 19981

Deloitte Certified Public Accountants S.A.
3a Fragoklissias & Granikou Str.
151 25 Maroussi
Reg. No. SOEL: E120

Group Financial Statements as at 31.12.2017

ALPHA BANK

Consolidated Income Statement

(Amounts in thousands of Euro)

		FROM 1 JANUARY TO	
	Note	31.12.2017	31.12.2016
Interest and similar income	2	2,514,338	2,668,781
Interest expense and similar charges	2	(571,746)	(744,696)
Net interest income	2	1,942,592	1,924,085
Fee and commission income		395,490	373,667
Commission expense		(71,996)	(55,742)
Net fee and commission income	3	323,494	317,925
Dividend income	4	1,435	3,178
Gains less losses on financial transactions	5	144,702	84,896
Other income	6	54,508	56,988
		200,645	145,062
Total income		**2,466,731**	**2,387,072**
Staff costs	7	(474,378)	(507,853)
Cost/Provision for separation schemes	7	(92,719)	(31,655)
General administrative expenses	8	(554,960)	(510,770)
Depreciation and amortization	20, 21, 22	(99,743)	(97,425)
Other expenses	9	(71,234)	(77,752)
Total expenses before impairment losses and provisions to cover credit risk		**(1,293,034)**	**(1,225,455)**
Impairment losses and provisions to cover credit risk	10	(1,005,415)	(1,167,953)
Share of profit/(loss) of associates and joint ventures	19	(3,162)	(3,342)
Profit/(loss) before income tax		**165,120**	**(9,678)**
Income tax	11	(75,611)	29,214
Profit/(loss) after income tax, from continuing operations		**89,509**	**19,536**
Profit /(loss) after income tax, from discontinued operations	47	(68,457)	22,766
Profit/(loss) after income tax		**21,052**	**42,302**
Profit/(loss) attributable to:			
Equity owners of the Bank			
- from continuing operations		89,528	19,374
- from discontinued operations		(68,457)	22,766
		21,071	42,140
Non-controlling interests			
- from continuing operations	38	(19)	162
Earnings/(losses) per share:			
Basic and diluted (€ per share)	12	0.01	0.03
Basic and diluted from continuing operations (€ per share)	12	0.06	0.01
Basic and diluted from discontinued operations (€ per share)	12	(0.04)	0.01

The attached notes (pages 59-239) form an integral part of these consolidated financial statements

Consolidated Balance Sheet

(Amounts in thousands of Euro)

	Note	31.12.2017	31.12.2016
ASSETS			
Cash and balances with central banks	13	1,593,850	1,514,607
Due from banks	14	1,715,649	1,969,281
Trading securities	15	8,685	4,701
Derivative financial assets	16	622,536	634,323
Loans and advances to customers	17	43,318,193	44,408,760
Investment securities			
- Available for sale	18a	5,873,768	5,217,053
- Held to maturity	18b	10,870	44,999
- Loans and receivables	18c		2,682,655
Investments in associates and joint ventures	19	18,886	21,792
Investment property	20	577,112	614,092
Property, plant and equipment	21	735,250	793,968
Goodwill and other intangible assets	22	389,809	371,314
Deferred tax assets	23	4,330,602	4,519,046
Other assets	24	1,328,838	1,450,459
		60,524,048	64,247,050
Assets held for sale	47	288,977	625,216
Total Assets		**60,813,025**	**64,872,266**
LIABILITIES			
Due to banks	25	13,141,531	19,105,577
Derivative financial liabilities	16	1,029,421	1,336,227
Due to customers (including debt securities in issue)	26	34,890,436	32,946,116
Debt securities in issue held by institutional investors and other borrowed funds	27	655,567	616,865
Liabilities for current income tax and other taxes	28	42,761	33,778
Deferred tax liabilities	23	24,997	21,219
Employee defined benefit obligations	29	92,038	91,828
Other liabilities	30	867,921	879,185
Provisions	31	441,240	321,704
		51,185,912	55,352,499
Liabilities related to assets held for sale	47	422	406,354
Total Liabilities		**51,186,334**	**55,758,853**
EQUITY			
Equity attributable to equity owners of the Bank			
Share capital	32	463,110	461,064
Share premium	33	10,801,029	10,790,870
Reserves	34	809,073	400,640
Amounts recognized directly in equity related to assets held for sale	34, 47	(122)	(68,579)
Retained earnings	35	(2,490,040)	(2,506,711)
		9,583,050	9,077,284
Non-controlling interests	38	**28,534**	**20,997**
Hybrid securities	36	**15,107**	**15,132**
Total Equity		**9,626,691**	**9,113,413**
Total Liabilities and Equity		**60,813,025**	**64,872,266**

The attached notes (pages 59-239) form an integral part of these consolidated financial statements

Consolidated Statement of Comprehensive Income

(Amounts in thousands of Euro)

	Note	FROM 1 JANUARY TO 31.12.2017	31.12.2016
Profit/(loss), after income tax, recognized in the Income Statement		**21,052**	**42,302**
Other comprehensive income recognized directly in equity:			
Amounts that may be reclassified in the Income Statement			
Net change in available for sale securities reserve		509,224	93,352
Net change in cash flow hedge reserve		52,774	(55,212)
Exchange differences on translating and hedging the net investment in foreign operations		(2,192)	(849)
Net change in the share of other comprehensive income of associates and joint ventures		72	
Income tax		(155,234)	(6,635)
Amounts that may be reclassified in the income statement from continuing operations		**404,644**	**30,656**
Amounts that may be reclassified in the income statement from discontinued operations	47	**68,457**	**(1,458)**
Amounts that will not be reclassified in the income statement from continuing operations			
Net change in actuarial gains/(losses) of defined benefit obligations		198	(10,694)
Income tax		(56)	3,100
		142	**(7,594)**
Amounts that will not be reclassified in the income statement from discontinued operations			
Net change in actuarial gains/(losses) of defined benefit obligations		(200)	4
Income tax		30	
		(170)	**4**
Total of other comprehensive income recognized directly in equity, after income tax	11	**473,073**	**21,608**
Total comprehensive income for the year, after income tax		**494,125**	**63,910**
Total comprehensive income for the year attributable to:			
Equity owners of the Bank			
- from continuing operations		494,149	42,448
- from discontinued operations			21,312
		494,149	**63,760**
Non controlling interests			
- from continuing operations		(24)	150

The attached notes (pages 59-239) form an integral part of these consolidated financial statements

Consolidated Statement of Changes in Equity

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non-controlling interests	Hybrid securities	Total
Balance 1.1.2016		**461,064**	**10,790,870**	**308,920**	**(2,546,885)**	**9,013,969**	**23,998**	**15,232**	**9,053,199**
Changes for the period 1.1- 31.12.2016									
Profit for the year, after income tax					42,140	42,140	162		42,302
Other comprehensive income recognized directly in equity, after income tax				29,208	(7,588)	21,620	(12)		21,608
Total comprehensive income for the year, after income tax		**-**	**-**	**29,208**	**34,552**	**63,760**	**150**	**-**	**63,910**
Share capital increase expenses, after income tax					(689)	(689)			(689)
Purchases/sales and change of ownership interests in subsidiaries				(8,826)	8,826	-	(3,151)		(3,151)
(Purchases), (redemptions)/sales of hybrid securities, after income tax					61	61		(100)	(39)
Appropriation of reserves				2,759	(2,759)	-			-
Other					183	183			183
Balance 31.12.2016		**461,064**	**10,790,870**	**332,061**	**(2,506,711)**	**9,077,284**	**20,997**	**15,132**	**9,113,413**

The attached notes (pages 59-239) form an integral part of these consolidated financial statements

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total	Non-controlling interests	Hybrid securities	Total
Balance 1.1.2017		461,064	10,790,870	332,061	(2,506,711)	9,077,284	20,997	15,132	9,113,413
Changes for the period 1.1-31.12.2017									
Profit for the year, after income tax					21,071	21,071	(19)		21,052
Other comprehensive income recognized directly in equity, after income tax				473,105	(27)	473,078	(5)		473,073
Total comprehensive income for the year, after income tax		-	-	473,105	21,044	494,149	(24)		494,125
Conversion of convertible bond loan into shares		2,046	10,159			12,205			12,205
Share capital increase expenses, after income tax					(560)	(560)			(560)
Purchases/sales and change of ownership interests in subsidiaries and subsidiaries' share capital increases					(26)	(26)	7,561		7,535
(Purchases), (redemptions)/sales of hybrid securities, after income tax								(25)	(25)
Appropriation of reserves				3,785	(3,785)	-			-
Other					(2)	(2)			(2)
Balance 31.12.2017		463,110	10,801,029	808,951	(2,490,040)	9,583,050	28,534	15,107	9,626,691

The attached notes (pages 59-239) form an integral part of these consolidated financial statements

Consolidated Statement of Cash Flows

(Amounts in thousands of Euro)

	Note	FROM 1 JANUARY TO 31.12.2017	31.12.2016*
Cash flows from continuing operating activities			
Profit / (loss) before income tax		165,120	(9,678)
Adjustments for gain/(losses) before income tax for:			
Depreciation/impairment/write-offs of tangibles assets		128,998	101,855
Amortization/impairment/write-offs of intangible assets		51,930	51,578
Impairment losses from loans, provisions and staff leaving indemnity		1,157,336	1,237,992
(Gains)/losses from investing activities		(307,163)	(351,259)
(Gains)/losses from financing activities		(15,769)	50,015
Share of (profit)/loss of associates and joint ventures		3,162	3,342
		1,183,614	**1,083,845**
Net (increase)/decrease in assets relating to continuing operating activities:			
Due from banks		506,008	(135,041)
Trading securities and derivative financial assets		7,802	156,769
Loans and advances to customers		(49,968)	480,508
Other assets		127,998	82,573
Net increase/(decrease) in liabilities relating to continuing operating activities:			
Due to banks		(5,964,046)	(6,004,782)
Derivative financial liabilities		(254,032)	(269,485)
Due to customers		1,926,601	1,901,458
Other liabilities		(32,359)	(28,180)
Net cash flows from continuing operating activities before taxes		**(2,548,382)**	**(2,732,335)**
Income taxes and other taxes paid		(13,748)	(17,391)
Net cash flows from continuing operating activities		**(2,562,130)**	**(2,749,726)**
Net cash flows from discontinued operating activities		**7,010**	**2,697**
Cash flows from continuing investing activities			
Investments in associates and joint ventures		(9,380)	(18,655)
Amounts received from disposal of subsidiaries		63,636	76,016
Dividends received		1,435	3,178
Acquisitions of tangibles and intangible assets	20, 21, 22	(145,575)	(186,048)
Disposals of tangibles and intangible assets		54,558	36,537
Purchases of Greek State treasury bills		(3,356,877)	(4,792,895)
Disposals/maturities of Greek State treasury bills		3,678,213	5,489,151
Purchases of investment securities (excluding Greek State treasury bills)		(2,761,629)	(1,866,945)
Disposals/maturities of investment securities (excluding Greek State treasury bills)		5,328,328	3,505,743
Net cash flows from continuing investing activities		**2,852,709**	**2,246,082**
Net cash flows from discontinued investing activities		**(52,684)**	**(24,477)**
Cash flows from continuing financing activities			
Receipts of debt securities in issue and other borrowed funds		218,587	321,034
Repayments of debt securities in issue and other borrowed funds		(164,445)	(116,394)
(Purchases)/sales of hybrid securities			(15)
Share capital increase expenses		(639)	(970)
Net cash flows from continuing financing activities		**53,503**	**203,655**
Effect of exchange rate differences on cash and cash equivalents		(12,463)	(31,476)
Net increase/(decrease) in cash flows from continuing activities		**331,619**	**(331,465)**
Net increase/(decrease) in cash flows from discontinued activities		**(45,674)**	**(21,780)**
Cash and cash equivalents at the beginning of the year		**974,888**	**1,328,133**
Cash and cash equivalents at the end of the year	13	**1.260.833**	**974.888**

* The figures of the Consolidated Statement of Cash Flows of the comparative year have been restated for comparison purposes (note 50).

The attached notes (pages 59-239) form an integral part of these consolidated financial statements

Notes to the Financial Statements

GENERAL INFORMATION

The Alpha Bank Group, which includes companies in Greece and abroad, offers the following services: corporate and retail banking, financial services, investment banking and brokerage services, real estate management, hotel services.

The Bank operates under the brand name of Alpha Bank A.E. using the sign of Alpha Bank. The Bank's registered office is 40 Stadiou Street, Athens and is listed in the General Commercial Register with registration number 223701000 (ex societe anonyme registration number 6066/06/B/86/05). The Bank's duration is until 2100 but may be extended by the General Meeting of Shareholders.

In accordance with article 4 of the Articles of Incorporation, the Bank's objective is to engage, on its own account or on behalf of third parties, in Greece and abroad, independently or collectively, including joint ventures with third parties, in any and all (main and secondary) operations, activities, transactions and services allowed to credit institutions, in conformity with whatever rules and regulations (domestic, community, foreign) may be in force each time. In order to serve this objective, the Bank may perform any kind of action, operation or transaction which, directly or indirectly, is pertinent, complementary or auxiliary to the purposes mentioned above.

The tenure of the Board of Directors which was elected by the Ordinary General Meeting of Shareholders on 27.6.2014 expires in 2018.

The Board of Directors as at December 31, 2017, consists of:

CHAIRMAN (Non Executive Member)
Vasileios T. Rapanos

EXECUTIVE MEMBERS

MANAGING DIRECTOR
Demetrios P. Mantzounis

DEPUTY MANAGING DIRECTORS
Spyros N. Filaretos (COO)
Artemios Ch.Theodoridis
George C. Aronis

NON-EXECUTIVE MEMBERS
Efthimios O. Vidalis **/****

NON-EXECUTIVE INDEPENDENT MEMBERS
Ibrahim S. Dabdoub **/****
Carolyn Adele G. Dittmeier */***
Richard R. Gildea **/***
Shahzad A. Shahbaz ***/****
Jan Oscar A. Vanhevel */***

NON-EXECUTIVE MEMBER
(in accordance with the requirements of Law 3864/2010)
Spyridon - Stavros A. Mavrogalos - Fotis */**/***/****

SECRETARY
George P. Triantafyllides

On 29.6.2017, the Board of Directors of the Bank has concluded that the Bank is not subject to the provisions of Law 3723/2008, and as a result Greek Government's right and requirement to appoint a representative to the Bank's Board of Directors, arising from the aforementioned Law, has been ceased.

On 28.9.2017 the Non-Executive Independent Member of the Board of Directors, Mr. Evangelos J. Kaloussis, notified his resignation, which came into effect immediately, from any post and office held at the Board of Directors and its Committees.

* Member of the Audit Committee
** Member of the Remuneration Committee
*** Member of the Risk Management Committee
**** Member of Corporate Governance and Nominations Committee

On 30.6.2017, the Ordinary General Meeting of Shareholders, has appointed the audit firm "Deloitte Certified Public Accountants S.A." for the statutory audit of the year 2017

The Bank's shares are listed in Athens Stock Exchange since 1925 and are constantly included among the companies with the higher market capitalization. Additionally, the Bank's share is included in a series of international indices, such as MSCI Emerging Markets Index, the FTSE All World and FTSE Med 100 and the FTSE4Good Emerging Index.

Apart from the Greek listing, the shares of the Bank are traded over the counter in New York (ADRs).

Total ordinary shares in issue as at 31 December 2017 were 1,543,699,381. In Athens Stock Exchange are traded 1,374,525,214 ordinary shares of the Bank, while the Hellenic Financial Stability Fund ("HFSF") holds the remaining 169,174,167 ordinary, registered, voting, paperless shares or percentage equal to 10.96% of the total ordinary shares issued by the Bank. The exercise of the voting rights of HFSF shares is subject to restrictions according to the article 7a of Law 3864/2010.

In addition, up to 7.12.2017, in Athens Stock Exchange there were 1,141,734,167 warrants that are traded each one incorporating the right of the holder to purchase 0.148173663047785 new shares owned by the HFSF. Warrants not been excercised up to and including 11.12.2017, have been automatically ceased to be valid and they were cancelled by HFSF on 14.12.2017. During the period of 2017, the daily volume of shares trade stood at €10,633,710 and for warrants at €3,817.

The credit rating of the Bank performed by three international credit rating agencies is as follows:

- Moody's: Caa3
- Fitch Ratings: RD
- Standard & Poor's: CCC+

According to the L.4403/7.7.2016, article 135 of the Codified Law 2190/1920 was amended and the obligation to publish Data and Information which are derived from the annual financial statements, was abolished.

These financial statements have been approved by the Board of Directors on 20th of March 2018.

ACCOUNTING POLICIES APPLIED

1.1 Basis of presentation

These consolidated financial statements relate to the fiscal year 1.1-31.12.2017 and they have been prepared:

a) in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in accordance with Regulation 1606/2002 of the European Parliament and the Council of the European Union on 19 July 2002 and

b) on the historical cost basis. As an exception, some assets and liabilities are measured at fair value. Those assets are mainly the following:

- Trading securities
- Derivative financial instruments
- Available-for-sale securities
- The convertible bond issued by the Bank which, until its conversion into shares that took place in the first quarter of this year, was included in "Debt securities in issue held by institutional investors and other borrowed funds".

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

The accounting policies for the preparation of the financial statements have been consistently applied by the Group to the years 2016 and 2017, after taking into account the following amendments to standards which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2017:

► **Amendment to International Accounting Standard 7** "Statement of Cash Flows": Disclosure Initiative (Regulation 2017/1990/6.11.2017)

On 29.1.2016 the International Accounting Standards Board issued an amendment to IAS 7 according to which an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities for which cash flows are classified in the statement of cash flows as cash flows from financing activities. The changes that shall be disclosed, which may arise both from cash flows and non-cash changes, include:

- changes from financing cash flows,
- changes arising from obtaining or losing control of subsidiaries or other businesses,
- the effect of changes in foreign exchange rates,
- changes in fair values and
- other changes.

As a result of the above amendment, the aforementioned disclosure has been added to the note 27 Debt securities in issue and other borrowed funds.

► **Amendment to International Accounting Standard 12** "Income Taxes": Recognition of Deferred Tax Assets for Unrealised Losses (Regulation 2017/1989/6.11.2017)

On 19.1.2016 the International Accounting Standards Board issued an amendment to IAS 12 with which the following were clarified:

- Unrealised losses on debt instruments measured at fair value for accounting purposes and at cost for tax purposes may give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the asset by sale or by use.
- The recoverability of a deferred tax asset is assessed in combination with other deferred tax assets. However, if tax law offsets specific types of losses only against a particular type of income, the relative deferred tax asset shall be assessed in combination with other deferred tax assets of the same type.
- During the deferred tax asset recoverability assessment, an entity compares the deductible temporary differences with future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences.

- The estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The adoption of the above amendment by the Group had no impact on its financial statements.

▸ **Annual Improvements to IFRS Standards** cycle-2014-2016 (Regulation 2018/182/7.2.2018)

As part of the annual improvements project, the International Accounting Standards Board issued, on 8.12.2016, amendments to IFRS 12 with which it clarified that entities are not exempt from all of the disclosure requirements in IFRS 12 with respect to interests in entries classified as held for sale (or included in a disposal group) or as discontinued operations but only from specific disclosures.

The adoption of the above amendment by the Group had no impact on its financial statements.

Except for the standards mentioned above, the European Union has adopted the following new standards and amendments to standards which are effective for annual periods beginning after 1.1.2017 and have not been early adopted by the Group.

▸ **Amendment to International Financial Reporting Standard 2** "Share-based Payment": Classification and Measurement of Share-based Payment Transactions (Regulation 2018/289/26.2.2018)

Effective for annual periods beginning on or after 1.1.2018

On 20.6.2016 the International Accounting Standards Board issued an amendment to IFRS 2 with which the following were clarified:

- in estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions shall follow the same approach as for equity-settled share-based payments,
- where tax law requires an entity to withhold a specified amount of tax (that constitutes a tax obligation of the employee) that relates to share-based payments and shall be remitted to the tax authority, such an arrangement shall be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature,
- if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification.

The above amendment is not expected to have any impact on the financial statements of the Group.

▸ **Amendment to International Financial Reporting Standard 4** "Insurance Contracts": applying **IFRS 9 Financial Instruments** with **IFRS 4 Insurance Contracts** (Regulation 2017/1988/3.11.2017). Effective for annual periods beginning on or after 1.1.2018

On 12.9.2016 the International Accounting Standards Board issued an amendment to IFRS 4 with which:

- It provides insurers, whose activities are predominantly connected with insurance, with a temporary exemption from application of IFRS 9 until 1.1.2021 and
- following full adoption of IFRS 9 and until applying IFRS 17, it gives all entities with insurance contracts the option to present changes in fair value on qualifying designated financial assets in other comprehensive income instead of profit or loss.

The above amendment is not expected to have any impact on Group's financial statements since the Group does not intend to make use of the above exception to the application of IFRS 9.

▸ **International Financial Reporting Standard 9** "Financial Instruments" (Regulation 2016/2067/22.11.2016)

Effective for annual periods beginning on or after 1.1.2018

On 24.7.2014, the International Accounting Standards Board completed the issuance of the final text of IFRS 9: Financial Instruments, which replaces the existing IAS 39. The new standard provides for significant differentiations in the classification and measurement of financial instruments as well as in hedge accounting. An indication of the new requirements is presented below:

Classification and measurement

Financial instruments shall be classified, at initial recognition, at either amortized cost or at fair value. The criteria that should be considered for the initial classification of the financial assets are the following:

i. The entity's business model for managing the financial assets. Three categories of Business Models are defined:

- Hold to collect contractual cash flows
- Hold to collect and sell
- Other

and

ii. The contractual cash flow characteristics of the financial assets.

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the instrument is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

If an instrument meets the above criteria but is held with the objective of both selling and collecting contractual cash flows it shall be classified as measured at fair value through other comprehensive income.

Financial assets that are not included in any of the above two categories are mandatorily measured at fair value though profit or loss.

In addition, IFRS 9 permits, at initial recognition, equity instruments to be classified at fair value through other comprehensive income. The option precludes equity instruments held for trading. Moreover, with regards to embedded derivatives, if the hybrid contact contains a host that is within the scope of IFRS 9, the embedded derivative shall not be separated and the accounting treatment of the hybrid contact should be based on the above requirements for the classification of the financial instruments.

With regards to the financial liabilities, the main difference is that the change in the fair value of a financial liability initially designated at fair value through profit or loss shall be recognised in profit or loss with the exception of the effect of change in the liability's credit risk which shall be recognised directly in other comprehensive income.

Impairment

Contrary to the existing IAS 39, under which an entity recognizes only incurred credit losses, the new standard requires the recognition of expected credit losses. In particular, on initial recognition of an asset, 12-month expected credit losses are recognized. However, in case the credit risk of the issuers has increased significantly since initial recognition as well as in cases of purchased or originated credit impaired assets lifetime expected credit losses are recognized.

Hedging

The new requirements for hedge accounting are more aligned with the entity's risk management. The main changes in relation to the current requirements of IAS 39 are summarized below:

- more items become eligible for participating in a hedging relationship either as hedging instruments or as hedged items,
- the requirement for hedge effectiveness tests to be within the range of 80%-125% is removed. Hedge effectiveness test is performed progressively only and under certain circumstances a qualitative assessment is considered adequate,
- in case that a hedging relationship ceases to be effective but the objective of risk management regarding the hedging

relationship remains the same, the entity shall rebalance the hedging relationship in order to satisfy the hedge effectiveness criteria.

It is noted that the new requirements for hedge accounting do not include those that relate to macro hedging, since they have not been finalized yet.

Except for the aforementioned modifications, the issuance of IFRS 9 has resulted in the amendment to other standards and mainly to IFRS 7 where new disclosures were added.

The impact from the application of IFRS 9 to the financial statements of the Group is presented in note 42.

▸ **International Financial Reporting Standard 15** "Revenue from Contracts with Customers" (Regulation 2016/1905/22.9.2016). Effective for annual periods beginning on or after 1.1.2018

IFRS 15 "Revenue from Contracts with Customers" was issued on 28.5.2014 by the International Accounting Standards Board. The new standard is the outcome of a joint project by the IASB and the Financial Accounting Standards Board (FASB) to develop common requirements as far as the revenue recognition principles are concerned.

The new standard shall be applied to all contracts with customers, except those that are in scope of other standards, such as financial leases, insurance contracts and financial instruments.

According to the new standard, an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A new revenue recognition model is introduced, by applying the following five steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The performance obligation notion is new and in effect represents a promise in a contract with a customer to transfer to the customer either: (a) a good or service (or a bundle of goods or services) that is distinct; or (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The new IFRS 15 supersedes:

(a) IAS 11 "Construction Contracts";

(b) IAS 18 "Revenue";

(c) IFRIC 13 "Customer Loyalty Programmes";

(d) IFRIC 15 "Agreements for the Construction of Real Estate";

(e) IFRIC 18 "Transfers of Assets from Customers";and

(f) SIC-31 "Revenue-Barter Transactions Involving Advertising Services".

Impact from the application of IFRS 15

The Group will apply the new standard from 1.1.2018 without reforming comparative information for 2017. The differences that will arise from the adoption of IFRS 15 will be recognized directly in equity as at 1.1.2018.

It is noted that the main part of the Group's income is net interest income which will not be affected by the application of IFRS 15. In the Group, the contracts most affected by the new standard relate to the provision of the following services:

- Banking services (fees related to the execution of banking operations and to asset management or to loan syndication)
- Management and collection of receivables services
- Real estate services (Valuation Reports and Certification of Projects, Real Estate Management)

For services provided over time, such as management fee income earned for the provision of asset management services (i.e. performance fee income for management of asset portfolio) and real estate management services, income is recognised as the service is being provided to the customer.

If a performance obligation is not satisfied over time, it is satisfied at a point in time. For services such as executing transactions (e.g. currency exhange transactions, customers' trading in securities) and coordinating and arranging syndicated loan transactions, the execution and completion of the transaction requested by the customer signals the point in time, in which the service is transferred to the customer.

The review of the accounting treatment currently applied to recognise revenue from these contracts is in the process of completion; however, given that Group's current accounting practices are broadly in line with the requirements of the new standard, the Group does not expect that the application of the new standard will have a significant impact on its consolidated financial statements.

▸ **Amendment to International Financial Reporting Standard 15** "Revenue from Contracts with Customers": Clarifications to IFRS 15 Revenue from Contracts with Customers (Regulation 2017/1987/31.10.2017). Effective for annual periods beginning on or after 1.1.2018.

On 12.4.2016 the International Accounting Standards Board issued an amendment to IFRS 15 with which it clarified mainly the following:

- when a promised good or service is separately identifiable from other promises in a contract, which is part of an entity's assessment of whether a promised good or service is a performance obligation,
- how to apply the principal versus agent application guidance to determine whether the nature of an entity's promise is to provide a promised good or service itself (i.e., the entity is a principal) or to arrange for goods or services to be provided by another party (i.e., the entity is an agent),
- for a licence of intellectual property, which is a factor in determining whether the entity recognises revenue over time or at a point in time.

Finally, two practical expedients to the transition requirements of IFRS 15 were added for completed contracts under full retrospective transition approach as well as for contract modifications at transition.

The impact from the application of IFRS 15 to the financial statements of the Group is mentioned above.

▸ **International Financial Reporting Standard 16** "Leases" (Regulation 2017/1986/31.10.2017). Effective for annual periods beginning on or after 1.1.2019

On 13.1.2016 the International Accounting Standards Board issued IFRS 16 "Leases" which supersedes:

- IAS 17 " Leases"
- IFRIC 4 "Determining whether an arrangement contains a lease"
- SIC 15 "Operating Leases – Incentives" and
- SIC 27 "Evaluating the substance of transactions involving the legal form of a lease".

The new standard significantly differentiates the accounting of leases for lessees while essentially maintaining the existing requirements of IAS 17 for the lessors. In particular, under the new requirements, the classification of leases as either operating or finance is eliminated. A lessee is required to recognize, for all leases with term of more than 12 months, the right-of-use asset as well as the corresponding obligation to pay the lease payments. The above treatment is not required when the asset is of low value.

The Group is examining the impact from the adoption of the above standard on its financial statements.

▸ **Amendment to International Accounting Standard 40** "Investment Property": Transfers of Investment Property (Regulation 2018/400/14.3.2018). Effective for annual periods beginning on or after 1.1.2018.

On 8.12.2016 the International Accounting Standards Board issued an amendment to IAS 40 with which it clarified that an entity shall transfer a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. In addition, the examples of evidence of a change in use were expanded to include assets under construction and not only transfers of completed properties.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

▸ **Improvements to International Accounting Standards –** cycle 2014-2016 (Regulation 2018/182/7.2.2018). Effective for annual periods beginning on or after 1.1.2018

As part of the annual improvements project, the International Accounting Standards Board issued, on 8.12.2016, non-urgent but necessary amendments to IFRS 1 and IAS 28.

The above amendments are not expected to have any impact on the financial statements of the Group.

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards as well as IFRIC 22 and IFRIC 23 which have not yet been adopted by the European Union and they have not been early applied by the Group.

▸ **Amendment to International Financial Reporting Standard 9** "Financial Instruments"**:** Prepayment Features with Negative Compensation. Effective for annual periods beginning on or after 1.1.2019

On 12.10.2017 the International Accounting Standards Board issued an amendment to IFRS 9 that permits some prepayable financial assets with negative compensation features, that would otherwise been measured at fair value through profit or loss, to be measured at amortised cost or at fair value through oci. The amendment to IFRS 9 clarifies that a financial asset passes the SPPI criterion regardless of the event or circumstance that cause the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

▸ **Amendment to International Financial Reporting Standard 10** "Consolidated Financial Statements" and to **International Accounting Standard 28** "Investments in Associates and Joint Ventures": Sale or contribution of assets between an investor and its associate or joint venture. Effective date: To be determined.

On 11.9.2014 the International Accounting Standards Board issued an amendment to IFRS 10 and IAS 28 in order to clarify the accounting treatment of a transaction of sale or contribution of assets between an investor and its associate or joint venture. In particular, IFRS 10 was amended in order to be clarified that in case that as a result of a transaction with an associate or joint venture, a parent loses control of a subsidiary, which does not contain a business, as defined in IFRS 3, it shall recognise to profit or loss only the part of the gain or loss which is related to the unrelated investor's interests in that associate or joint venture. The remaining part of the gain from the transaction shall be eliminated against the carrying amount of the investment in that associate or joint venture. In addition, in case the investor retains an investment in the former subsidiary and the former subsidiary is now an associate or joint venture, it recognises the part of the gain or loss resulting from the remeasurement at fair value of the investment retained in that former subsidiary in its profit or loss only to the extent of the unrelated investor's interests in the new associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment retained in the former subsidiary.

In IAS 28, respectively, it was clarified that the partial recognition of the gains or losses shall be applied only when the involved assets do not constitute a business. Otherwise, the total of the gain or loss shall be recognised.

On 17.12.2015, the International Accounting Standards Board deferred the effective date for the application of the amendment that had been initially determined. The new effective date will be determined by the International Accounting Standards Board at a future date after taking into account the results of its project relating to the equity method.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

▸ **International Financial Reporting Standard 14** "Regulatory deferral accounts". Effective for annual periods beginning on or after 1.1.2016.

On 30.1.2014 the International Accounting Standards Board issued IFRS 14. The new standard, which is limited-scope, addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognized regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate-regulated entities would recognize as expense.

It is noted that European Union has decided not to launch the endorsement of this standard and to wait for the final standard.

The above standard does not apply to the financial statements of the Group.

▸ **International Financial Reporting Standard 17** "Insurance Contracts". Effective for annual periods beginning on or after 1.1.2021.

On 18.5.2017 the International Accounting Standards Board issued IFRS 17 which replaces IFRS 4 "Insurance Contracts". In contrast to IFRS 4, the new standard introduces a consistent methodology for the measurement of insurance contracts. The key principles in IFRS 17 are the following:

An entity:

- identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder;
- separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
- divides the contracts into groups that it will recognise and measure;
- recognises and measures groups of insurance contracts at:
  i. a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all of the available information about the fulfilment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)
  ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);
- recognises the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognises the loss immediately;
- presents separately insurance revenue, insurance service expenses and insurance finance income or expenses; and
- discloses information to enable users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows of an entity.

The Group is examining the impact from the adoption of the above standard on its financial statements.

▸ **Amendments to IAS 19** "Employee Benefits":- Plan Amendment, Curtailment or Settlement. Effective for annual periods beginning on or after 1.1.2019.

On 7.2.2018 the International Accounting Standards Board issued an amendment to IAS 19 with which it specified how companies determine pension expenses when changes to a defined benefit pension plan occur. In case that an amendment, curtailment or settlement takes place IAS 19 requires a company to remeasure its net defined benefit liability or asset. The amendments to IAS 19 require specifically a company to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In addition, the amendment to IAS 19 clarifies the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

▸ **Amendment to International Accounting Standard 28** "Investments in Associates": Long-term Interests in Associates and Joint Ventures. Effective for annual periods beginning on or after 1.1.2019.

On 12.10.2017 the International Accounting Standards Board issued an amendment to IAS 28 to clarify that long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture —to which the equity method is not applied—should be accounted using IFRS 9, including its impairment requirements. In applying IFRS 9, the entity does not take account of any adjustments to the carrying amount of long-term interests that arise from applying IAS 28.

The Group is examining the impact from the adoption of the above amendment on its financial statements.

► **Improvements to International Accounting Standards –** cycle 2015-2017. Effective for annual periods beginning on or after 1.1.2019

As part of the annual improvements project, the International Accounting Standards Board issued, on 12.12.2017, non-urgent but necessary amendments to various standards.

The Group is examining the impact from the adoption of the above amendments on its financial statements.

► **IFRIC Interpretation 22** "Foreign Currency Transactions and Advance Consideration"**.** Effective for annual periods beginning on or after 1.1.2018.

On 8.12.2016 the International Accounting Standards Board issued IFRIC 22. The Interpretation covers foreign currency transactions when an entity recognizes a non monetary asset or liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation clarified that the date of the transaction, for the purpose of determination of exchange rate to use on initial recognition of the asset, the income or expense, is the date of initial recognition of the non monetary asset or liability (i.e. advance consideration). Additionally, if there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

The Group is examining the impact from the adoption of the above Interpretation on its financial statements.

► **IFRIC Interpretation 23** "Uncertainty over Income Tax Treatments". Effective for annual periods beginning on or after 1.1.2019.

On 7.6.2017 the International Accounting Standards Board issued IFRIC 23. The Interpretation clarifies application of recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. The Interpretation specifically clarifies the following:

- An entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments based on which approach better predicts the resolution of the uncertainty.
- The estimations for the examination by taxation authorities shall be based on the fact that a taxation authority will examine amounts it has a righ to examine and have full knowledge of all related information when making those examinations.
- For the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment.
- An entity shall reassess an estimate if the facts and circumstances change or as a result of new information.

The Group is examining the impact from the adoption of the above Interpretation on its financial statements.

1.2 Basis of consolidation

The consolidated financial statements include the parent company Alpha Bank, its subsidiaries, associates and joint ventures. The financial statements used to prepare the consolidated financial statements have been prepared as at 31.12.2017 and the accounting policies applied in their preparation, when necessary, were adjusted to ensure consistency with the Group accounting policies.

a. Subsidiaries

Subsidiaries are entities controlled by the Group.

The Group takes into account the following factors, in assessing control:

- power over the investee,
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect the amount of the investor's return.

Power arises from currently exercisable rights that provide the Group with the current ability to direct the relevant activities of the investee. In a straightforward case, rights that provide power are derived from voting rights granted by equity instruments such as shares. In other cases, power results from contractual arrangements.

The Group's returns are considered variable, when these returns have the potential to vary as a result of the investee's performance. Variability of returns is judged based on the substance of the arrangement, regardless of their legal form.

The Group, in order to evaluate the link between power and returns, assesses whether it exercises its power for its own benefit or on behalf of other parties, thus acting as either a principal or an agent, respectively. If the Group determines that it acts as a principal, then it controls the investee and consolidation is required. Otherwise, control does not exist and there is no requirement to consolidate.

In cases where the power over an investee arises from voting rights, the Group primarily assesses whether it controls the investee through holding more than 50% of the voting rights. However, the Group can have power even if it holds less than 50% of the voting rights of the investee, through:

- a contractual arrangement between the investors and other vote holders,
- rights arising from other contractual arrangements,
- the size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders,
- potential voting rights.

In cases of structured entities where the voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements (i.e. securitization vehicles or mutual funds), the Group assesses the existence of control based on the following:

- the purpose of the entity and the contractual rights of the parties involved,
- the risks to which the investee was designed to be exposed, the risks it was designed to pass on to the parties involved with the investee and the degree of exposure of the Group to those risks,
- indications of a special relationship with the entity, which suggests that the Group has more than a passive interest in the investee.

Furthermore, regarding the structured entities that are managed by the Group, the Group assesses if it acts as principal or an agent based on the extent of its decision – making authority over the entity's activities, the rights of third parties and the degree of its exposure to variability of returns due to its involvement with the entity.

The Group, based on the above criteria, controls structured entities established for the securitization of loan portfolios.

The Group reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

The financial statements of subsidiaries are fully consolidated from the date that control commences until the date that control ceases.

The acquisition method is applied when the Group obtains control of other companies or units that meet the definition of a business. Application of the acquisition method requires identifying the acquirer, determining the acquisition date and measuring the consideration transferred, the identifiable assets acquired, the liabilities assumed and any non controlling interest in the acquiree, in order to determine the amount of goodwill or gain arising from the business combination.

The consideration transferred is measured at fair value on acquisition date. Consideration includes also the fair value of any contingent consideration. The obligation to pay contingent consideration is recognized as a liability or as an equity component, in accordance with IAS 32 or other applicable IFRSs. The right to the return of a previously transferred consideration is classified as an asset, if specified conditions are met. Subsequently, and to the extent that changes in the value of the contingent consideration do not constitute measurement period adjustments, contingent consideration is measured as follows:

- In case it has been classified in equity, it is not re-measured.
- In all other cases it is measured at fair value through profit or loss.

The identifiable assets acquired and liabilities assumed are initially recognised on acquisition date at their fair value, except from specific assets or liabilities for which a different measurement basis is required. Any non controlling interests are recognised at either fair value or at their proportionate share in the acquiree's identifiable net assets, as long as they are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Otherwise, they are measured at their acquisition date fair values.

Any difference between:

a. the sum of the consideration transferred, the fair value of any previously held equity interest of the Group in the acquiree and the amount of any non – controlling interests, and

b. the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed,

is recognised as goodwill if the above difference is positive or as a gain in profit or loss if the difference is negative.

During the measurement period, the provisional amounts recognized at the acquisition date are adjusted in order to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. These adjustments affect accordingly the amount of goodwill. The measurement period ends as soon as the information about facts and circumstances existed as of the acquisition date has been obtained. However, the measurement period shall not exceed one year from the acquisition date.

When the Group's interest in a subsidiary increases as a result of an acquisition, the difference between the consideration paid and the share of net assets acquired is recognized directly in retained earnings.

Sales of ownership interests in subsidiaries that do not result in a loss of control for the Group are accounted for as equity transactions and the gain or loss arising from the sale is recognized directly in retained earnings.

Intercompany transactions are eliminated, unless the transaction provides evidence of impairment of the asset transferred, in which case, it is recognized in the consolidated balance sheet.

b. Associates

Associates are entities over which the Group has significant influence but not control. Significant influence is generally presumed to exist when the Group holds, directly or indirectly, more than 20% of the share capital of the company concerned without having control or joint control, unless the ownership of more than 20% does not ensure significant influence, e.g. due to lack of representation of the Group in the company's Board of Directors or due to the Group's non-participation in the policy making process.

Investments in associates are accounted for using the equity method of accounting. The investment is initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets of the associate. In case the losses according to the equity method exceed the investment in ordinary shares, they are recognized as a reduction of other elements that are essentially an extension of the investment in the associate.

The Group's share of the associate's profit or loss and other comprehensive income is separately recognized in the income statement and in the statement of comprehensive income, accordingly.

c. Joint ventures

The Group applies IFRS 11 which deals with the accounting treatment of interests in joint arrangements. All joint arrangements in which the Group participates and has joint control are joint ventures, which are accounted for by using the equity method.

A detailed list of all Group subsidiaries, associates and joint ventures, as well as the Group's ownership interest in them, is provided in note 38.

1.3 Operating Segments

Operating segments are determined and measured based on the information provided to the Executive Committee of the Bank, which is the body responsible for the allocation of resourses between the Group's operating segments and the assessment of their performance.

Based on the above, as well as the Group's administrative structure and activities, the following operating segments have been determined:

- Retail Banking
- Corporate Banking
- Asset Management and Insurance
- Investment Banking and Treasury
- South Eastern Europe
- Other

Since the Group operates in various geographical areas, apart from the operating segments identified above, the financial statements contain information based on the below distinction:

- Greece
- Other Countries

It is noted that the methods used to measure operating segments for the purpose of reporting to the Executive Committee are not different from those required by the International Financial Reporting Standards.

Detailed information relating to operating segments is provided in note 40.

1.4 Transactions in foreign currency and translation of foreign operations

a. Transactions in foreign currency

The consolidated financial statements are presented in Euro, which is the functional currency and the currency of the country of incorporation of the parent company Alpha Bank.

Items included in the financial statements of the subsidiaries are measured in the functional currency of each subsidiary which is the currency of the company's country of incorporation or the currency used in the majority of the transactions held.

Transactions in foreign currencies are translated into the functional currency of each subsidiary at the closing exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the functional currency at the closing exchange rate at that date. Foreign exchange differences arising on translation are recognized in the income statement.

Non-monetary assets and liabilities are recognized at the exchange rate ruling at initial recognition, except for non-monetary items denominated in foreign currencies that are measured at fair value. The exchange differences relating to these items are part of the change in fair value and they are recognized in the income statement or recorded directly in equity depending on the classification of the non-monetary item.

b. Translation of foreign operations

The financial statements of all group entities that have a functional currency that is different from the presentation currency of the Group financial statements are translated as follows:

i. Assets and liabilities are translated to Euro at the closing rate applicable on the balance sheet date. The comparative figures presented are translated to Euro at the closing rates at the respective date of the comparative balance sheet.

ii. Income and expense items are translated to Euro at average exchange rates applicable for each period presented.

The resulting exchange difference from the retranslation and those arising from other monetary items designated as a part of the net investment in the entity are recorded in equity. When a foreign entity is sold, the exchange differences are reclassified to the income statement as part of the gain or loss on sale.

1.5 Cash and cash equivalents

For the purposes of the consolidated cash flow statement, cash and cash equivalents consists of:

a. Cash on hand

b. Non-restricted placements with Central Banks and

c. Short-term balances due from banks and Reverse Repo agreements

Short-term balances due from banks are amounts that mature within three months of the balance sheet date.

1.6 Classification and measurement of financial instruments

Initial recognition

The Group recognises financial assets or financial liabilities in its statement of financial position when it becomes a party to the contractual provisions of the instrument.

Upon initial recognition the Group measures financial assets and liabilities at fair values. Financial instruments not measured at fair value through profit or loss are initially recognised at fair value plus transaction costs and minus income or fees that are directly attributable to the acquisition or issue of the financial instrument.

It is noted that loans and bonds are recognized in the balance sheet at the settlement date. For bonds that are measured at fair value, the change in fair value during the period between the trade date and the settlement date is recognized in profit or loss or in other comprehensive income based on the bond's classification category.

Subsequent measurement of financial assets

The Group classifies its financial assets as:

- Loans and receivables
- Held-to-maturity investments
- Financial assets at fair value through profit or loss
- Available-for-sale financial assets

For each of the above categories the following apply:

a) Loans and receivables

Non derivative financial assets, with fixed or determinable payments, that are not quoted in an active market and for which the Group does not expect not to recover substantially its investment other than because of credit deterioration of the issuer, can be classified as loans and receivables. The Group has classified the following as loans and receivables:

i. loans to customers,

ii. amounts paid to acquire a portion or the total of series of bonds that are not quoted in an active market,

iii. all receivables from customers, banks etc.,

iv. bonds with fixed or determinable payments that are not quoted in an active market.

This category is measured at amortized cost using the effective interest rate method and is periodically tested for impairment based on the procedures described in note 1.14.

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the interest income or expense during the relative period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the contractual life of a financial instrument or the next repricing date.

b) Held-to-maturity investments

Non derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold until maturity can be classified as Held-to-maturity investments.

The Group has classified bonds, treasury bills and other debt securities in this category.

Held-to-maturity investments are measured at amortized cost using the effective interest rate method and are tested for impairment at each reporting date. In cases when objective evidence exists that an impairment loss has occurred, the carrying amount of the financial asset is reduced to the recoverable amount, and the difference is recognised in profit or loss.

c) Financial assets at fair value through profit or loss

Financial assets included in this category are:

i. Financial assets which are acquired principally for the purpose of selling in the near term to obtain short term profit (held for trading).

   The Group has included in this category bonds, treasury bills and a limited number of shares.

ii. Financial assets the Group designated, at initial recognition, as at fair value through profit or loss. This classification is used in the following circumstances:

   - When management monitors and manages the financial instruments on a fair value basis in accordance with a documented risk management or investment strategy.
   - When the designation eliminates an accounting mismatch which would otherwise arise from measuring financial assets and liabilities on a different basis (i.e. amortized cost) in relation to another financial asset or liability (i.e. derivatives which are measured at fair value through profit or loss).
   - When a financial instrument contains an embedded derivative that significantly modifies the cash flows, or the separation of these derivatives from the main financial instruments is not prohibited.

   As at the reporting date, the Group had not designated, at initial recognition, any financial assets as at fair value through profit or loss.

d) Available-for-sale

Available-for-sale financial assets are financial assets that have not been classified in any of the previous categories.

The Group has included in this category bonds, treasury bills, debt securities, shares and mutual fund units.

This category is measured at fair value. Changes in fair value are recognized directly in equity until the financial asset is sold, where upon, the cumulative gains and losses previously recognized in equity are recognized in profit or loss.

The financial assets included in this category are reviewed at each balance sheet date to determine whether there is any indication of impairment. For investments in shares, in particular, a significant or prolonged decline in their fair value below their acquisition cost is considered as an objective evidence of impairment. The Group considers as “significant” a decrease of over 20% compared to the cost of the investment. Respectively, “prolonged” is a decrease in the fair value below amortised cost for a continuous period exceeding one year. The above criteria are assessed in conjunction with the general market conditions.

In case of impairment, the cumulative loss already recognised in equity is reclassified in profit or loss. When a subsequent event causes the amount of impairment loss recognised on an available-for-sale bond or debt security to decrease, the impairment loss is reversed through profit or loss, if it can objectively be related to an event occurring after the impairment loss was recognized. However, impairment losses recognised for investments in shares and mutual funds are not reversed through profit or loss.

The measurement principles noted above are not applicable when a specific financial asset is the hedged item in a hedging relationship, in which case the principles set out in note 1.7 apply.

Reclassification of financial assets

Reclassification of non-derivative financial assets is permitted as follows:

i. Reclassification out of the “held-for-trading” category to the “loans and receivables” category, “investments held-to-maturity” category or “available-for-sale” category is permitted only when there are rare circumstances and the financial assets are no longer held for sale in the foreseeable future.

ii. Reclassification out of the “held-for-trading” category to either “loans and receivables” or “available-for-sale” is permitted, even when there are no rare circumstances, only if the financial assets meet the definition of loans and receivables and there is the intention to hold them for the foreseeable future or until maturity.

iii. Reclassification out of the “available-for-sale” category to the “loans and receivables” category is permitted for financial assets that would have met the definition of loans and receivables and the entity has the ability and intent to hold the financial asset for the foreseeable future or until maturity.

iv. Reclassification out of the “available-for-sale” category to the “held-to-maturity” category is permitted for financial assets that meet the relevant characteristics and the entity has the intent and ability to hold them until maturity.

v. Reclassification out of the “held-to-maturity” category to the “available-for-sale” category occurs when the entity has no longer the intention or the ability to hold these instruments until maturity.

It is noted that in case of sale or reclassification of a significant amount of held-to-maturity investments, the remaining investments in this category are mandatorily transferred to the available-for-sale category. This would prohibit the classification of any securities as held for maturity for the current and the following two financial years. Exceptions apply in cases of sales and reclassifications of investments that:

- are so close to maturity or the financial asset’s call date that changes in the market rate of interest would not have a significant effect on the financial asset’s fair value;
- occur after the Group has collected substantially all of the financial asset’s original principal through scheduled payments or prepayments; or
- are attributable to an isolated, nonrecurring event that is beyond the Group’s control.

Derecognition of financial assets

The Group derecognizes financial assets when:

- the cash flows from the financial assets expire,
- the contractual right to receive the cash flows of the financial assets is transferred and at the same time both risks and rewards of ownership are transferred,
- loans or investments in securities are no longer recoverable and consequently are written off.

In the case of transactions where despite the transfer of the contractual right to recover the cash flows from financial assets both the risk and rewards remain with the Group, no derecognition of these financial assets occurs. The amount received by the transfer is recognized as a financial liability. The accounting practices followed by the Group in such transactions are discussed further in notes 1.21 and 1.22

In the case of transactions, whereby the Group neither retains nor transfers risks and rewards of the financial assets, but retains control over them, the financial assets are recognized to the extent of the Group’s continuing involvement. If the Group does not retain control of the assets then they are derecognised, and in their position the Group recognizes, distinctively, the assets and liabilities which are created or retained during the transfer. No such transactions occurred upon balance sheet date.

Subsequent measurement of financial liabilities

The Group classifies financial liabilities in the following categories for measurement purposes:

a) Financial liabilities measured at fair value through profit or loss

i. This category includes financial liabilities held for trading, that is:

- financial liabilities acquired or incurred principally with the intention of selling or repurchasing in the near term for short term profit, or
- derivatives not used for hedging purposes. Liabilities arising from either derivatives held for trading or derivatives used for hedging purposes are presented as “derivative financial liabilities” and are measured according to the principles set out in note 1.7.

ii. this category also includes financial liabilities which are designated by the Group as at fair value through profit or loss upon initial recognition, according to the principles set out above for financial assets (point cii).

In the context of the acquisition of Emporiki Bank, the Group issued a bond which was classified in the above mentioned category.

b) Financial liabilities carried at amortized cost

The liabilities classified in this category are measured at amortized cost using the effective interest method.

Liabilities to credit institutions and customers, debt securities issued by the Group and other loan liabilities are classified in this category.

In cases when financial liabilities included in this category are designated as the hedged item in a hedge relationship, the accounting principles applied are those set out in note 1.7.

c) Liabilities arising from financial guarantees and commitments to provide loans at a below market interest rate

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment.

The financial guarantee contracts and the commitments to provide loans at a below market interest rate are initially recognized at fair value, and measured subsequently at the higher of:

- the amount of the provision (determined in accordance with IAS 37) when an outflow of resources is considered probable and a reliable estimate of this outflow is possible,
- the amount initially recognised less cumulative amortization.

Derecognition of financial liabilities

The Group derecognizes a financial liability (or part thereof) when its contractual obligations are discharged or cancelled or expire.

In cases that a financial liability is exchanged with another one with substantially different terms, the exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new one. The same applies in cases of a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor). The terms are considered substantially different if the discounted present value of the cash flows under the new terms (including any fees paid net of any fees received), discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability.

In cases of derecognition, the difference between the carrying amount of the financial liability (or part of the financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the balance sheet, only in cases when the

Group has both the legal right and the intention to settle them on a net basis, or to realize the asset and settle the liability simultaneously.

1.7 Derivative financial instruments and hedge accounting

Derivative financial instruments

Derivatives are financial instruments that upon inception have a minimal or zero value that subsequently changes in accordance with a particular underlying instrument (foreign exchange, interest rate, index or other variable).

All derivatives are recognized as assets when their fair value is positive and as liabilities when their fair value is negative.

Derivatives are entered into for either hedging or trading purposes and they are measured at fair value irrespective of the purpose for which they have been transacted.

In the cases when derivatives are embedded in other financial instruments, such as bonds, loans, deposits, borrowed funds etc and the host contract is not itself carried at fair value through profit or loss, then they are accounted for as separate derivatives when the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. These embedded derivatives are measured at fair value and are recognized as derivative assets or liabilities.

In the cases where derivatives are embedded in financial instruments that are measured at fair value through profit or loss, the changes in the fair value of the derivative are included in the fair value change of the combined instrument and recognized in gains less losses on financial transactions.

The Group uses derivatives as a means of exercising Asset-Liability management within the guidelines established by the Asset-Liability Committee (ALCO).

In addition the Group uses derivatives for trading purposes to exploit short-term market fluctuations, within the Group risk level set by the Asset-Liability Committee (ALCO).

Valuation differences arising from these derivatives are recognized in gains less losses on financial transactions.

When the Group uses derivatives for hedging purposes it ensures that appropriate documentation exists on inception of the transaction, and that the effectiveness of the hedge is monitored on an ongoing basis at each balance sheet date.

We emphasize the following:

a. Synthetic Swaps

The parent company (Alpha Bank), in order to increase the return on deposits to selected customers, uses synthetic swaps.

This involves the conversion of a Euro deposit to JPY or other currency with a simultaneous forward purchase of the related currency to cover the foreign exchange exposure.

The result arising from the forward transaction is recognized as interest expense, which is included in deposits' interest expense, foreign exchange differences and other gains less losses on financial transactions.

b. FX Swaps

These types of swaps are entered into primarily to economically hedge the exposures arising from customer loans and deposits.

For those cases for which no hedge accounting is applied, swaps are accounted for as trading instruments.

The result arising from these derivatives is recognized as interest and foreign exchange differences, in order to match with the interest element and foreign exchange differences resulting from the deposits and loans, and as other gains less losses on financial transactions.

Hedge accounting

Hedge accounting establishes the valuation rules to offset the gain or loss of the fair value of a hedging instrument and a hedged item which would not have been possible if the normal measurement principles were applied.

Documentation of the hedging relationship upon inception and of the effectiveness of the hedge on an on-going basis are the basic requirements for the adoption of hedge accounting.

The hedge relationship is documented upon inception and the hedge effectiveness test is carried out upon inception and is repeated at each reporting date.

a. Fair value hedges

A fair value hedge of a financial instrument offsets the change in the fair value of the hedged item in respect of the risks being hedged.

Changes in the fair value of both the hedging instrument and the hedged item, in respect of the specific risk being hedged, are recognized in the income statement.

When the hedging relationship no longer exists, the hedged items continue to be measured based on the classification and valuation principles set out in note 1.6. Specifically any adjustment, due to the fair value change of a hedged item for which the effective interest method is used, up to the point that the hedging relationship ceases to be effective, is amortized to interest income or expense based on a recalculated effective interest rate, over its remaining life.

The Group uses interest rate swaps (IRS's) to hedge risks relating to borrowings and loans.

b. Cash flow hedge

A cash flow hedge changes the cash flows of a financial instrument from a variable rate to a fixed rate.

The effective portion of the gain or loss on the hedging instrument is recognized directly in equity, whereas the ineffective portion is recognized in profit or loss. The accounting treatment of the hedged item does not change.

When the hedging relationship is discontinued, the amount recognized in equity remains there separately until the cash flows or the future transaction occur. When the cash flows or the future transaction occur the following apply:

- If the result is the recognition of a financial asset or a financial liability, the amount is reclassified to profit or loss in the same periods during which the hedged forecast cash flows affect profit or loss.
- If the result is the recognition of a non-financial asset or a non-financial liability or a firm commitment for which fair value hedge accounting is applied, the amount recognized in equity either is reclassified to profit or loss in the same periods during which the asset or the liability affect profit or loss or adjusts the carrying amount of the asset or the liability.

If the expected cash flows or the transaction are no longer expected to occur, the amount is reclassified to profit or loss.

The Group applies cash flow hedge accounting for specific groups of term deposits as well as for the currency risk of specific assets. The amount that has been recognized in equity, as a result of revoked cash flow hedging relationships for term deposits, is linearly amortized in the periods during which the hedged cash flows from the aforementioned term deposits affect profit or loss.

c. Hedges of net investment in a foreign operation

The Group uses foreign exchange derivatives or borrowings to hedge foreign exchange risks arising from investment in foreign operations.

Hedge accounting of net investment in a foreign operation is similar to cash flow hedge accounting. The cumulative gain or loss recognized in equity is reversed and recognized in profit or loss, at the time that the disposal of the foreign operation takes place.

1.8 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The Group measures the fair value of assets and liabilities traded in active markets based on available quoted market prices. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Especially, for the measurement of securities, the Group uses a particular range of prices, within the bid-ask spread, in order to characterize the prices as prices of an active market (the difference between bid and ask prices quoted should not exceed 1.5/100 nominal value). Furthermore, if quoted market prices are not available on the measurement date, but they are available during the three last working days of the reporting period and there are quoted prices for 15 working days during the last month of the reporting period and the criteria of the bid-ask spread is met, then the market is considered to be active.

The fair value of financial instruments that are not traded in an active market is determined by the use of valuation techniques, appropriate in the circumstances, and for which sufficient data to measure fair value are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. If observable inputs are not available, other model inputs are used which are based on estimations and assumptions such as the determination of expected future cashflows, discount rates, probability of counterparty default and prepayments. In all cases, the Group uses the assumptions that 'market participants' would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Assets and liabilities which are measured at fair value or for which fair value is disclosed are categorized according to the inputs used to measure their fair value as follows:

- Level 1 inputs: quoted market prices (unadjusted) in active markets
- Level 2 inputs: directly or indirectly observable inputs
- Level 3 inputs: unobservable inputs used by the Group, to the extent that relevant observable inputs are not available

In particular, the Group applies the following:

Financial instruments

For financial instruments the best evidence of fair value at initial recognition is the transaction price, unless the fair value can be derived by other observable market transactions relating to the same instrument, or by a valuation technique using mainly observable inputs. In these cases, if the fair value differs from the transaction price, the difference is recognized in the statement of comprehensive income. In all other cases, fair value is adjusted to defer the difference with the transaction price. After initial recognition, the deferred difference is recognized as a gain or loss only to the extent that it arises from a change in a factor that market participants would take into account when pricing the instrument.

When measuring fair value, the Group takes into consideration the effect of credit risk. Specifically, for derivative contracts, the Group estimates the credit risk of both counterparties (bilateral credit valuation adjustments).

The Group measures fair value for all assets and liabilities separately. Regarding derivative exposures, however, that the Group manages as a group on a counterparty basis and for which it provides information to the key management personnel, the fair value measurement for credit risk is performed based on the net risk exposure per counterparty. Credit valuation adjustments arising from the aforementioned process are allocated to either assets or liabilities, depending on whether the net exposure to the counterparty is long or short respectively.

Furthermore, the fair value of deposit accounts with a demand feature (such as saving deposits) is no less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The principal inputs to the valuation techniques used by the Group are:

- Bond prices - quoted prices available for government bonds and certain corporate securities.
- Credit spreads - these are derived from active market prices, prices of credit default swaps or other credit based instruments, such as debt. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Interest rates - these are principally benchmark interest rates such as the LIBOR, OIS and other quoted interest rates in the swap, bond and futures markets. Values between and beyond available data points are obtained by interpolation and extrapolation.

- Foreign currency exchange rates - observable markets both for spot and forward contracts and futures.
- Equity and equity index prices - quoted prices are generally readily available for equity shares listed on stock exchanges and for major indices on such shares.
- Price volatilities and correlations - Volatility and correlation values are obtained from pricing services or derived from option prices.
- Unlisted equities - financial information specific to the company or industry sector comparables.
- Mutual Funds- for open-ended investments funds listed on a stock exchange the published daily quotations of their net asset values (NAVs).
- Loans and Deposits- market data and Bank/customer specific parameters.

Non financial assets and liabilities

The most important category of non financial assets for which fair value is estimated is real estate property.

The process, mainly, followed for the determination of the fair value is summarized below:

- Assignment to the engineer - valuer
- Case study- Setting of additional data
- Autopsy - Inspection
- Data processing - Calculations
- Preparation of the valuation report

To derive the fair value of the real estate property, the valuer chooses among the three following valuation techniques:

- Market approach (or sales comparison approach), which measures the fair value by comparing the property to other identical ones for which information on transactions is available.
- Income approach, which capitalizes future cash flows arising from the property using an appropriate discount rate.
- Cost approach, which reflects the amount that would be required currently to replace the asset with another asset with similar specifications, after taking into account the required adjustment for impairment.

Examples of inputs used to determine the fair value of properties and which are analysed to the individual valuations, are the following:

- Commercial property: price per square meter, rent growth per annum, long-term vacancy rate, discount rate, expense rate of return, lease term, rate of non leased properties/units for rent.
- Residential property: Net return, reversionary yield, net rental per square meter, rate of continually non leased properties/units, expected rent value per square meter, discount rate, expense rate of return, lease term etc.
- General assumptions such as the age of the building, residual useful life, square meter per building etc are also included in the analysis of the individual valuation assessments.

It is noted that the fair value measurement of a property takes into account a market's participant ability to generate economic benefits by using the asset in it's highest and best use or by selling it to another market participant that would use the asset in it's highest and best use.

1.9 Property, Plant and Equipment

This caption includes: land, buildings used by branches or for administrative purposes, additions and improvements of leased property and equipment.

Property, plant and equipment are initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit.

Expenditure on repairs and maintenance is recognized in profit or loss as an expense as incurred.

Depreciation is charged on a straight line basis over the estimated useful lives of property, plant and equipment and it is calculated on the asset's cost minus residual value.

The estimated useful lives are as follows:

- Buildings: up to 50 years
- Additions to leased fixed assets and improvements: duration of the lease
- Equipment and vehicles: up to 40 years

Land is not depreciated but it tested for impairment.

The right to use of land for indefinite period that is held by Alpha Real Estate D.O.O. Belgrade, a subsidiary of the Group, is recorded as land and is not depreciated. It is noted that on 28.11.2017 the aforementionned company was sold.

The residual value of property and equipment and their useful lives are periodically reviewed and adjusted if necessary at each reporting date.

Property, plant and equipment are reviewed at each reporting date to determine whether there is an indication of impairment and if they are impaired the carrying amount is adjusted to its recoverable amount with the difference recorded in profit or loss.

Gains and losses from the sale of property and equipment are recognized in profit or loss.

1.10 Investment property

The Group includes in this category buildings or portions of buildings together with their respective portion of land that are held to earn rental income.

Investment property is initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently investment property is measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit. All costs for repairs and maintenance are recognized in profit or loss as incurred.

The estimated useful lives over which depreciation is calculated using the straight line method are the same as those applied to property, plant and equipment.

In case of a change in the Group's intention regarding the use of property, reclassifications to or from the "Investment Property" category occur. In particular, property is reclassified to "Property, plant and equipment" if the Group's intention is to use the asset in its own business operations, whereas in case the Group decides to sell the property, it is reclassified to the "Assets held-for-sale" category, provided that all conditions mentioned in paragraph 1.17 are met. Conversely, property not classified as "Investment Property" is transferred to this category in case a decision for its lease is made.

1.11 Goodwill and other intangible assets

Goodwill

Goodwill represents the difference between the cost of an acquisition as well as the value of non-controlling interests and the fair value of the assets and liabilities of the entity acquired, as at the acquisition date.

Positive goodwill arising from acquisitions after 1/1/2004 is recorded to "Goodwill and other intangible assets", if it relates to the acquisition of a subsidiary, and it is tested for impairment at each balance sheet date. Goodwill on acquisitions of associates or joint ventures is included in "Investment in associates and joint ventures".

Negative goodwill is recognized in profit or loss.

Other intangible assets

The Group has included in this caption:

a) Intangible assets which are recognized from business combinations in accordance with IFRS 3 or which were individually acquired. The intangible assets are carried at cost less accumulated amortization and impairment losses.

Intangible assets include the value attributed to the acquired customer relationships, deposit bases and mutual funds management rights. Their useful life has been determined from 2 to 9 years.

b) Software, which is measured at cost less accumulated amortization and impairment losses. The cost of separately acquired software comprises of its purchase price and any directly attributable cost of preparing the software for its intended use, including employee benefits or professional fees. The cost of internally generated software comprises of expenditure incurred during the development phase, including employee benefits arising from the generation of the software. Amortization is charged over the estimated useful life of the software which the Group has estimated between 1 to 15 years. Expenditure incurred to maintain software programs is recognized in the income statement as incurred. Software that is considered to be an integral part of hardware (hardware cannot operate without the use of the specific software) is classified in property, plant and equipment.

c) Brand names and other rights are measured at cost less accumulated amortization and impairment losses. The amortization is charged over the estimated useful life.

Intangible assets are amortized using the straight line method, excluding those with indefinite useful life, which are not amortized. All intangible assets are tested for impairment.

No residual value is estimated for intangible assets.

1.12 Leases

The Group enters into leases either as a lessee or as a lessor.

When the risks and rewards incident to ownership of an asset are transferred to the lessee they are classified as finance leases.

All other lease agreements are classified as operating leases.

The accounting treatment followed depends on the classification of the lease, which is as follows:

a) When the Group is the lessor

i. Finance leases:

For finance leases where the Group is the lessor the aggregate amount of lease payments is recognized as loans and advances.

The difference between the present value (net investment) of lease payments and the aggregate amount of lease payments is recognized as unearned finance income and is deducted from loans and advances.

The lease rentals received decrease the aggregate amount of lease payments and finance income is recognized on an accrual basis.

The finance lease receivables are subject to the same impairment testing as applied to customer loans and advances as described in note 1.14.

ii. Operating leases:

When the Group is a lessor of assets under operating leases, the leased asset is recognized and depreciation is charged over its estimated useful life. Income arising from the leased asset is recognized as other income on an accrual basis.

b) When the Group is the lessee

i. Finance leases:

For finance leases, where the Group is the lessee, the leased asset is recognized as property, plant and equipment and a respective liability is recognized in other liabilities.

At the commencement of the lease the leased asset and liability are recognized at amounts equal to the fair value of leased property or, if lower, the present value of the minimum lease payments. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease or if, this is not available, the Group's borrowing rate for similar financing.

Subsequent to initial recognition, the leased assets are depreciated over their useful lives unless the duration of the lease is less than the useful life of the leased asset and the Group is not expected to obtain ownership at the end of the lease, in which case the asset is depreciated over the term of the lease.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

ii. Operating leases:

For operating leases the Group, as a lessee, does not recognize the leased asset but charges in general administrative expenses the lease payments on an accrual basis.

1.13 Insurance activities

a) Insurance contracts

An insurance contract is a contract with which significant insurance risk is transferred from the policyholder to the insurance company and the insurance company agrees to compensate the policyholder if a specified uncertain future event affects him adversely. Insurance risk is significant if, and only if an event could force the company to pay significant additional benefits. For the Group, insurance risk is significant when the amount paid in the event of insurance risk exceeds 10% of the total benefit arising from the contract.

b) Distinction of insurance products

In accordance with IFRS 4 contracts that do not transfer significant insurance risk are characterized as investment and/or service contracts, and their accounting treatment is covered by IAS 32 and IAS 39 for financial instruments and IAS 18 for revenue.

All types of contracts offered by the Group are classified as insurance life contracts, as they represent individual, traditional insurance contracts that provide earnings participation based on surplus revenue from investment (in relation to the technical interest rate) on the mathematical reserves.

c) Insurance reserves

The insurance reserves are the current estimates of future cash flows arising from insurance life contracts. The reserves consist of:

i. Mathematical reserves

The insurance reserves for the term life contracts (e.g. term, comprehension, investment) are calculated on actuarial principles using the present value of future liabilities less the present value of premiums to be received.

The calculations are based on technical assumptions (mortality tables, interest rates) in accordance with the respective supervisory authorities on the date the contract was signed.

If the carrying amount of the insurance reserves is inadequate, the entire deficiency is provided for.

ii. Outstanding claims reserves

They concern liabilities on claims occurred and reported but not yet paid at the balance sheet date. These claims are determined on a case-by-case basis based on existing information (loss adjustors' reports, court decisions etc) at the balance sheet date.

They include also provisions for claims incurred but not reported at the balance sheet date (IBNR). The calculation of these provisions is based on statistical experience and the estimated average cost of claim.

d) Revenue recognition

Revenue from life insurance contracts is recognized when it becomes payable.

e) Reinsurance

The Group currently does not use reinsurance contracts.

f) Liability adequacy test

In accordance with IFRS 4 an insurer shall assess at each reporting date whether its recognized insurance reserves less deferred acquisition costs are adequate to cover the risk arising from the insurance contracts.

The methodology applied for life insurance products was based on current estimates of all future cash flows from insurance contracts and of related handling costs. These estimates were based on assumptions representing current market conditions and regarding parameters such as mortality, cancellations, future changes and allocation of administrative expenses as well as the discount rate. The guaranteed return included in certain insurance contracts has also been taken into account in estimating cash flows.

If that assessment shows that the carrying amount of its insurance reserves is inadequate, the entire deficiency is recognized against profit or loss.

1.14 Impairment losses on loans and advances

The Group assess at each balance sheet date whether there is evidence of impairment in accordance with the general principles and methodology set out in IAS 39 and the relevant implementation guidance.

Specifically, the steps performed are the following:

a. The criteria of assessment on an individual or collective basis

The Group assesses for impairment on an individual basis the loans that it considers individually significant. Loans that are considered individually significant are mentioned in note 41.1. For the remaining loans impairment test is performed on a collective basis.

The Group has determined the criteria that consist trigger events for the assessment of impairment.

Loans which are individually assessed for impairment and found not impaired are included in groups, based on similar credit risk characteristics, and assessed for impairment collectively.

The Group groups the portfolio into homogenous populations, based on common risk characteristics, and has a historical statistical basis, in which it performs an analysis with which it captures and defines impairment testing, by segment population.

In addition, as part of the collective assessment, the Group recognizes impairment for loss events that have been incurred but not reported (IBNR). The calculation of the impairment loss in these cases takes into account the period between the occurance of a specific event and the date it becomes known (Loss Identification Period).

A detailed analysis of the loans that belong to the wholesale and the retail sectors, of the trigger events for impairment as well as of the characteristics used for the determination of the groups for the collective assessment is included in note 41.1.

b. Methodology in determining future cash flows from impaired loans

The Group has accumulated a significant amount of historical data, which includes the loss given default for loans after the completion of forced recovery, or other measures taken to secure collection of loans, including the realization of collaterals.

Based on the above, the amount of the recoverable amount of each loan is determined after taking into account the time value of money. The cash flows are discounted at the loans' original effective interest rate.

An impairment loss is recognized to the extent that the recoverable amount of the loan is less than its carrying amount.

c. Interest income recognition

Interest income on impaired loans is recognized based on the carrying value of the loan net of impairment at the original effective interest rate.

d. Impairment recognition – Write – offs

Amounts of impaired loans are recognized on allowance accounts until the Group decides to write them down/write them off.

The policy of the Group regarding write downs/write offs is presented in detail in note 41.1.

e. Recoveries

If in a subsequent period, after the recognition of the impairment loss, events occur which require the impairment loss to be reduced, or there has been a collection of amounts from loans and advances previously written-off, the recoveries are recognized in impairment losses and provisions to cover credit risk.

1.15 Impairment losses on investments and non-financial assets

The Group assess as at each balance sheet date its investments in associates and joint ventures as well as non-financial assets for impairment, particularly property, plant and equipment, investment property, goodwill and other intangible assets.

In assessing whether there is an indication that an asset may be impaired both external and internal sources of information are considered, of which the following are indicatively mentioned:

- The asset's market value has declined significantly, more than would be expected as a result of the passage of time or normal use.
- Significant changes with an adverse effect have taken place during the period or will take place in the near future, in the technological, economic or legal environment in which the entity operates or in the market to which the asset is dedicated.
- Significant unfavorable changes in foreign exchange rates.
- Market interest rates or other rates of return of investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use.
- The carrying amount of the net assets of the entity is greater than its market capitalization.
- Evidence is available of obsolescence or physical damage of an asset.

An impairment loss is recognized in profit or loss when the recoverable amount of an asset is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Fair value less costs to sell is the amount received from the sale of an asset (less the cost of disposal) in an orderly transaction between market participants.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash –generating unit through their use and not from their disposal. For the valuation of property, plant and equipment, value in use incorporates the value of the asset as well as all the improvements which render the asset perfectly suitable for its use by the Group.

1.16 Income tax

Income tax consists of current and deferred tax.

Current tax for a period includes the expected amount of income tax payable in respect of the taxable profit for the current reporting period, based on the tax rates enacted at the balance sheet date.

Deferred tax is the tax that will be paid or for which relief will be obtained in future periods due to the different period that certain items are recognized for financial reporting purposes and for taxation purposes. It is calculated based on the temporary differences between the tax base of assets and liabilities and their respective carrying amounts in the financial statements.

Deferred tax assets and liabilities are calculated using the tax rates that are expected to apply when the temporary difference reverses, based on the tax rates (and laws) enacted at the balance sheet date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Income tax, both current and deferred, is recognized in profit or loss except when it relates to items recognized directly in equity. In such cases, the respective income tax is also recognized in equity.

1.17 Non-current assets held for sale

Non-current assets or disposal groups that are expected to be recovered principally through a sale transaction, along with the related liabilities, are classified as held-for-sale.

The above classification is used if the asset is available for immediate sale in its present condition and its sale is highly probable. The sale is considered highly probable when it has been decided by Management, an active programme to locate a buyer has been initiated, the asset is actively marketed for sale at a price which is reasonable in relation to its current fair value and the sale is expected to be completed within one year. Non-current assets that are acquired exclusively with a view to their subsequent disposal are classified as held for sale at the acquisition date when the one-year requirement is met and it is highly probable that the remaining criteria will be met within a short period following the acquisition (usually within three months).

Before their classification as held for sale, the assets are remeasured in accordance with the respective accounting standard.

Assets held for sale are initially recognised and subsequently remeasured at each balance sheet date at the lower of their carrying amount and fair value less cost to sell. Any loss arising from the above measurement is recorded in profit or loss and can be reversed in the future. When the loss relates to a disposal group it is allocated to assets within the disposal group with the exception of specific assets that are not within the scope of IFRS 5. The impairment loss on a disposal group is first allocated to goodwill and then to the remaining assets and liabilities on a pro-rata basis.

Assets in this category are not depreciated.

Gains or losses from the sale of these assets are recognized in the income statement.

Non - current assets that are acquired through enforcement procedures but are not available for immediate sale or are not expected to be sold within a year are included in Other Assets and are measured at the lower of cost (or carrying amount) and fair value. Non-current assets held for sale, that the Group subsequently decides either to use or to lease, are reclassified to the categories of property, plant and equipment or investment property respectively. During their reclassification, they are measured at the lower of their recoverable amount and their carrying amount before they were classified as held for sale, adjusted for any depreciation, amortization or revaluation that would have been recognized had the assets not been classified as held for sale.

1.18 Employee benefits

The Group has both defined benefit and defined contribution plans.

A defined contribution plan is where the Group pays fixed contributions into a separate entity and the Group has no legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees the benefits relating to employee service in current or prior years. The contributions are recognized as employee benefit expense on an accrual basis. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement which is dependent, among others, on years of service and salary on date of retirement and it is guaranteed by the entity of the Group.

The defined benefit obligation is calculated, separately for each plan, based on an actuarial valuation performed by independent actuaries using the projected unit credit method.

The net liability recognized in the consolidated financial statements is the present value of the defined benefit obligation (which is the expected future payments required to settle the obligation resulting from employee service in the current and prior periods) less the fair value of plan assets. The amount determined by the above comparison may be negative, an asset. The amount of the asset recognised in the financial statements cannot exceed the total of the present value of any economic benefits available to the Group in the form of refunds from the plan or reductions in future contributions to the plan.

The present value of the defined benefit obligation is calculated based on the return of high quality corporate bonds with a corresponding maturity to that of the obligation, or based on the return of government bonds in cases when there in no deep market in corporate bonds.

Interest on the net defined benefit liability (asset), which is recognised in profit or loss, is determined by multiplying the net defined benefit liability (asset) by the discount rate used to discount post-employment benefit obligation, as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset).

Service cost, which is also recognised in profit or loss, consists of:

- Current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period;
- Past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from the introduction or withdrawal of, or changes to, a defined benefit plan or a curtailment (a significant reduction by the entity in the number of employees covered by a plan) and
- Any gain or loss on settlement.

Before determining past service cost or a gain or loss on settlement, the Group remeasures the net defined benefit liability (asset) using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan before its amendment, curtailment or settlement.

Past service cost, in particular, is directly recognized to profit or loss at the earliest of the following dates:

- When the plan amendment or curtailment occurs; and
- When the Group recognizes related restructuring costs (according to IAS 37) or termination benefits.

Likewise, the Group recognizes a gain or loss on the settlement when the settlement occurs.

Remeasurements of the net defined benefit liability (asset) which comprise:

- actuarial gains and losses;
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- any change in the effect of the limitation in the asset recognition, excluding amounts included in net interest on the net defined benefit liability (asset),

are recognized directly in other comprehensive income and are not reclassified in profit or loss in a subsequent period.

Finally, when the Group decides to terminate the employment before retirement or the employee accepts the Group's offer of benefits in exchange for termination of employment, the liability and the relative expense for termination benefits are recognized at the earlier of the following dates:

a. when the Group can no longer withdraw the offer of those benefits; and

b. when the Group recognizes restructuring costs which involve the payment of termination benefits.

1.19 Share options granted to employees

The granting of share options to the employees, their exact number, the price and the exercise date are decided by the Board of Directors in accordance with the Shareholders' Meeting approvals and after taking into account the current legal framework.

The fair value calculated at grant date is recognized over the period from the grant date to the exercise date and recorded as an expense in payroll and related costs with an increase of a reserve in equity respectively. The amount paid by the beneficiaries of share options on the exercise date increases the share capital of the Group and the reserve in equity from the previously recognized fair value of the exercised options is transferred to share premium.

1.20 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are, also, recognized in cases of restructuring plans with which management attempts either to change the subject of a corporate activity or the manner in which it is conducted (e.g. close down business locations). The recognition of provision is accompanied with the relevant, authorized by the Management, program and with the suitable actions of disclosure.

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision is equal to the present value of the expenditures expected to settle the obligation.

Amounts paid for the settlement of an obligation are set against the original provisions for these obligations. Provisions are reviewed at the end of each reporting period.

If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Additionally, provisions are not recognized for future operating losses.

Future events that may affect the amount required to settle the obligation, for which a provision has been recognized, are taken into account when sufficient objective evidence exists that they will occur.

Reimbursements from third parties relating to a portion of or all of the estimated cash outflow are recognized as assets, only when it is virtually certain that they will be received. The amount recognized for the reimbursement does exceed the amount of the provision. The expense recognized in profit or loss relating to the provision is presented net of the amount of the reimbursement.

The Group does not recognize in the statement of financial position contingent liabilities which relate to:

- possible obligations resulting from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or
- present obligations resulting from past events for which:
  - it is not probable that an outflow of resources will be required, or
  - the amount of liability cannot be measured reliably.

The Group provides disclosures for contingent liabilities taking into consideration their materiality.

1.21 Sale and repurchase agreements and securities lending

The Group enters into purchases of securities under agreements to resell at a certain date in the future at a fixed price (reverse repos). Securities purchased subject to commitments to resell them at future dates are not recognized in the balance sheet.

The amounts paid are recognized in loans and advances to either banks or customers. The difference between the purchase price and the resale price is recognized as interest income on an accrual basis.

Securities that are sold under agreements to repurchase (repos) are not derecognized but they continue to be measured in accordance with the accounting policy of the category that they have been classified.

The proceeds from the sale of the securities are reported as liabilities to either banks or customers. The difference between the sales price and the repurchase price is recognized on an accrual basis as interest expense.

Securities borrowed by the Group under securities lending agreements are not recognized in the consolidated balance sheet except when they have been sold to third parties whereby the liability to deliver the security is recognized and measured at fair value.

1.22 Securitization

The Group securitises financial assets by transferring these assets to special purpose entities, which in turn issue bonds.

In each securitization of financial assets the assessment of control of the special purpose entity is considered, based on the circumstances mentioned in note 1.2, so as to examine whether it should be consolidated. In addition, the contractual terms and the economic substance of transactions are considered, in order to decide whether the Group should proceed with the derecognition of the securitised financial assets, as referred in note 1.6.

1.23 Equity

Distinction between debt and equity

Financial instruments issued by Group companies to obtain funding are classified as equity when, based on the substance of the transaction, the Group does not undertake a contractual obligation to deliver cash or another financial asset or to exchange financial instruments under conditions that are potentially unfavorable to the issuer.

In cases when Group companies are required to issue equity instruments in exchange for the funding obtained, the number of equity instruments must be fixed and determined on the initial contract, in order for the obligation to be classified as equity.

Incremental costs of share capital increase

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from retained earnings.

Share premium

Share premium includes the difference between the nominal value of the shares and the consideration received in the case of a share capital increase.

It also includes the difference between the nominal value of the shares issued and their market value, in cases of exchanges of shares as consideration for the acquisition of a business by the Group.

Treasury shares

The cost of acquiring treasury shares is recognized as a reduction of equity. Subsequent gains or losses from the sale of treasury shares, after deducting all direct costs and taxes, are recognized directly in retained earnings.

Retained earnings

Dividends are deducted from retained earnings and recorded as a liability in the period that the dividend is approved by the Shareholders in General Meeting.

1.24 Interest income and expense

Interest income and expense is recognized in the income statement for all interest bearing financial assets and liabilities.

Interest income and expense is recognised on an accrual basis and measured using the effective interest rate method. Interest on impaired financial assets is determined on their balance after impairment using the effective interest rate.

Borrowing costs that are directly attributable to assets that require a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of the asset. Capitalisation ceases when substantially all the activities necessary to prepare the asset for its intended use are complete.

1.25 Fee and commission income

Fee and commission income is recognized in the income statement on an accrual basis when the relevant service has been provided.

Transaction revenues relating to the recognition of a financial instrument not measured at fair value through profit or loss are capitalized and amortised in the income statement using the effective interest rate method over the life of the financial instrument.

1.26 Dividend Income

Dividend income from investments in shares is recognised in the income statement when the dividend distribution is approved by the appropriate body of the company that the Group has invested in.

1.27 Gains less losses on financial transactions

Gains less losses on financial transactions include the fair value changes of financial assets and liabilities, gains or losses on their disposal and the exchange differences arising from the translation of financial instruments denominated in foreign currencies. Impairment losses on bonds, shares and other securities of variable return are also included in gains less losses on financial transactions.

Differences that may arise between the carrying amount of financial liabilities settled or transferred and the consideration paid are also recognised in gains less losses on financial transactions.

1.28 Discontinued operations

A discontinued operation is a component of the Group that either has been disposed of, or has been classified as held for sale and represents:

- a major line of Group's business; or
- a geographical area of operations; or
- a subsidiary acquired exclusively with a view to resale.

The assets and liabilities of discontinued operations are presented separately from other assets and liabilities in the balance sheet and are not offset.

Any cumulative income or expense recognized directly in equity relating to a discontinued operation is presented separately (as a separate line in equity).

The profit or loss after tax from discontinued operations and any losses recognized on the measurement to fair value less costs to sell of the disposal group are presented in a separate line in the face of the income statement after net profit from continuing operations.

The comparative financial statements are restated only for the income statement and the cash flow statement.

1.29 Related parties definition

According to IAS 24, a related party is a person or entity that is related to the entity that is preparing its financial statements. For the Group, in particular, related parties are considered:

a) An entity that constitutes for the Group:

i) a joint venture,

ii) an associate and

iii) a Post-Employment Benefit Plan, in this case the Supplementary Fund of former Alpha Credit Bank's employees,

b) A person or an entity that have control, or joint control, or significant influence over the Group.

This category includes Hellenic Financial Stability Fund and its subsidiaries because, in the context of the L.3864/2010, the HFSF participates in the Board of Directors and in significant committees of the Bank and as a result is considered to have significant influence over the Group.

c) A person and his close family members, if that person is a member of the key management personnel.

The Group considers as key management personnel all the members of the Bank's Board of Directors and of the Bank's Executive Committee while as their close family members it considers their children and spouses or domestic partners and their dependants and the dependants of their spouses or domestic partners.

Moreover, the Group discloses all transactions and outstanding balances with entities which are controlled or jointly controlled by the above mentioned persons. This disclosure concerns participations of the above persons in entities that exceed 20%.

1.30 Comparatives

To the extent considered necessary the comparatives have been adjusted to facilitate changes in presentation of the current year amounts.

1.31 Estimates, decision making criteria and significant sources of uncertainty

The Group, in the context of applying accounting policies and preparing financial statements in accordance with the International Financial Reporting Standards, makes estimates and assumptions that affect the amounts that are recognized as income, expenses, assets or liabilities. The use of estimates and assumptions is an integral part of recognizing amounts in the financial statements that mostly relate to the following:

Fair value of assets and liabilities

For assets and liabilities traded in active markets, the determination of their fair value is based on quoted, market prices. In all other cases the determination of fair value is based on valuation techniques that use observable market data to the greatest extent possible. In cases where there is no observable market data, the fair value is determined using data that are based on internal estimates and assumptions eg. determination of expected cash flows, discount rates, prepayment probabilities or potential counterparty default.

Impairment losses of financial assets

The Group, when performing impairment tests on loans and advances to customers, makes estimates regarding the amount and timing of future cash flows. Given that these estimates are affected by a number of factors such as the financial position of the borrower, the net realizable value of any collateral or the historical loss ratios per portfolio, actual results may differ from those estimated. Similar estimates are used in the assessment of impairment losses of securities classified as available for sale or held to maturity.

Impairment losses of non – financial assets

The Group, at each year end balance sheet date, assesses for impairment non – financial assets, and in particular property, plant and equipment, investment property, goodwill and other intangible assets, as well as its investments in associates and joint ventures. Internal estimates are used to a significant degree to determine the recoverable amount of the assets, i.e. the higher between the fair value less costs to sell and the value in use.

Income Tax

The Group recognizes assets and liabilities for current and deferred tax, as well as the related expenses, based on estimates concerning the amounts expected to be paid to or recovered from tax authorities in the current and future periods. Estimates are affected by factors such as the practical implementation of the relevant legislation, the expectations regarding the existence of future taxable profit and the settlement of disputes that might exist with tax authorities etc. Future tax audits, changes in tax legislation and the amount of taxable profit actually realised may result in the adjustment of the amount of assets and liabilities for current and deferred tax and in tax payments other than those recognized in the financial statements of the Group. Any adjustments are recognized within the year that they become final.

Employee defined benefit obligations

Defined benefit obligations are estimated based on actuarial valuations that incorporate assumptions regarding discount rates, future changes in salaries and pensions, as well as the return on any plan assets. Any change in these assumptions will affect the amount of obligations recognized.

Provisions and contingent liabilities

The Group recognises provisions when it estimates that it has a present legal or constructive obligation that can be estimated reliably, and it is almost certain that an outflow of economic benefits will be required to settle the obligation. In contrast, when it is probable that an outflow of resources will be required, or when the amount of liability cannot be measured reliably, the Group does not recognise a provision but it provides disclosures for contingent liabilities, taking into consideration their materiality. The estimation for the probability of the outflow as well as for the amount of the liability are affected by factors which are not controlled by the Group, such as court decisions, the practical implementation of the relevant legislation and the probability of default of the counterparty, for those cases which are related to the exposure to off-balance sheet items.

The estimates and judgments applied by the Group in making decisions and in preparing the financial statements are based on historical information and assumptions which at present are considered appropriate. The estimates and judgments are reviewed on an ongoing basis in order to take into account current conditions, and the effect of any changes is recognized in the period in which the estimates are revised.

1.31.1 Going concern principle

The Group applied the going concern principle for the preparation of the financial statements as at 31.12.2017. For the application of this principle, the Group takes into consideration current economic developments in order to make projections for future economic conditions of the environment in which it operates. The main factors that cause uncertainties regarding the application of this principle relate to the economic environment in Greece and abroad and to the liquidity levels of the Hellenic Republic and the banking system.

Specifically, the high degree of uncertainty that characterizes the internal economic environment in recent years, as a result of the prolonged recession of the Greek economy, led to a significant deterioration in the creditworthiness of corporate and individuals, to an increase of non performing loans and therefore to the recognition of significant impairment losses by the Bank and by the Greek banking system in general. Additionally, during the first semester of 2015, the internal economic environment was adversely affected by the uncertainties that were created during the negotiations of the Hellenic Republic with the European Commission, the European Central Bank and the International Monetary Fund for the financing of the Hellenic Republic, a fact that led to significant outflows of deposits, to the imposition of capital controls and of a bank holiday which was announced on 28.6.2015 and lasted until 19.7.2015. Capital controls remain in place until the date of approval of the financial statements, while the detailed provisions for their application are amended where appropriate by the adoption of a legislative act.

At the same time the liquidity needs of Greek banks continue to be mostly satisfied by the emergency liquidity mechanisms of the Bank of Greece.

The completion, in the third quarter of 2015, of the negotiations of the Hellenic Republic for the coverage of the financing needs of the Greek economy, led to an agreement for new financial support by the European Stability Mechanism.

As far as the course of the financial support program for the Greek economyis concerned, the first two evaluations have already been completed with the disbursement of the respective installments while according to the Eurogroup announcement of 12.3.2018, all the prerequisites for the completion of the third evaluation have been implemented. The fourth installment of the program will be disbursed in two parts. The first part, amounting to € 5.7 billion, is expected to be disbursed to cover debt servicing needs, to allow the further clearance of arrears and to support the build-up of the cash buffer of the Greek State. The disbursement of the second part, amounting to € 1 billion, is expected to take place in spring, provided that there is progress in the clearance of net arrears using own resources and that the flow of electronic auctions will continue unimpededly. In parallel, the negotiations for the fourth evaluation of the program have begun

In addition to the above, during 2017, the Hellenic Republic successfully completed the exchange of its bonds with new bonds, aiming at aligning the terms of the bonds with market standards for sovereign securities in order to normalize the Republic's yield curve and provide the market with a limited series of benchmark securities which are expected to have significantly greater liquidity than the existing series. This combined with the successful issuance by the Greek government of a five-year bond in July 2017 and a seven-year bond in February 2018 constitute the first steps for the gradual return to the markets. The positive course of the economic support program as well as the gradual return to the markets are expected to contribute to the decrease of uncertainty and to the enhancement of business community and

investors confidence.

It is noted that at the same time the European stress testing exercise by the ECB is under way to determine any capital needs of Eurozone credit institutions.

Based on the above and taking into account the Group's high capital adequacy, with which the estimated impact from the application of IFRS 9 is also covered (notes 42 and 43) as well as the amount of available eligible collaterals through which liquidity is obtained through the mechanisms of the eurosystem, the Group estimates that the conditions for the application of the going concern principle for the preparation of its financial statements are met.

1.31.2 Estimation of the Group's exposure to the Hellenic Republic

The Group's total exposure to Greek Government securities and loans related to the Hellenic Republic is presented in note 41. The main uncertainties regarding the estimations for the recoverability of the Group's total exposure relate to the debt service capacity of the Hellenic Republic, which, in turn, is affected by the development of the macroeconomic environment in Greece and the Eurozone as well as by the levels of liquidity of the Hellenic Republic.

As far as debt sustainability is concerned and in accordance with the relevant framework set out by the Eurogroup of 9.5.2016, in the meeting of the same body held in 24.5.2016 measures for enhancing the Greek debt sustainability were broadly described, separately for the short, the medium and the long term. In accordance with this framework, based on the baseline scenario, the gross financing needs of the Greek government should be less than the 15% of GDP after the completion of the program in the medium term while subsequently they should be less than the 20% of GDP. The Eurogroup of 15.6.2017 confirmed the above target. From the above measures of debt relief only the short-term have been specified and put in place.

Following the successful completion of the program for the financial support of the Hellenic Republic, and to the degree deemed necessary, the medium term measures for the Greek debt will be put in place. The specification of these measures will be validated at the end of the program by the Eurogroup so that debt sustainability is ensured. In a long term horizon and in the case of an unexpected unfavorable scenario additional measures for the debt could be applied.

Finally, it is noted that the Hellenic Republic is taking steps to gradually recover its access to the financial markets to cover its financing needs. In this context, it proceeded with the issuance of a five-year bond in July 2017 and a seven-year bond in February 2018 while, during 2017, it successfully completed the exchange of its bonds with new bonds, aiming at aligning the terms of the bonds with market standards for sovereign securities in order to normalize the Republic's yield curve and provide the market with a limited series of benchmark securities which are expected to have significantly greater liquidity than the existing series

Based on the above, the Group has not recognized impairment losses on the Greek Government securities that it held as at 31.12.2017, however, it assesses the developments relating to the Greek Government debt in conjunction with the market conditions and it reviews its estimations for the recoverability of its total exposure at each reporting date.

1.31.3 Recoverability of deferred tax assets

The Group recognizes deferred tax assets to the extent that it is probable that it will have sufficient future taxable profit available, against which, deductible temporary differences and tax losses carried forward can be utilized.

The main categories of deferred tax assets which have been recognized by the Group relate to tax losses carried forward, to losses from the Greek government bonds exchange program (PSI) and the December 2012 Greek government bond buyback program and to deductible temporary differences arising from loans' impairment.

Deferred tax assets on tax losses carried forward arise, to their greater extent, from the Bank and they relate to the years 2013-2014. Tax losses can be offset against taxable profits within five years from their formation. The Group recognized the aforementioned assets since, according to the estimated future taxable profits of the Bank, for the coming years until the expiry of the right to set-off tax losses, these are recoverable even after the deduction of the temporary differences that are expected to occur within these years. The estimation of future taxable profits was based on forecasts for the development of the accounting results, as these are formulated in accordance with the business plan of the Bank. In particular, the business plan includes actions aimed at enhancing profitability through:

- the reduction of the amount of non-performing exposures, based on the plan submitted to the Single Supervisory Mechanism (SSM),
- further reduction of operating costs,
- further reinstatement of the deposit base with a postitive impact on the cost of funding,
- interest income increase through targeted financing of business segments and
- increase in commission income from services and products offered to individuals and corporates.

In addition, for the assessment of the recoverability of the deferred tax assets on tax losses the provisions of articles 27 and 27a of L. 4172/2013 as these were amended with article 43 of L. 4465/4.4.2017 (note 11) as well as the existence of significant tax profits in the last decade, with the exception of the years from 2012 to 2014, because of the unexpected major recession of the Greek economy and the loss from the PSI, were also taken into account.

Deferred tax assets associated with tax losses incurred by the PSI and the participation of the Bank in the December 2012 Greek government bond buyback program were recognized as a "debit difference" according to Law 4046/14.2.2012, Law 4110/23.1.2013 and a respective legal opinion. According to Law 4110/23.1.2013 the "debit difference" is deductible for tax purposes, gradually in equal installments, within 30 years, a fact which, according to the Group's estimation, provides a sufficient time period for its gradual utilization against taxable profits.

Regarding the temporary differences arising from loans' impairment, there are no time constraints concerning their recovery, as it also applies to the other deferred tax assets categories. The Group assessed their recoverability based on estimates for future taxable profits, as these are estimated to be formed on the basis of the aforementioned business plan, after extending the period of estimation for a limited number of years compared to the business plan.

The Group, based on the above, estimates that the total deferred tax assets it has recognized and that has been derived both from temporary differences and from tax losses carried forward is recoverable.

In addition, and regardless of the assessment of the recoverability of deferred tax assets that it is carried out based on what is mentioned above, Law 4303/2014 provides that in case that the after tax accounting result for the period is a loss, deferred tax assets arising from the PSI debit difference and from the accumulated provisions and other general losses due to credit risk are eligible to be converted into a final and settled claim against the Greek State, as described in detail in note 11.

The main uncertainties concerning the estimations for the recoverability of the deferred tax assets relate to the achievement of the goals set in the Bank's business plan, which is affected by the general macroeconomic environment in Greece and internationally. At each balance sheet date, the Group reassesses its estimation regarding the recoverability of deferred tax assets in conjunction with the development of the factors that affect it.

INCOME STATEMENT

2. Net interest income

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Interest and similar income		
Due from banks	1,049	7,525
Loans and advances to customers	1,899,044	2,015,394
Securitized loans	289,149	273,391
Trading securities	304	206
Available for sale securities	214,157	231,876
Held to maturity securities	558	2,833
Loans and receivables securities	828	6,758
Derivative financial instruments	97,597	117,769
Other	11,652	13,029
Total	**2,514,338**	**2,668,781**
Interest expense and similar charges		
Due to banks	(188,421)	(274,225)
Due to customers	(184,273)	(195,683)
Debt securities in issue and other borrowed funds	(13,457)	(67,910)
Derivative financial instruments	(104,758)	(123,295)
Other	(80,837)	(83,583)
Total	**(571,746)**	**(744,696)**
Net interest income	**1,942,592**	**1,924,085**

During the period of 2017 net interest income was increased due to the termination of the issuance of securities guaranteed by the Greek Government, according to the Law 3723/2008 and the reduction of borrowing cost arising from Eurosystem which fully offset the reduction of interest income from loans' portfolio.

3. Net fee and commission income

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Loans	45,616	39,302
Letters of guarantee	57,353	64,460
Imports-exports	10,182	10,958
Credit cards	65,350	64,235
Fund Transfers	46,481	46,847
Mutual funds	38,424	31,800
Advisory fees and securities transaction fees	1,178	3,144
Brokerage services	4,436	4,670
Foreign exchange trades	19,139	18,213
Other	35,335	34,296
Total	**323.494**	**317.925**

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Net fee and commission income during the year 2017 presents an increase which is mainly attributed to commission income derived from grantings due to Bank's participation in project financing. This decrease was partly offset by the decrease in commission income from letters of guarantees, following the decrease in the outstanding amount of these guarantees, as well as by the increase of commission income derived from the administration of Mutual Funds due to the change of their portfolio structure, by enhancing investments bearing a higher yield.

4. Dividend income

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Available for sale securities	1,435	3,178
Total	**1,435**	**3,178**

5. Gains less losses on financial transactions

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Foreign exchange differences	23,216	17,622
Trading securities:		
- Bonds	1,098	1,122
- Shares	141	(96)
Investment securities:		
- Bonds	101,047	54,187
- Shares	(40,382)	72,641
- Other securities	3,274	(1,251)
From impairments/sale of holdings	5,074	(60,173)
Derivative financial instruments	79,735	(8,249)
Other financial instruments	(28,501)	9,093
Total	**144,702**	**84,896**

Current period's "Gains less losses on financial transactions" were affected mainly by:

- Gains of € 101,047 included in the caption "Bonds" of investment portfolio concern mainly gains of disposals of Greek Government Bonds of € 79,158 and other corporate bonds of amount of € 18,543. In the aforementioned amount of gains from the disposal of Greek Government Bonds, an amount of € 30,540 is included, arising from the participation of the Bank in the exchange of Greek Government Bonds, as thoroughly presented in note 18.
- Loss of € 37,525 included in the caption "Shares" of investment securities portfolio and concerns the impairment of shares (note 18).
- Gains of € 58,546 included in "Derivative Financial Instruments" concerns the credit valuation adjustment of transactions with the Greek Government due to the reduce of its credit risk as well as the guarantee's endowment.
- Loss of € 37,264 included in the caption "Other financial instruments" and concerns the Group's initial recognition of financial receivables, in the context of the loans and receivables restructuring, that took place during the first semester of 2017.
- Gains of € 13,491 resulting from the sale of loans' portfolio included in the caption "Other financial instruments". In details, during the third quarter of 2017, Bank's subsidiary Alpha Bank Romania SA, entered into an agreement with a prospective buyer, regarding the sale of a portion of its retail loan portfolio. After the partial completion of the sale agreement the corresponding gain resulted, whilst details of the transaction are included in note 47.

The "Gains less losses from financial transactions" from financial transactions of the period 2016 were affected mainly by :

- The acquisition of the shares of Visa Europe from Visa Inc. in the context of which the Group recognized in the account "shares of Investment Securities" the amount of € 55,577. This amount consists of the cash received at the closing of the transaction and the recognition of the present value of the deferred payment on the third anniversary.

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- Recognition at a fair value of € 16,292 of preference shares of Visa Inc. that the Group acquired under with the above transaction in credit of "Gains less losses on financial transactions".
- Loss of € 19,317 included in the caption "From impairments/sale of holdings" and concerns to the valuation of the Group's subsidiary APE Fixed Assets and joint ventures APE Commercial Property S.A. at fair value and APE Investment Property S.A., due to the fact that they were classified as "Held for Sale" (note 47).
- Gain of € 36,143 included in the caption "Bonds" of investment securities and concerns the disposal of EFSF bonds (note 18c).
- Loss of € 38,273 also included in the caption "From impairments/sale of holdings" which concerns the disposal of the Ionian Hotel Enterprises S.A. (note 47).

6. Other income

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Insurance activities	(4,652)	(4,814)
Hotel activities	1,239	27,951
Operating lease income	18,566	17,242
Sale of fixed assets	17,114	1,852
Other	22,241	14,757
Total	**54,508**	**56,988**

The increase in income from 'Sales of Fixed Assets' is mainly due the recognition of gains amounting to € 14,455 arising from the sale a of building of the subsidiary Alpha Bank London Ltd, that was completed during the third quarted of the current year.

Other income of the current fiscal year include income which is related to unused provisions to cover operational risk amounted to € 2,000.

It should be noted that the the decrease in line «Hotel activities» is mainly due to the disposal of subsidiary Ionian Equity Participations Ltd ., which was completed on 16.12.2016, as mentioned in note 47, while the income of the current period concerns the subsidiary TH Top Hotels which was acquired on 20.6.2017.

Income from insurance activities is analyzed as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Life insurance		
Premiums and other related income	43,386	52,279
Less:		
- Commissions	(290)	(3,935)
- Claims from policyholders	(47,748)	(53,158)
Total	**(4,652)**	**(4,814)**

 The amounts are presented in thousands of Euro unless otherwise indicated

7. Staff costs

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Wages and salaries	337,869	358,889
Social security contributions	96,869	99,988
Common insurance fund of bank employees		2,490
Employee defined benefit obligation of Group (note 29)	4,905	12,139
Other charges	34,735	34,347
Total	**474,378**	**507,853**

The total number of employees in the Group as at 31.12.2017 was 11,727 (31.12.2016: 12,699) out of which 8,667 (31.12.2016: 8,881) were employed in Greece and 3,060 (31.12.2016: 3,818) were employed abroad.

Defined contribution plans

All the employees of the Bank are insured for their main pension plans by the Social Insurance Fund (IKA-ETAM). The Social Insurance Fund (IKA-ETAM) as of 1.1.2017 consists part of the Single Social Security Body (E.F.K.A.), a legal person governed by public law established under the provisions of Law 4387/2016. In addition for the Bank's employees, the following also apply:

a. The supplementary pension plan for employees of the former Ionian and Popular Bank of Greece is T.A.P.I.L.T.A.T., a multi-employer plan. The Bank has obtained legal opinions that indicate that it has no obligation if this fund does not have sufficient assets to pay employee benefits. Therefore the Bank considers that the fund is a defined contribution plan and has accounted for it as such.

b. Employees of former Ioniki and Popular Bank of Greece and former Emporiki Bank are insured for the lump sum benefit in the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) which is a defined contribution plan with contributions paid only by employees. In accordance with article 74 of Law 4387/2016, the Care Sectors of the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) consist part of the "Joint Supplementary Insurance Fund" (E.T.E.A.) which is renamed to "Joint Supplementary Insurance Fund and Lump Sum Benefits" (E.T.E.A.E.P.).

c. All employees of the Bank receive medical benefits from the National Organization of Health Care (EOPYY). On 1.1.2017 EOPYY consists part of E.F.K.A.

d. Employees of former Alpha Credit Bank, which were insured, for supplementary pension in T.A.P. (the Insurance Fund of employees of Alpha Credit Bank), from 1.1.2008, onwards are insured for supplementary pension in E.T.A.T according to article 10, Law 3620/2007. During the first three months of 2017, the Bank settled its relevant obligation amounted to € 543 million, of 10 annual interest bearing installments.

According to the Law 3455/2006, the pensioners and members insured by Emporiki Bank, who were also insured for supplementary pension in T.E.A.P.E.T.E. were absorbed by I.K.A- E.T.E.A.M. and E.T.A.T on 31.12.2004. Emporiki Bank S.A. paid a total amount of specific contribution of €786.6 million for the pensioners to the insurance funds I.K.A-E.T.E.A.M and E.T.A.T. in ten annual interest bearing installments. The repayment of the total amount was completed with the payment of the last installment on January 2014. In addition, in accordance with the amendments of Law 3455/2006 for the active insured members, who were hired before 31.12.2004 in Emporiki Bank, additional social contributions are paid for the supplementary pension compared to the respective contributions which are stipulated by the Law of E.T.E.A.M.

When E.T.A.T. was absorbed by E.T.E.A. (Joint Supplementary Insurance Fund):

a) the members of T.E.A.P.E.T.E. and T.A.P. who were insured until 31.12.1992 receive a pre-pension amount from E.T.A.T. (main and supplementary pension until the date of retirement from the Main Pension Fund and E.T.E.A.) and

b) the members of T.E.A.P.E.T.E. who were insured until 31.12.1992 receive the difference between the amount of pensions which arose from the calculation of supplementary pension in accordance with the provisions of Article of Association of E.T.E.A. (former E.T.E.A.M) and T.E.A.P.E.T.E.

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Law 4387/2016 provides for the incorporation of both E.T.A.T. and the pre-retirement scheme pensioners of E.T.E.A. to E.F.K.A., as of 1.1.2017. Particularly, EFKA grants pre-pensions and other benefits to the pensioners who were insured by E.T.A.T. until 31.12.1992 and who are entitled to receive respective benefits until 12.5.2016, as well as to the pre-retirement scheme pensioners of E.T.E.A. who, as pensioners of T.E.A.P.E.T.E., joined former I.K.A. – E.T.E.A.M. and currently E.T.E.A. pursuant to Law 3455/2006. The members of E.T.A.T. insured until 31.12.1992 and who are not entitled to receive a pre-pension amount until 12.5.2016 and have paid higher contributions than the ones provided by E.T.E.A. will obtain an increased supplementary pension from E.T.E.A. in accordance to Law 4387/2016.

e. The Bank, in cooperation with AXA Insurance, has created a savings plan for its employees that were hired and insured for the first time on 1.1.1993 and onwards. The plan's effective date is January 1, 2011 and its aim is to provide a lump sum monetary benefit to retiring employees. The plan assets consist of investment from the fixed monthly contributions of the Bank and its employees in low risk mutual funds. After signing the Collective Labor Agreement for the 3-year period of 2016-2019, the personnel of the Group may be included in the savings plan. For the personnel, except for a certain group that was hired by the Group and were members of under the main pension scheme for the period from 1.1.1993 until 31.12.2004 (Law 2084/1992), are considered as a defined contributions plan as the beneft is paid from a savings fund that was accumulated up to the date they left the plan.

f. Following the Board of Directors' decision, the Bank provides to its senior management a Savings Insurance Plan with effect from 1.1.2018. The plan is defined contribution plan and aims to provide a lump-sum benefit upon retirement. The savings capital sums up from the investment of defined monthly contributions paid by the senior management and the Bank in mutual funds.

Employee defined benefit obligations

An analysis of liabilities arising from defined benefit plans is included in note 29.

Separation Scheme

In 2015, the Bank committed to further reduce its Greek Personnel (including non-financial subsidiaries), in accordance to the framework for implementation of the updated restructuring plan resulting in 9.504 maximum number of employees until 2017.

Following the above commitments and relevant decisions for their implementation, on 31.12.2015 the Bank recorded a provision amounting to €64,300. During the fiscal years 2016 and 2017, provision was utilized amounted of €35,262 and 18,457, respectively (Note 31).

Additionally, in the context of the three year Restructuring Plan concerning the period 2017-2019, the Bank through the facilitation of Key Restructuring Projects intends to the optimization of both efficiency and effectiveness in respects with operational functions, reduction of operational costs, digital transformation and exploitation of new solutions and infrastructures. Due to need for reduction of personnel, as a result of the forthcoming restructuring and the necessary reallocation of roles and responsibilities, during the forth quarter of 2017, it was decided the extension of the separation scheme and consequently a new provision was recognized amounted to €92,719. Provision related to the implementation of the separation scheme as at 31.12.2017 amounted to €103,300.

8. General administrative expenses

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Operating leases for buildings	39,932	41,055
Rent and maintenance of EDP equipment	18,639	17,420
EDP expenses	26,977	26,130
Marketing and advertisement expenses	27,454	26,495
Telecommunications and postage	20,008	22,835
Third party fees	76,618	55,641
Third parties fees for financial information	8,639	7,806
Contribution to the Deposit Guarantee Fund - Investment fund and Solvency Fund	51,203	56,358
Insurance	9,365	10,678
Consumables	5,070	6,474
Electricity	9,859	11,630
Thrid party fees for customer attraction	62	30
Taxes (VAT, real estate etc)	94,352	84,559
Services from collection agencies	32,844	30,150
Building and equipment maintenance	7,831	9,364
Security	12,728	12,349
Cleaning fees	4,890	5,701
Commission for the amount of Deferred tax Asset guaranteed by the Greek Government	11,510	
Other	96,979	86,095
Total	**554,960**	**510,770**

General administrative expenses present an increase in 2017 compared to the previous period, mainly due to the increase in third party fees.

Moreover, the results of 2017 were burdened by € 11,510, which relates to the annual commission attributed to the amount of deferred tax asset, guaranteed by the Greek State, according to the article 82 of Law 4472/19.5.2017, out of which € 5,784 relates to the commission for the year 2016 which was accounted for during the first semester of 2017.

According to Law no. 4335/2015 (Article 98), credit institutions authorized to operate in Greece, including branches operating in third countries, should make at least an annual contribution to the Resolution Fund. According to Law 4370/2016 (Article 36), in case a new credit institution is included in the Resolution Fund or it one ceases its participation during the fiscal year, the credit institution is still obliged for its annual contribution in proportion to the time of its operation. In addition with Law 4370/2016, Directive 2014/49 / EU of the European Parliament and the Decision of the Council of 16 April 2014 were incorporated into Greek law which enacts the same rules for all Deposit Guarantee Schemes intended to provide a uniform level of protection to all EU depositors and to ensure the same level of stability as regards the DGS.

The Single Resolution Board, determined that the 2017 contribution for credit institutions may provide irrevocable payment commitments amounting up to 15% of their total obligation which for the Bank amounts to €20,267 (2016: €21,158). These irrevocable payment commitments have to be fully covered with cash collateral. On 20.5.2016 and 22.5.2017, the Bank signed a contract with the Single Resolution Board to provide irrevocable payment commitment and establish the necessary cash collateral for the 2016 and 2017 contribution, respectively.

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9. Other expenses

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Losses from write-off/impairments on tangible assets	81,184	56,010
Other provisions (note 31)	11,351	16,000
Other	(21,301)	5,742
Total	**71,234**	**77,752**

Losses from write-off/impairments on tangible assets as at 31.12.2017 include an amount of €79,281 (31.12.2016: €49,485) corresponding to impairment losses of Investment Property, property, plant and equipment, property obtained through auctions by the Group and other held for sale assets (notes 20, 21, 22 and 24).

Other provisions include provisions amounted to €10,349 concerning legal cases against the Group (31.12.2016: €14,395) (note 31).

Following the recent legislation of the Administrative Court of Justice, the caption "Other" includes an amount of € 21,301 which concerns income from unutilized provision on disputed claims against the Greek State with regards to the tax refund of withholding taxes of former Commercial Bank that are specially taxed for the year 2008.

10. Impairment losses and provisions to cover credit risk

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Impairment losses on loans and advances to customers (note 17)	1,028,523	1,193,748
Impairment losses of other receivables	4,373	4,191
Provisions to cover credit risk relating to off balance sheet items (note 13)	(2,233)	(1,357)
Recoveries	(25,248)	(28,629)
Total	**1,005,415**	**1,167,953**

11. Income tax

In accordance with Article 1 par 4 of Law 4334/2015 "Urgent prerequisites for the negotiation and conclusion of an agreement with the European Stability Mechanism (ESM)" the corporate income tax rate for legal entities in Greece increased from 26% to 29%. The increased rate has been applied for profits arising in fiscal years commencing on or after 1 January 2015.

For the Bank' subsidiaries and branches operating in other countries, the applicable nominal tax rates for accounting periods 2016 and 2017 are as follows:

Cyprus	12.5
Bulgaria	10
Serbia	15
Romania	16
FYROM	10

Albania	15
Jersey	10
United Kingdom	19* (from 1.4.2017)
Ireland	12.5

In accordance with article 65A of Law 4174/2013, from 2011, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (AE), are obliged to issue an Annual Tax Certificate on the compliance on tax issues. This tax certificate is submitted to the entity being audited within the first ten days of the tenth month after the end of the audited

* Up to 31.3.2017 the tax rate was 20%.

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financial year, as well as, electronically to the Ministry of Finance, no later than the end of the tenth month after the end of the audited financial year. In accordance with article 56 of Law 4410/03.08.2016 for the fiscal years from 1.1.2016 and onwards, the issuance of tax certificate is optional. However, the Group and its companies intended to continue to obtain the tax certificate.

The Bank has been audited by tax authorities up to and including the year 2010 (Note 37). Tax audit for the year 2010 was finalized by tax authorities in October 2017. In the context of the tax audit, the Bank submitted Amended Income Tax Return in order to be subject to reduced additional taxes, in accordance with the current beneficial provisions. The total amount of taxes and penalties amounted to € 15,638.

For fiscal years 2011 up to 2016 the Bank and its local subsidiaries have obtained the relevant tax certificate without any qualifications on the tax issues covered, while the tax audits for the year 2017 are in progress.

The income tax in the income statement from continuing operations is analysed in the table below, while the income tax from discontinued operations is analysed in note 47:

	FROM 1 JANUARY TO	
	31.12.2017	**31.12.2016**
Current	22,740	14,239
Audit Tax Difference	15,638	
Deferred	37,233	(43,453)
Total	**75,611**	**(29,214)**

Deferred tax recognized in the income statement is attributable to temporary differences, the effect of which is analyzed in the table below:

	FROM 1 JANUARY TO	
	31.12.2017	**31.12.2016**
Debit difference of Law 4046/2012	44,554	44,554
Debit difference of Law 4465/2017	1,685	
Write-offs and depreciation of tangible assets	6,604	(5,806)
Loan portfolio	(107,797)	(144,477)
Valuation of loans	(209)	(840)
Defined benefit obligation and insurance funds	19,480	26,353
Valuation of derivatives	29,247	(6,032)
Effective interest rate	1,145	191
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(39,705)	3,776
Valuation/impairment of bonds and other securities	1,571	(210)
Tax losses carried forward	125,282	38,136
Other temporary differences	(44,624)	902
Total	**37,233**	**(43,453)**

According to article 5 of Law 4303/17.10.2014 "Ratification of the Legislative Act Emergency legislation to replenish the General Secretary of Revenue upon early termination of office (A 136) and other provisions", deferred tax assets of legal entities supervised by the Bank of Greece, under article 26 paragraphs 5, 6 and 7 of Law 4172/2013 that have been or will be recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, with respect to existing amounts up to 31 December 2014, are converted into final and settled claims against the State, if, the accounting result for the period, after taxes is a loss according to the audited and approved financial statements by the Ordinary Shareholders' General Meeting.

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The inclusion in the Law is implemented by the approval of the General Meeting of Shareholders, relates to tax assets arising from 2016 onwards and refers to tax period of 2015 onwards, whereas it is envisaged the end of inclusion in the law with the same procedure and after obtaining relevant approval from the Regulatory Authority.

According to article 4 of Law 4340/1.11.2015 "Recapitalization of financial institutions and other provisions of the Ministry of Finance" the above were amended regarding the time of the application which is postponed for a year. In addition, the amount of deferred tax asset which is included to the legislation according to article 5 of Law 4303/17.10.2014 and relates to accumulated provisions and other general losses due to credit risk, is limited to the amount related to the provisions for credit risk, which were accounted until 30.6.2015.

According to article 43 of Law 4465/4.4.2017 “Integration of Directive 2014/92/EU of the European Parliament and Council held on 23rd of July 2014 for the comparability of charges related to payment accounts, the change of payment account and the access to payment accounts with basic characteristics and other provisions, into national law”the articles 27 and 27a of the Income Tax Code were amended (Law 4172/2013). According to the new legislation, the debit difference, that will arise from the write-off of debtors’ debts and the loss from the sale of loans of the legal entities supervised by the Bank of Greece, is recognised as a deduction from gross income and is amortized over a period of 20 years. The deferred tax asset which will be recognized for the abovementioned debit difference as well as of any accounting write-offs of loans or credits, not converted into debit difference until the end of the year when the accounting write-off took place, which relate to write-offs or disposals are converted into a definite and cleared claim against the State, based on the abovementioned terms and conditions.

The total amount of deferred tax asset from (a) the debit difference from the write-off of debtors' debts and the sale of loans, (b) the temporary differences from any accounting write-off of loans and credits and (c) the temporary differences from acccumulated provisions and other lossses due to credit risk, is limited to the total tax amount related to accumulated provisions and other losses due to credit risk, recognised until 30th of June 2015.

This amendment ensures that the loan write-offs and disposals, aiming to decrease the non performing loans, will not result in the loss of regulatory capital.

The above apply from 1.1.2016.

On 31.12.2017, the amount of deferred tax assets which is estimated to be within the scope of the aforementioned Law is € 3,296 million (31.12.2016: € 3,342 million)

According to article 82 of Law 4472/19.5.2017 “Public Pension Provisions and amendment of provisions of Law 4387/2016, measures for the implementation of budgetary targets and reforms, social support measures and labor regulations, Medium-term Fiscal Strategy Framework 2018-2021 and other provisions” credit institutions and other entities that fall under the provisions of article 27A of Law 4172/2013, are required to pay an annual commission to the Greek State for the amount of the guaranteed deferred tax asset that results from the differrence between the tax rate currently in force (29%) and the tax rate that was in force until 31.12.2014 (26%). The amount of commission paid by the Bank regarding the year 2016 amounted to €5,784 (note 8).

Additionally, article 14 of the aforementioned law provides a reduction in the tax rate, from 29% currently in force, to 26%, implied to profits from business activity acquired by legal entities keeping double-entry books. This reduction refers to income earned in the tax year beginning on 1.1.2019, provided that according to the estimation of the International Monetary Fund and the European Commission there is no divergence from the medium-term budgetary targets. With explicit reference to the law, this reduction does not apply to credit institutions for which the tax rate remains 29%.

During 2016, the Bank recognized deferred tax assets of € 84,441 relating to the impairment of the Bank’s investment in the subsidiary, Alpha Bank Srbija A.D. The loss from the sale of the investment in a foreign subsidiary is recognized as deductible from the gross expenses during the year upon the finalization of the disposal, in accordance with article 124 of Law 4446/22.12.2016 “Bankruptcy Code, Administration Justice, Duties-Fees, Voluntary Disclosure of Previous Years’ Taxable Income, Online Transactions, Amendments of Law 4270/2014 and other provisions”. The sale of the subsidiary was completed during the first semester of 2017, resulting into reversal of the above-mentioned deferred tax asset.

As at 31.12.2017 the Group has not recognized deferred tax asset of € 148,681 (31.12.2016: € 124,649) originated mainly over tax losses carried forward from subsidiaries, which are reassed at every reporting date, in the process of the recoverability of deferred tax assets.

A reconciliation between the effective and nominal tax rate is provided below:

	FROM 1 JANUARY TO			
	31.12.2017		31.12.2016	
	%		%	
Profit/(loss) before income tax		165,120		(9,678)
Income tax (nominal tax rate)	46.29	76,431	(174.73)	16,910
Increase/(decrease) due to:				
Additional tax on income from property				
Non taxable income	(10.06)	(16,607)	46.00	(4,451)
Non deductible expenses	7.21	11,907	(84.71)	8,199
Tax Audit Difference	9.47	15,638		
Deferred tax recognition for temporary differences of previous years	(1.88)	(3,100)	821.95	(79,548)
Non-recognition of deferred tax for temporary differences of the current period	23.62	38,997	(172.64)	16,708
Tax losses carried forward			57.61	(5,575)
Other temporary differences	(28.86)	(47,656)	(191.60)	18,543
Total	**45.79**	**75,610**	**301.86**	**(29,214)**

The nominal tax rate is the weighted average nominal tax rate which is calculated using the income tax ratio on earnings before taxes, for each of the Group's subsidiaries.

Income tax of comprehensive income recognized directly in equity

	FROM 1 JANUARY TO					
		31.12.2017			31.12.2016	
	Before income tax	Income tax	After income tax	Before income tax	Income tax	After income tax
Amounts that may be reclassified to the Income Statement						
Net change in available for sale securities' reserve	507,665	(139,208)	368,457	93,239	(19,843)	73,396
Net change in cash flow hedge reserve	52,774	(15,304)	37,470	(55,212)	16,069	(39,143)
Foreign exchange differences on translating and hedging the net investment in foreign operations	67,824	(722)	67,102	(2,196)	(2,859)	(5,055)
Change in the share of other comprehensive income of associates and joint ventures	72	0	72			
Total	**628,335**	**(155,234)**	**473,101**	**35,831**	**(6,633)**	**29,198**
Amounts that may not be reclassified to the Income Statement						
Change in actuarial gains/(losses) of defined benefit obligations	(2)	(26)	(28)	(10,689)	3,099	(7,590)
Total	**628,333**	**(155,260)**	**473,073**	**25,142**	**(3,534)**	**21,608**

The above analysis includes a tax credit of €30 from discontinued operations (31.12.2016: deferred tax asset €2).

During period 2017 , "Retained earnings" include a tax credit of € 79 which relates to the share capital increase which took place on 23.2.2017.

During 2016 "Retained earnings" include deferred tax amounting to €25 which derives from Purchases)/Redemptions/Sales of hybrid securities.

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Furthermore, “Retained earnings” include a tax credit of €281 resulting from the share capital increase expenses which were recognized in the same account when the share capital increase took place in 2015.

12. Earnings/(losses) per share

a. Basic

Basic earnings/(losses) per share are calculated by dividing the profit/(losses) after income tax attributable to ordinary equity owners of the Bank, by the weighted average number of outstanding ordinary shares, after deducting the weighted average number of treasury shares held by the Bank, during the period.

b. Diluted

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding to the presumed conversion amount of all dilutive potential ordinary shares. The Bank does not have any dilutive potential ordinary shares and consequently the basic and dilutive earnings/(losses) per share should not differ.

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Profit/(losses) attributable to equity owners of the Bank	**21,071**	**42,140**
Weighted average number of outstanding ordinary shares	1,542,690,664	1,536,881,200
Basic and diluted earnings/(losses) per share (in €)	0.0137	0.0274

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Profit/(losses) from continuing operations attributable to equity owners of the Bank	**89,528**	**19,374**
Weighted average number of outstanding ordinary shares	1,542,690,664	1,536,881,200
Basic and diluted earnings/(losses) from continuing operations per share (in €)	0.0580	0.0126

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Profit/(losses) from discontinued operations attributable to equity owners of the Bank	**(68,457)**	**22,766**
Weighted average number of outstanding ordinary shares	1,542,690,664	1,536,881,200
Basic and diluted earnings/(losses) from discontinued operations per share (in €)	(0.0444)	0.0148

On 23.2.2017, as a result of exercising the conversion right of all bondholders, the Bank increased its share capital, due to the conversion of the total convertible bond that was issued on 1.2.2013, under the agreement with Credit Agricole SA for the acquisition of former Emporiki Bank.

From the conversion, 6,818,181 new common shares were issued representing 0.44% of total shares, which were taken under consideration for the the calculation of the weighted average number of outstanding ordinary shares of period 2017.

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ASSETS

13. Cash and balances with Central Banks

	31.12.2017	31.12.2016
Cash	382,417	346,322
Cheques receivable	8,044	4,853
Placements with European Central Bank		10,500
Balances with Central Banks	1,203,389	1,152,932
Total	**1,593,850**	**1,514,607**
Less: Deposits pledged to Central Banks	(763,146)	(1,016,213)
Balance	**830,704**	**498,394**

The Bank is required to maintain a current account with the Bank of Greece (Central Bank) in order to facilitate interbank transactions with the Central Bank and other financial institutions through the Trans European – Automated Real Time Gross Settlement Express Transfer System (TARGET).

The Bank of Greece also requires, that all financial institutions established in Greece to maintain reserve deposits with the Central Bank equal to 1% of customer deposits.

These deposits are interest bearing based on the refinancing rate set by the European Central Bank which as at 31.12.2017 was 0% (31.12.2016: 0%).

The subsidiaries that operate abroad and offer banking services, maintain pledged deposits in accordance with the rules set by the respective Central Banks in their countries.

Cash and cash equivalents

	31.12.2017	31.12.2016
Cash and balances with Central Banks	830,704	498,394
Short-term placements with other banks	430,129	430,820
Cash and cash equivalents from discontinued operations		45,674
Total	**1,260,833**	**974,888**

14. Due from banks

	31.12.2017	31.12.2016
Placements with other banks	760,816	812,337
Guarantees for coverage of derivative securities and sale and repurchase agreement (note 37e)	947,939	1,148,368
Sale and repurchase agreements (Reverse Repos)	39,654	50,475
Loans to credit institutions	9,201	62
Less:		
Allowance for impairment losses	(41,961)	(41,961)
Total	**1,715,649**	**1,969,281**

15. Trading securities

	31.12.2017	31.12.2016
Bonds		
Greek Government	5,969	2,256
Shares		
Listed	2,716	2,445
Total	**8,685**	**4,701**

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16. Derivative financial instruments (assets and liabilities)

	31.12.2017		
	Contractual Nominal amount	Fair value	
		Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	260,117	5,797	1,000
Foreign exchange swaps	910,350	3,028	4,928
Cross currency swaps	1,780,885	88,260	43,053
Currency options	73,174	1,486	723
Currency options embedded in customer products	2,950	18	180
Total non-listed	**3,027,476**	**98,589**	**49,884**
Futures			
Total listed	**-**	**-**	**-**
b. Interest rate derivatives			
Interest rate swaps	6,314,578	462,412	588,643
Interest rate options (caps and floors)	217,911	11,098	3,692
Total non-listed	**6,532,489**	**473,510**	**592,335**
Futures			
Total listed	**-**	**-**	**-**
c. Commodity derivatives			
Commodity swaps	88,143	6,523	6,022
Commodity options	715	81	81
Total non-listed	**88,858**	**6,604**	**6,103**
d. Index derivatives			
OTC options	177,283	14,820	3
Total non-listed	**177,283**	**14,820**	**3**
Futures	160	3	
Total listed	**160**	**3**	**-**
e. Other derivatives			
GDP linked security	1,492,397	7,462	
Total listed	**1,492,397**	**7,462**	**-**
Derivatives for hedging purposes			
a. Foreign exchange derivatives			
FX swaps	23,725		24
Cross currency swaps	360,613	21,010	2,363
Total non-listed	**384,338**	**21,010**	**2,387**
b. Interest rate derivatives			
Interest rate swaps	1,129,225	538	378,709
Total non-listed	**1,129,225**	**538**	**378,709**
Grand total	**12,832,226**	**622,536**	**1,029,421**

As part of the daily settlement and providing guarantee for derivatives with credit institutions outside the Group as counterparties, the Bank has pledged as collateral a net amount of €872,171 on 31.12.2017 (31.12.2016: €1,124,013). The respective net fair value of derivatives with credit institutions amounted to €822,154 on 31.12.2017 (31.12.2016: €1,083,141).

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	31.12.2016		
	Contractual Nominal amount	Fair value	
		Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	272,162	2,409	7,074
Foreign exchange swaps	1,158,359	6,362	2,723
Cross currency swaps	1,646,562	74,107	141,036
Currency options	68,547	227	491
Currency options embedded in customer products	8,991	69	108
Total non-listed	**3,154,621**	**83,174**	**151,432**
Futures			
Total listed	**-**	**-**	**-**
b. Interest rate derivatives			
Interest rate swaps	7,285,341	465,554	528,852
Interest rate options (caps and floors)	240,395	15,204	4,275
Total non-listed	**7,525,736**	**480,758**	**533,127**
Futures			
Total listed			
c. Commodity derivatives			
Commodity swaps	126,458	8,341	7,841
Commodity options	1,413	422	419
Total non-listed	**127,871**	**8,763**	**8,260**
d. Index derivatives			
OTC options	49,312	75	75
Total non-listed	**49,312**	**75**	**75**
Futures	48		
Total listed	**48**	**-**	**-**
e. Other derivatives			
GDP linked security	1,663,143	4,224	
Total listed	**1,663,143**	**4,224**	**-**
Derivatives for hedging purposes			
a. Foreign exchange derivatives			
Foreign exchange swaps	24,826	304	
Cross currency swaps	360,603		12,786
Total non-listed	**385,429**	**304**	**12,786**
b. Interest rate derivatives			
Interest rate swaps	1,046,541	57,025	630,547
Total non-listed	**1,046,541**	**57,025**	**630,547**
Grand Total	**13,952,701**	**634,323**	**1,336,227**

Hedging accounting

a. Fair value hedges

The Group uses interest rate swaps to hedge the volatility in the fair value due to changes in market rates: a) of fixed rate loans and b) part of the four year targeted refinancing operation from ECB (TLTRO).

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On 31 December 2017, the net fair value of the above mentioned derivative financial instruments was negative, amounting to €215 and is analysed in the Balance Sheet as derivative financial liabilities of €753 and as derivative financial assets of €538. For the fiscal year of 2017, the Bank recognized in «Gains less losses on financial transactions» gain of €723 from the derivatives designated under fair value hedge on fixed rate loans. For the valuation of the respective hedged loans the Group recorded loss of €725. In 2017, the Bank recognized in «Gains less losses on financial transactions» gain of €495 from the derivatives designated under fair value hedge on the targeted refinancing operation from ECB. For the valuation of the respective hedged refinancing the Group recorded loss of €495.

On 31 December 2016, the fair value of the derivative financial instruments designated under fair value hedge on fixed rate loans was negative, amounting to €1,480, and was presented in the Balance Sheet as derivative financial liabilities. For the fiscal year of 2016, the Group recognized in «Gains less losses on financial transactions» gain of €3,044 from the derivatives designated under fair value hedge on fixed rate loans. For the valuation of the respective hedged loans the Group recorded loss of €3,033.

b. Cash flow hedges

The Group uses interest rate swaps to hedge the volatility attributed to funding from a group of term deposits in Euro. On 31 December 2017, the fair value of the above mentioned derivative financial instruments was negative, of €377,956, and is presented in the Balance Sheet as derivative financial liabilities. For the fiscal year of 2017, the Group recognized in cash flow hedge reserve, from the above mentioned hedging, together with terminated hedges, the effective portion that amounted to €48,200 gain. For the fiscal year of 2017, the ineffective portion amounted to €147 loss and was recorded in «Gains less losses on financial transactions». For 2017, a loss of €5,161, attributed to the amortization of cash flow hedge reserve for terminated hedges was recognized in interest expense.

On 31 December 2016, the fair value of derivative financial instruments designated under cash flow hedge amounted to €572,042, and was presented in the Balance Sheet as derivative financial liabilities of amount €629,067 and as derivative financial assets of amount €57,025. For the fiscal year of 2016, the Group recognized in cash flow hedge reserve, from the above mentioned hedging, together with terminated hedges, the effective portion that amounted to €61.180 loss. For the fiscal year of 2016, the ineffective portion amounted to €110 loss and was recorded in «Gains less losses on financial transactions». For 2016, a loss amounting to €3,908, attributed to the amortization of cash flow hedge reserve for terminated hedges was recognized in interest expense.

c. Hedging of net investment in foreign subsidiaries

The Group hedges part of the net investment in the subsidiaries Alpha Bank Romania and Alpha Bank London through lending transactions in RON and forward selling derivative transactions in GBP versus euro respectively. In the cash flow hedge reserve, it has been recorded profit of €2,486 and €9,857 during the years 2017 and 2016 respectively.

17. Loans and advances to customers

	31.12.2017	31.12.2016
Individuals		
Mortgages:	19,063,348	19,670,133
Consumer:		
- Non-securitized	3,320,412	4,041,109
- Securitized	1,450,276	1,272,572
Credit cards:		
- Non-securitized	682,415	718,425
- Securitized	548,642	540,376
Other	1,232	705
Total	**25,066,325**	**26,243,320**
Companies:		
Corporate loans		
- Non-securitized	25,180,988	26,595,645
- Securitized	2,495,437	2,514,014
Leasing		
- Non-securitized	360,268	347,810
- Securitized	333,437	324,773
Factoring	461,166	528,618
Total	**28,831,296**	**30,310,860**
Other receivables	458,856	412,833
	54,356,477	**56,967,013**
Less:		
Allowance for impairment losses *	(11,038,284)	(12,558,253)
Total	**43,318,193**	**44,408,760**

The Bank and Alpha Leasing S.A. have proceeded in securitization of consumer, corporate loans, credit cards and leasing through special purpose entities controlled by them.

Based on the contractual terms and structure of the above transactions (e.g. allowance of guarantees or/and credit enhancement or due to the Bank owing the bonds issued by the special purpose entities) the Bank and Alpha Leasing S.A. retained in all cases the risks and rewards deriving from securitized portfolios.

As at 31.12.2017 mortgage loans included loans amounting to € 1,112,325 (31.12.2016: € 15,488) that have been granted as collateral in the covered bonds program of the Bank. As at 31.12.2017, the balance of the covered bonds amounted to €1,000,000 (31.12.2016: €5,000) (note 14).

As at 31.12.2017, loans of total carrying amount €163,659, after impairments were classified to "Assets held for sale", as the requirements in accordance with IFRS 5 are met, and thoroughly presented in note 47.

* In addition to the allowance of impairment losses regarding loans and advances to customers, a provision of €787 (31.12.2016: €3,195) has been recorded to cover credit risk relating to off-balance sheet items. The total provision recorded to cover credit risk amounts to €11,039,071 (31.12.2016: €12,561,448).

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Allowance for impairment losses

Balance 1.1.2016	**12,021,755**
Changes for the period 1.1 - 31.12.2016	
Impairment losses for the year (note 10)	1,193,748
Reclassification to assets held for sale	(171,580)
Disposal of impaired loans	(17,795)
Change in present value of the impairment losses	413,835
Foreign exchange differences	7,893
Loans written-off during the year	(873,178)
Other movements	(16,425)
Balance 31.12.2016	**12,558,253**
Changes for the period 1.1 - 31.12.2017	
Impairment losses for the year (note 10)	1,028,523
Reclassification to assets held for sale	(849,099)
Disposal of impaired loans / Disposal of Subsidiaries	(70,427)
Change in present value of the impairment losses	263,357
Foreign exchange differences	(94,518)
Loans written-off during the year	(1,952,064)
Other movements	154,259
Balance 31.12.2017	**11,038,284**

The finance lease receivables by duration are as follows:

	31.12.2017	31.12.2016
Up to 1 year	336,976	324,206
From 1 year to 5 years	225,371	202,472
Over 5 years	209,078	237,799
	771,425	**764,477**
Non accrued finance lease income	(77,720)	(91,894)
Total	**693,705**	**672,583**

The net amount of finance lease receivables by duration is analyzed as follows:

	31.12.2017	31.12.2016
Up to 1 year	323,800	309,997
From 1 year to 5 years	193,289	165,083
Over 5 years	176,616	197,503
Total	**693,705**	**672,583**

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18. Investment securities

a. Available for sale

	31.12.2017	31.12.2016
Greek Government:		
- Bonds	2,487,043	2,078,924
- Treasury bills	1,231,351	1,510,796
Other Government:		
- Bonds	521,844	273,171
- Treasury bills	220,064	254,654
Other issuers:		
- Listed	1,256,949	921,473
- Non-listed	20,364	9,863
Shares		
- Listed	50,963	78,748
- Non-listed	64,867	54,571
Other variable yield securities	20,323	34,853
Total	**5,873,768**	**5,217,053**

During 2017 the Bank recognized impairment losses amounting to € 39,806 which is analysed to € 2,197 corresponding to other bonds, € 37,525 corresponding to shares and € 84 corresponding other variable yield. Accordingly, within 2016 the Group recorded a total impairment of € 3,279, is analysed to € 1,784 corresponding shares and an amount of € 1,495 corresponding other investment securities of variable yield. The aforementioned amounts are included in the caption "Gain less losses on financial transactions".

On 15.11.2017 the Hellenic Republic announced the exchange of the 20 bonds, maturing from 2023 to 2042 (issued on 24.2.2012, in the context of Hellenic Republic debt restructuring) with 5 new debt securities with maturity on 2023, 2028, 2033, 2037 and 2042. This exchange is made in the context of a broader program implemented by the Hellenic Republic in order to manage its obligations. This exchange aims at aligning the terms of the outstading debt of the Greek Republic with market standards for the issuers of government bonds in order to normalise the yield curve. At the same time, the liquidity of the new securities will be enhanced due to the higher volume of issuances. Each security is exchanged with one or two new securities based on its maturity, with a defined exchange ratio which is applied to the nominal value. New debt securities generate fixed coupon payments, bearing an interest rate between 3.5% and 4.2%. In the exchange on 5.12.2017 the Bank participated with a nominal value of € 1,917,086 and the subsidiary insurance company of the Alphalife with a nominal value of €150,600, which received in return new securities with a nominal value of € 1,938,556 and € 152,239 respectively. The transaction was treated from accounting prospective as an amendment of the contractual terms of the exchanging bonds thus the profit recognized amounted to € 27,849 for the Bank and € 2,691 for Alphalife was determined as the difference between the discounted cash flows of the new bonds, using the original effective interest rate of the bonds exchanged and the cost of these bonds.

According to the Ministerial Decision POL. 1174/16.11.2017 of the Independent Public Revenue Authority, the gain resulting from the Bank's participation in the Greek government bonds Exchange program, exempt from tax under the provisions of paragraph 6 of article 42 of Law 4172/2013.

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b. Held to maturity

	31.12.2017	31.12.2016
Other countries:		
- Bonds	10,551	15,430
Other issuers:		
- Listed	319	29,569
Total	**10,870**	**44,999**

The variation between the comparative periods is attributed to the recall of corporate bond with a carrying value amounting to € 9,241, to the maturity of a bank bond with a carrying amount of €10,000, to the maturity of foreign government bonds amounted to € 4,899 and to the sale of a corporate bond with a carrying amount of € 10,009.

c. Loans and receivables

Loans and receivables include bonds issued by the European Financial Stability Facility (E.F.S.F.) These bonds under the original contract could only be used as collateral to obtain liquidity from the Eurosystem or from interbank counterparties in repos.

In April 2016 the subscription agreement between the European Financial Stability Facility (EFSF), the Hellenic Financial Stability Fund (HFSF) and the Bank was revised. The revision refers to the terms of use of the above bonds. The revision stated that the Bank may participate with the EFSF bonds in the purchase program for the bonds issued by central governments, special bodies-securities issuers and European supranational institutions of the Eurozone (Public Sector Purchase Program - PSPP) conducted by European Central Bank (ECB). According to the ECB's decision, a total up to 50% of each EFSF issue could be purchased until the completion of the program in March 2017.

In the context of the aforementioned program, the Bank during the fiscal years 2016 and 2017 disposed bonds issued by EFSF at a nominal value of 1,583,000 and €140,000, respectively.

In the context of the implementation of short-term measures for public debt relief, the European Stability Mechanism (ESM), the EFSF, the HFSF, the Greek Government and the four Greek systemic banks signed a bond exchange agreement in March 2017.

Under this agreement, floating rate bonds issued by EFSF and held by the Banks are gradually exchanged with long-term fixed rate bonds issued by EFSF with equal nominal value, which will be repurchased within one month from EFSF against cash. For the use of long-term fixed rate bonds the same restrictions apply to these of floating-rate bonds, i.e. they consist eligible instruments for providing financing from the Eurosystem and the participation of the ECB's bond purchase program (PSPP) and can be pledged as collateral under repurchase transactions with interbank counterparties.

During the period of 2017 and under this agreement, the Bank exchanged floating rate bonds of nominal value € 2,522,172 issued by EFSF, with equal in nominal value bonds, of fixed coupon, issued by EFSF, with a maturity of 30 years. Out of them, EFSF repurchased bonds at a nominal value of € 2,348,936 whilst a remaining bond with a nominal value of € 173,236 was classified as available for sale which was repurchased by EFSF in January 2018.

As at 31.12.2017 the book value of bonds included in the loans and receivables portfolio stood at € 0 (31.12.2016: €2,682,655).

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19. Investments in associates and joint ventures

	31.12.2017	31.12.2016
Opening balance	21,792	45,771
New associates/joint ventures	964	18,439
Disposal of share in associates	(263)	
Returns/increases of share capital	(517)	168
Transfer to assets held for sale		(39,244)
Share of profit/(loss) and other comprehensive income	(3,090)	(3,342)
Total	**18,886**	**21,792**

During 2017, the "New investments in associates and joint ventures" relate to the joint venture Panarae Saturn LP. The "Disposal of share in associate" is related to the successive stake disposal of the company Cepal Holdings S.A., of 1% and 1.23 % on 4.5.2017 and on 18.5.2017 respectively. The caption "Returns/increases of share capital" concerns the return of share capital of amount €600 of the associate company A.L.C. Novelle Investments Ltd and the share capital increase of €83 of the joint venture Alpha TANEO AKES.

The "Transfer to assets held for sale" refers to joint ventures APE Commercial Poperty S.A. and APE Investment property S.A. which were classified as "Assets held for sale", as presented in note 47.

During 2016, the "New associates/joint ventures" are Aktua Hellas Holdings S.A., which has been renamed to Cepal Holdings S.A. and Alpha Investment Property Elaionas A.E.

The associates and joint ventures of the Group are the following:

		Group's ownership interest %	
Name	**Country**	**31.12.2017**	**31.12.2016**
a. Associates			
AEDEP Thessalias and Stereas Ellados	Greece	50.00	50.00
A.L.C Novelle Investments Ltd	Cyprus	33.33	33.33
Olganos A.E.	Greece	30.44	30.44
Bank Information Systems AE	Greece	23.77	23.77
Propindex A.E.D.A	Greece	35.58	35.58
Cepal Holding AE	Greece	42.77	
Selonda A.E.G.E.	Greece	21.97	21.97
Nireus S.A.	Greece	20.65	20.65
Famar S.A.	Luxembourg	47.04	
Alpha Investment Property Elaionas A.E.	Greece	50.00	50.00
b. Joint Ventures			
APE Commercial Property A.E	Greece	72.20	72.20
APE Investment Property A.E.*	Greece	71.08	72.80
Alpha TANEO A.K.E.S.	Greece	51.00	51.00
Rosequeens Properties Ltd*	Cyprus	33.33	33.33
Cepal Holding AE	Greece		45.00
Panarae Saturn LP	Jersey	62.50	

* Companies are parent group entities as mentioned in note 38.

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During the current period, the Bank acquired 47.04% of the share capital of the company Famar S.A., which is the parent company of a group of entities, at a price of four euro and seventy cents. This acquisition of the shares by the Bank as well as by three other Greek Banks, lenders of the company, took place within the context of the French pre-bankruptcy procedure, that Famar entered into with a view to its restructuring. At the same time, the banks and a loan management company entered into an agreement, which determines the way of decision making regarding the management of Famar, in order to maximize the recovery potential of the value of the loans granted to the company by the Greek Banks. In addition, it is noted that according to Famar's Articles of Association, there are corporate issues for which decision making is based on the number of shareholders instead of the percentage of shares held. The company's shares are pledged for loans granted by the aforementioned Greek banks to the previous shareholder of Famar S.A, both before and after the restructuring agreement. The Bank assessed the above and classified the participation of Famar S.A. in the caption "Investments in associates".

Additionally, the subsidiary of the Group, Alpha A.E. Investment Holdings participated in the joint venture Panarae Saturn LP on 29.3.2017 amounting to € 964 which has the exclusive purpose of the direct investment in the entity Orbital Systems.

Bank's participation in Cepal Holdings S.A. reclassified from joint ventures to associates following the agreement of company's shareholders, signed during the second quarter of 2017, and to the company's amended Articles of Association, that took place on 4.5.2017.

The Bank participates in companies "Selonda A.E.G.E." and "Nireus S.A." as a consequence of their restructuring agreements of loan liabilities which signed during 2016. The Bank intends to dispose these companies and as a result they were classified as "Assets held for sale" at fair value, which was determined in the amount of € 1.

The Group's share in equity and profit/(loss) of each associate and joint venture is set out below:

	Group's share on equity		Share of profit/(loss)		Share of other Comprehensive income in equity	
	FROM 1 JANUARY TO		FROM 1 JANUARY TO		FROM 1 JANUARY TO	
Name	**31.12.2017**	**31.12.2016**	**31.12.2017**	**31.12.2016**	**31.12.2017**	**31.12.2016**
a. Associates						
AEDEP Thessalias and Stereas Ellados	74	74				
A.L.C. Novelle Investments Ltd	578	1,012	(8)	(8)	173	
Bank Information Systems A.E.	267	267	1	(213)		
Propindex A.E.D.A	86	86				
Alpha Investment Property Elaionas A.E.	10,351	11,344	(993)	(555)		
Cepal Holding AE	3,849		(1,671)			
Total (a)	**15,205**	**12,783**	**(2,671)**	**(776)**	**173**	**-**
b. Joint ventures						
APE Commercial Property A.E.				(1,600)		
Alpha TANEO A.K.E.S.	2,853	3,213	(444)	(195)		
Rosequeens Properties Ltd	6	12	(6)	(15)		
Cepal Holding AE		5,784		(756)		
Panarae Saturn LP	822		(41)		(101)	
Total (b)	**3,681**	**9,009**	**(491)**	**(2,566)**	**(101)**	
Total (a) + (b)	**18,886**	**21,792**	**(3,162)**	**(3,342)**	**72**	**-**

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Investments in material associates and joint ventures

The Group considers as material the associate companies and joint ventures that it participates in, by taking into consideration the activities of strategic importance carried out, but also the book value of the Group's investments as well as the loans and receivables that consist part of the Group's net investment in the companies, if any.

On the basis of the above, the associate company AEP Elaionas A.E. and Cepal Holdings S.A., and the joint ventures APE Commercial Property A.E. and APE Investment Property A.E. are considered material.

AEP Elaionas mainly carries out activities relating to building construction and real estate exploitation in general.

Cepal Holdings S.A. is the parent company of the group of companies (note 38), which operates in the administration of claims from loans and advances to customers.

APE Commercial Property A.E. carries out activities mainly relating to the management and exploitation of real estate activities, as well as the acquisition and management of shareholding, while APE Investment Property A.E. activities relating to the acquisition of securities and any kind of assets in general. The last two are classified as joint ventures, since, under a contractual agreement, the exercise of control requires a consensus decision of the shareholders.

All the above mentioned companies are established in Greece, are not listed on a regulated market and therefore there is no official reference regarding their fair value.

Condensed financial information about AEP Elaionas A.E. and Cepal Holdings S.A., which are accounted for under the equity method, as presented below. For APE Commercial Property A.E. and APE Investment Property A.E. that have been classified as Held for Sale, the applicable disclosures of IFRS 5 are provided in note 47.

Alpha Investment Property Elaionas A.E.

Condensed Statement of Total Comprehensive Income

	31.12.2017	31.12.2016
Interest and similar income	(1,652)	
Other expenses	(334)	(1,110)
Profit/(losses) before income tax	**(1,986)**	**(1,110)**
Income tax		
Profit/(losses) after income tax	**(1,986)**	**(1,110)**
Other comprehensive income recognized directly in Equity		
Total comprehensive income for the year, after income tax	**(1,986)**	**(1,110)**
Amount attributed to the participation of the Group to profits/(losses) of the joint venture	(993)	(555)
Amount attributed to the participation of the Group to other comprehensive income recorded directly in the equity		

No dividends have been received from the entity within the year 2017.

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Condensed Balance Sheet

	31.12.2017	31.12.2016
Cash and cash equivalents		326
Other current assets	288	489
Total current assets	**288**	**815**
Non current assets	**104,907**	**104,940**
Short-term liabilities	65	262
Total Short-term liabilities	**65**	**262**
Long-term liabilities	103,830	101,687
Total Long-term liabilities	**103,830**	**101,687**
Total Equity	**1,300**	**3,806**
Group participation (%)	50.00	50.00
Equity share	650	1,903
Goodwill from the acquisition	9,701	9,441
Carrying amount of participation	**10,351**	**11,344**
Loan that is part of the net investment	52,024	51,196
Net investment	**62,375**	**62,540**

Cepal Holdings A.E.

Condensed Statement of Total Comprehensive Income

	31.12.2017
Commission expense	(4)
Gains less losses on financial transactions	(11)
Other Income	7,742
General Administrative Expenses	(12,388)
Depreciation	(91)
Profit/(losses) before income tax	**(4,752)**
Income tax	901
Profit/(losses) after income tax	**(3,851)**
Other comprehensive income recognized directly in Equity:	
Total comprehensive income after income tax	**(3,851)**
Amount attributed to the participation of the Group to profits/(losses) of the joint venture	(1,671)

No dividends have been received from the entity within the year 2017.

Condensed Balance Sheet

	31.12.2017
Cash and cash equivalents	3
Other current assets	14,564
Total current assets	**14,567**
Non current assets	**6,285**
Short-term liabilities	6,311
Total Short-term liabilities	**6,311**
Total Equity	**14,541**
Less: Preference shares	(18.938)
Equity excluding preference shares	**(4.397)**
Group's share of results	(2.427)
Cost of acquisition	6.276
Book value of participation	3.849

The Group does not participate in joint operations schemes.

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Other information for associates and joint ventures and significant restrictions

Apart from the associated companies and the joint ventures that have been classified as Assets Held for Sale and are accounded for in accordance with the provisions of IFRS 5, the rest of the associates and the joint ventures are accounted for using the equity method.

No cases exist where the Group has ceased recognizing its portion to losses of associates and joint ventures due to the full impairment of its participation to them.

The Group has no contingent liabilities regarding its participation in associates or joint ventures. The Bank has undertaken the obligation to participate in additional investments in the joint venture Alpha TANEO AKES amounting up to €187. Further to this, there are no other unrecognized commitments of the Group relating with its participation in joint ventures which could result in future cash or other outflows.

No significant restrictions exist on associates or joint ventures to transfer capital in the entity either as dividends or to repay loans that have been financed by the Group apart from the restrictions imposed by Codified Law 2190/1920 on Greek companies according to the minimum share capital required, equity and distribution of dividend. Moreover, restrictions imposed by the adoption of Ministerial Legislative Act within 2015 exist which refer to cash withdrawals and free capital flows as well as any ministerial or other decision issued, which apply to all companies operating in Greece.

20. Investment property

	Land – Buildings
Balance 1.1.2016	
Cost	800,910
Accumulated depreciation and impairment losses	(177,248)
1.1.2016 - 31.12.2016	
Net book value 1.1.2016	623,662
Additions	76,069
Additions from companies consolidated for the first time in 2016	11,907
Reclassifications to “Assets held for sale”	(40,233)
Reclassifications from / to “Property, plant and equipment”	25,312
Reclassification of discontinued operations assets to “Assets held for sale”	(6,374)
Foreign exchange differences	(539)
Disposals/Write-offs	(30,584)
Depreciation charge for the year from continuing operations	(12,937)
Impairment losses	(32,191)
Net book value 31.12.2016	**614,092**
Balance 31.12.2016	
Cost	800,527
Accumulated depreciation and impairment losses	(186,435)
1.1.2017 - 31.12.2017	
Net book value 1.1.2017	614,092
Additions	46,124
Additions from companies consolidated for the first time in 2017	21,501
Reclassification from «Property, plant and equipment »	6,826
Reclassification to «Property, plant and equipment »	(1,142)
Reclassification to “Assets held for sale”	(21,467)
Foreign exchange differences	(3,431)
Disposals/Write-offs	(34,740)
Subsidiary Disposal	(3,666)
Depreciation charge for the year from continuing operations	(12,407)
Impairment losses	(34,578)
Net book value 31.12.2017	577,112
Balance 31.12.2017	
Cost	765,578
Accumulated depreciation and impairment losses	(188,466)

The fair value of investment property as at 31.12.2017 amounts to €600,584 (31.12.2016: €616,135). The recoverable amount of investment property which was impaired during the year amounted to € 185,439 (31.12.2016: € 110,200) and was calculated as the fair value less costs to sell.

In 2017 an impairment loss amounting to € 34,578 was recognized (31.12.2016: € 32,191), in order for the carrying amount of investment property not to exceed their recoverable amount as at 31.12.2017, as estimated by certified valuators.

The fair value of the investment property is calculated in accordance with the methods mentioned in note 1.8 and are classified, in terms of fair value hierarcy, in Level 3 since they have made use of research inputs, assumptions and inputs relating to properties of relevant characteristics and therefore encompass a wide range of non-observable market inputs. The capitalization rate used ranges between 7.0% and 8.5%.

The additions as well as the additions from companies consolidated for the first time in 2017 relate mainly to investment property which were obtained as collateral for loans and acquired by the Group in the context of its credit risk methodology.

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21. Property, plant and equipment

	Land and buildings	Leasehold improvements	Equipment	Total
Balance 1.1.2016				
Cost	1,169,294	4,090	472,059	1,645,443
Accumulated depreciation and impairment losses	(376,667)	(2,649)	(405,226)	(784,542)
1.1.2016 - 31.12.2016				
Net book value 1.1.2016	792,627	1,441	66,833	860,901
Foreign exchange differences	(286)	(1)	(37)	(324)
Additions	10,074	71	20,414	30,559
Additions from companies consolidated for the first time in 2016			278	278
Disposals/Write-offs	(3,040)	(3)	(86)	(3,129)
Reclassification from / to "Investment property"	(25,312)			(25,312)
Reclassification of discontinued operations assets to "Assets held for sale"	(400)			(400)
Reclassification to "Assets held for sale"	(19,579)		(1,387)	(20,966)
Reclassification internally from/to "Property, plant and equipment"	(77)	(471)	548	
Reclassification to "Other assets"	(4,035)			(4,035)
Depreciation charge from continuing operations	(20,604)	(316)	(18,745)	(39,665)
Impairment losses	(3,818)	-	(121)	(3,939)
Net book value 31.12.2016	**725,550**	**721**	**67,697**	**793,968**
Balance 31.12.2016				
Cost	1,097,399	3,389	462,904	1,563,692
Accumulated depreciation and impairment losses	(371,849)	(2,668)	(395,207)	(769,724)
1.1.2017 - 31.12.2017				
Net book value 1.1.2017	725,550	721	67,697	793,968
Foreign exchange differences	(434)	(6)	(171)	(611)
Additions	12,498	86	16,438	29,022
Additions from companies consolidated for the first time in 2017			4	4
Subsidiary disposal	(3,620)		(858)	(4,478)
Disposals/Write-offs	(3,306)	(4)	(518)	(3,828)
Reclassification to "Investment property"	(6,816)		(10)	(6,826)
Reclassification from "Investment property"	1,142			1,142
Reclassification to "Other Assets"	(6,550)			(6,550)
Depreciation charge from continuing operations	(20,412)	(270)	(17,624)	(38,306)
Impairment losses	(28,172)		(115)	(28,287)
Net book value 31.12.2017	**669,880**	**527**	**64,843**	**735,250**
Balance 31.12.2017				
Cost	1,051,956	3,366	447,135	1,502,457
Accumulated depreciation and impairment losses	(382,076)	(2,839)	(382,292)	(767,207)

The carrying amount of owned land and buildings included in the above balances amounts to € 635,291 as at 31.12.2017 (31.12.2016: € 675,796).

In 2017, an impairment loss of €28,287 (31.12.2016: €3,939) was recorded in "Other Expenses".

During the impairment test of property, plant and equipment, the estimation of the recoverable amount is based on the value in use, which incorporates in the carrying amount of the asset all the improvements which render it suitable for use by the Group.

The recoverable amount of "Property, plant and equipment" which was impaired during the current year amounts to € 139,364 (31.12.2016: € 23,023).

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22. Goodwill and other intangible assets

	Goodwill	Software	Other intangible	Total
Balance 1.1.2016				
Cost	2,900	544,009	152,363	699,272
Accumulated amortization and impairment loss		(300,555)	(53,566)	(354,121)
1.1.2016 - 31.12.2016				
Net book value 1.1.2016	2,900	243,454	98,797	345,151
Additions		79,420		79,420
Reclassification to “Assets held for sale”		(2)		(2)
Reclassification of discontinued operations assets to “Assets held for sale”		(1,461)		(1,461)
Foreign exchange differences		(46)		(46)
Disposals/Write-offs		(170)		(170)
Depreciation charge from continuing operations		(26,531)	(18,292)	(44,823)
Impairment losses	(2,900)	(3,855)		(6,755)
Net book value 31.12.2016	-	**290,809**	**80,505**	**371,314**
Balance 31.12.2016				
Cost		617,620	140,128	757,748
Accumulated amortization and impairment loss		(326,811)	(59,623)	(386,434)
1.1.2017 - 31.12.2017				
Net book value 1.1.2017		290,809	80,505	371,314
Additions		70,429		70,429
Additions from companies consolidated for the first time in 2017		5		5
Foreign exchange differences		80	3	83
Disposals/Write-offs		(93)		(93)
Depreciation charge from continuing operations		(30,737)	(18,293)	(49,030)
Impairment losses		(2,899)	-	(2,899)
Net book value 31.12.2017	-	**327,594**	**62,215**	**389,809**
Balance 31.12.2017				
Cost		685,756	141,486	827,242
Accumulated amortization and impairment loss		(358,162)	(79,271)	(437,433)

The additions of current year mainly concern acquisitions of user rights for computer applications.

In 2017, an impairment loss of € 2,899 (31.12.2016: € 6,755) was recorded in "Other Expenses" (note 9).

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23. Deferred tax assets and liabilities

	31.12.2017	31.12.2016
Assets	4,330,602	4,519,046
Liabilities	(24,997)	(21,219)
Total	**4,305,605**	**4,497,827**

Deferred tax assets and liabilities are analyzed as follows:

	1.1 - 31.12.2017						
			Recognized in				
	Balance 1.1.2017	Reclassification due to Implementation of Law 4465/2017	Income Statement	Equity	Reclassification to Held for Sale and other movements	Foreign exchange differences	Balance 31.12.2017
Debit difference of Law 4046/2012	1,113,870		(44,554)				1,069,316
Debit difference of Law 4465/2017		16,850	(1,685)				15,165
Write-offs, depreciation, and impairment of fixed assets	38,689		(6,604)		333		32,418
Loans portfolio	2,479,024	(16,850)	107,797				2,569,971
Valuation of loans due to hedging	(314)		209				(105)
Employee defined benefit and insurance funds	46,326		(19,480)	(26)	(77)		26,743
Valuation of derivatives	172,284		(29,247)	(15,304)			127,733
Effective interest rate	11,718		(1,145)				10,573
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(54,267)		39,705				(14,562)
Valuation/impairment of bonds and other securities	142,990		(1,571)	(139,208)			2,211
Tax losses carried forward	450,647		(125,282)	80			325,445
Other temporary differences	96,361		44,624		(296)		140,689
Exchange differences from translating and hedging of foreign operations	499			(721)		230	8
Total	**4,497,827**	**-**	**(37,233)**	**(155,179)**	**(40)**	**230**	**4,305,605**

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	1.1 - 31.12.2016						
		Recognized in					
	Balance 1.1.2016	Income Statement from continuing operations	Income Statement from discontinued operations	Equity	Transferred to Held for Sale	Foreign exchange differences	Balance 31.12.2016
Debit difference of Law 4046/2012	1,158,424	(44,554)					1,113,870
Write-offs, depreciation, and impairment of fixed assets	32,883	5,806					38,689
Loan portfolio	2,334,547	144,477					2,479,024
Valuation of loans due to hedging	(1,154)	840					(314)
Employee defined benefit and insurance funds	69,580	(26,353)		3,099			46,326
Valuation of derivatives	150,183	6,032		16,069			172,284
Effective interest rate	11,909	(191)					11,718
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(50,491)	(3,776)					(54,267)
Valuation/impairment of bonds and other securities	78,185	210	84,438	(19,843)			142,990
Tax losses carried forward	488,502	(38,136)		281			450,647
Other temporary differences	101,398	(902)		(25)	(4,432)	322	96,361
Exchange differences from translating and hedging of foreign operations	3,358	-		(2,859)			499
Total	**4,377,324**	**43,453**	**84,438**	**(3,278)**	**(4,432)**	**322**	**4,497,827**

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24. Other assets

	31.12.2017	31.12.2016
Tax advances and withholding taxes	221,771	431,164
Deposit and Investment Guarantee Fund	632,813	625,417
Assets obtained from auctions	231,071	229,263
Prepaid expenses	18,862	20,550
Accrued income	6,677	3,831
Other	217,644	140,234
Total	**1,328,838**	**1,450,459**

"Deposit and Investment Guarantee Fund" included in other assets relates to the Bank's participation in assets of investment and deposit cover scheme. The above figure consists of:

1. the amount contributed relating to investment cover scheme and
2. the difference between the regular annual contribution of credit institutions resulting from the application of article 6 of Law 3714/2008 "Borrowers protection and other regulations", which raised the amount of deposits covered by the Deposit Guarantee scheme from €20 to €100 per depositor.

   The above difference is included according to Law 4370/7.3.2016 in "Deposit Gurantee Scheme (incorporating Directive 2014/49/EE), Deposit and Investment Guarantee Fund and other regulations" in a special group of assets, whose elements are owned in common by the participant credit institutions, according to the participation percentage of each one.

In addition, as at 31.12.2017 the Group measured its assets obtained from auctions at the lowest value between the carrying amount and fair value. In cases where the fair value was lower than the carrying amount, an impairment loss was recognized of €13,386 and recorded in "Other expenses" of the Income Statement. As at 31.12.2016 the relevant impairment loss amounted to €10,822. The fair value of the assets has been estimated in accordance with the methods mentioned in note 1.8 and are classified in terms of fair value hierarchy in Level 3, since they have made use of research inputs, assumptions and inputs from properties of relevant characteristics and therefore encompass a wide range of non-observable market inputs. The capitalization rate used was between 7.0% and 8.5%.

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LIABILITIES

25. Due to banks

	31.12.2017	31.12.2016
Deposits:		
- Current accounts	49,398	35,304
- Term deposits		
Central Banks	10,206,372	18,331,086
Other credit institutions	28,879	21,053
Cash collateral for derivative margin account and repurchase agreements	71,550	25,465
Sale and repurchase agreements (Repos)	2,306,720	411,914
Borrowing funds	474,333	277,404
Deposits on demand:		
- Other credit institutions	4,279	3,351
Total	**13,141,531**	**19,105,577**

Eurosystem funding decreased by €8,124,714 in 2017 mainly due to repurchase agreements (Repos), increase in customer deposits, the sale of assets inclusive of EFSF bonds in the context of the PSPP program (note 18c) and short-term measures undertaken for the Greek debt relief.

In June 2016, the European Central Bank carried out a new program of targeted long term refinancing operations (TLTRO-II) with a four year duration.

The Bank participates in this program with an amount of € 3,100,000.

The caption "Borrowed funds" mainly includes liabilities due to European Investment Bank and European Bank for Reconstruction and Development and International Finance Corporation amounting to € 464,762 (31.12.2016: € 276,283).

26. Due to customers
(including debt securities in issue)

	31.12.2017	31.12.2016
Deposits:		
- Current accounts	9,835,938	9,046,299
- Saving accounts	9,377,274	9,447,093
- Term deposits	15,455,782	14,217,085
Debt securities in issue	47,319	78,675
Sale and repurchase agreements (Repos)	46,115	46,112
Deposits on demand	37,832	32,687
	34,800,260	**32,867,951**
Cheques payable	90,176	78,165
Total	**34,890,436**	**32,946,116**

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27. Debt securities in issue and other borrowed funds

i. Issues guaranteed by the Greek State (Law 3723/2008)

Under the programme for the enhancement of the Greek's economy liquidity, according to Law 3723/2008, the Bank proceeded with the issuance of senior debt securities guaranteed by the Greek Government amounting to €300,000 during 2017, while the maturities/redemptions for the same period amounted to €1,300,000.

The total balance of senior debt securities guaranteed by the Greek Government as at 31.12.2017 amounts to €0 (31.12.2016: €1,000,000).

These securities are not included in the "Debt securities in issue and other borrowed funds", as they are held by the Group.

ii. Covered bonds*

In the context of the existing of direct Covered Bond Issuance Program I of amount € 8 billion the Bank issued, on 1.8.2017, a series 6 bond with a nominal value of € 1 billion collateralized with mortgage loans of a nominal value of € 1.2 billion, maturity date on 23.10.2018 and bearing an interest rate corresponding to three month Euribor plus a margin of 1.2%. The issuance was wholly purchased by the Bank and was used as collateral in financing operations. On 5.12.2017, the above issuance was redeemed.

In the context of the direct Covered Bond Issuance Program II, the Bank, on 6.12.2017, issued a series 1 bond with a nominal value of € 1 billion collateralized with mortgage loans of a nominal value of € 1.1 billion, maturity date on 23.1.2019 and bearing an interest rate corresponding to three month Euribor plus a margin of 1.65%. The issuance is wholly purchased by the Bank and is used as collateral in financing operations.

Covered bonds are not included in caption "Debt securities in issue and other borrowed funds" as these securities are held by the Bank.

The total balance of covered bonds as at 31.12.2017 amounts to €1 billion (31.12.2016: €5 million).

iii. Senior debt securities

Balance 1.1.2017	**26,834**
Changes for the period 1.1 - 31.12.2017	
Maturities/Repayments	(17,719)
Fair value change	
Accrued interest	862
Foreign exchange differences	
Balance 31.12.2017	**9,977**

iv. Liabilities from the securitization of shipping loans

Balance 1.1.2017	**252,320**
Changes for the period 1.1 - 31.12.2017	
New Issues	218,587
Maturities/Repayments	(131,867)
Accrued interest	7,896
Foreign exchange differences	(29,870)
Balance 31.12.2017	**317,066**

In 2014, the Bank proceeded in a shipping loan securitization transaction, transferring them to the fully consolidated Special Purpose Entity, Alpha Shipping Finance Ltd which in turn raised funding from third parties.

* Financial disclosures regarding covered bonds issues, as determined by the directive of Bank of Greece 2620/28.8.2009 are published at the Bank's website.

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v. Liabilities from the securitization of corporate loans (SMEs)

Balance 1.1.2017	**320,053**
Changes for the period 1.1 - 31.12.2017	
Capitalized Expenses	(1,411)
Maturities/Repayments	(4,579)
Accrued interest	5,593
Balance 31.12.2017	**319,656**

In 2016, the Bank proceeded in the securitization of SME's loans, transferring the aforementioned loans to the fully consolidated special purpose entity, Alpha Proodos Designated Activity Company (D.A.C.), which in turn raised funding from third parties and from the Bank.

vi. Liabilities from the securitization of other loans

Liabilities arising from the securitization of consumer loans, corporate loans, credit cards and leasing are not included in "Debt securities in issue and other borrowed funds" since these securities of nominal value € 4.2 billion have been issued by special purpose entities and are held by the Bank.

vii. Subordinated debt

1. Subordinated loans (Lower Tier II, Upper Tier II)

Balance 1.1.2017	**82,338**
Changes for the period 1.1 - 31.12.2017	
Maturities/repayments	(26,588)
Accrued interest	438
Balance 31.12.2017	**56,188**

2. Convertible bond loan

Balance 1.1.2017	**13,995**
Changes for the period 1.1 - 31.12.2017	
Maturity	(12,205)
Fair value change	(1,790)
Balance 31.12.2017	**-**

The convertible bond concerns bond issuance with nominal value €150,000 issued by the Bank on 1.2.2013 under an agreement with Credit Agricole SA for the acquisition of former Emporiki Bank.

The convertible bond matured on 1.2.2017, and on 23.2.2017 following the exercise of the conversion right from the total bondholders, the Bank proceeded to a share capital increase (Note 32).

Total of debt securities in issue and other borrowed funds as at 31.12.2017	**702,887**

Of the above debt securities in issue amounting to €702,887 an amount of €47,320 (31.12.2016: €78,675) held by Group customers has been reclassified to "Due to customer". The balance of "Debt securities in issue held by institutional investors and other borrowed funds" on 31.12.2017, amounts to €655,567 (31.12.2016: €616,865).

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The changes in liabilities arised from financing activities, including the cash flow and non-cash flow changes, are presented in the table below :

Cash flows from financing activities	1.1.2017	Cash Flows	Non Cash Flows				31.12.2017
			Accrued interest	Foreign exchange differences	Fair value change	Conversion of bond loan to shares	
Senior debt securities	26,834	(17,719)	862				9,977
Liabilities from the securitization of shipping loans	252,320	86,720	7,896	(29,870)			317,066
Liabilities from the securitization of corporate loans (SMEs)	320,053	(5,990)	5,593				319,656
Liabilities from the securitization of other loans							-
Subordinated loans	82,338	(26,588)	438				56,188
Hybrid securities							-
Convertible bond loan	13,995				(1,790)	(12,205)	-

The above cash flows are incuded in the net cash flows from financing activities in the cash flow statement of the period with exception of the cash flows from senior debt securities, which are included in the net cash flows from operating activities.

28. Liabilities for current income tax and other taxes

	31.12.2017	31.12.2016
Current income tax	17,862	9,328
Other taxes	24,899	24,450
Total	**42,761**	**33,778**

29. Employee defined benefit obligations

The total amounts recognized in the financial statements for defined benefit obligations are presented in the table below:

	Balance Sheet - Liabilities	
	31.12.2017	31.12.2016
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	79,526	78,597
TAP – Lump sum benefit		
Savings program guarantee	3,232	4,225
Plans for Diners (pension and health care)	6,683	6,305
Group employees in Greece indemnity provision due to retirement in accordance with Law 2112/1920	2,597	2,701
Total Liabilities	**92,038**	**91,828**

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	Income statement Expenses/(Income) FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920 (note 7)	4,039	7,118
TAP – Lump sum benefit		3,972
Savings program guarantee	301	206
Plans for Diners (pension and health care)	124	141
Group employees in Greece indemnity provision due to retirement in accordance with Law 2112/1920	441	702
Total	**4,905**	**12,139**

Balance Sheet and Income Statement amounts are analyzed per fund and type of benefit as follows:

i. Bank

a. Employee indemnity due to retirement in accordance with Law 2112/1920

The employment contracts of the employees are considered open term employee contracts and when cancelled, the provisions of Law 2112/1920 and Law 3198/1955 apply, as amended by Law 4093/2012, which provide a lump sum benefit payment.

The amounts recognized in the balance sheet are as follows:

	31.12.2017	31.12.2016
Present value of defined obligations	79,526	78,597
Liability/(Asset)	**79,526**	**78,597**

The amounts recognized in the income statement are as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Current service cost	2,289	2,082
Net interest cost resulted from net asset/liability	1,411	1,760
Past service cost		2,343
Settlement/Curtailment/Termination (gain)/loss	339	933
Total (included in staff costs)	**4,039**	**7,118**

The movement in the present value of the defined benefit obligation is as follows:

	2017	2016
Opening balance	**78,597**	**70,643**
Current service cost	2,289	2,082
Interest cost	1,411	1,760
Benefits paid	(3,994)	(7,225)
Settlement/Curtailment/Termination (gain)/loss	339	933
Past service cost		2,343
Actuarial (gain)/loss – financial assumptions	1,568	8,690
Actuarial (gain)/loss – experience assumptions	(684)	(629)
Closing balance	**79,526**	**78,597**

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The amounts recognized directly in equity during the year are analyzed as follows:

	31.12.2017	31.12.2016
Change in liability gain/(loss) due to changes in financial and demographic assumptions	(1,568)	(8,690)
Change in liability gain/(loss) due to experience adjustments	684	629
Total actuarial gain/(loss) recognized in Equity	**(884)**	**(8,061)**

The movement in the obligation in the balance sheet is as follows:

	2017	2016
Opening balance	**78,597**	**70,643**
Benefits paid	(3,994)	(7,225)
Loss /(Gain) recognized in Income Statement	4,039	7,118
Loss/(Gain) recognized in equity	884	8,061
Closing balance	**79,526**	**78,597**

b. Supplementary Pension Fund (TAP) of former Alpha Credit Bank Employees

The obligation to the Supplementary Pension Fund (TAP) of former Alpha Credit Bank employees, after it was absorbed by the Common Insurance Fund of Bank Employees for the supplementary pension (Article 10, Law 3620/2007) is restricted to paying a lump sum benefit to retiring employees, which is guaranteed by the Bank. On 18.11.2013 the Bank signed a new operational agreement with the Association of Personnel, whereby the amount paid by the Supplementary Pension Fund, will not exceed the difference between the amount corresponding to the overall lump sum provision, according to the statute of the Supplementary Pension Fund (TAP), and the amount of compensation that the Bank must pay, according to the current labor legislation, on the termination of employment contracts. This adjustment is not affected by a potential reduction of the compensation amount in the future.

On 20.05.2016 the General Meeting of the representatives of TAP members decided the liquidation of TAP under the terms of the agreement signed on 21.04.2016 between the Bank, the staff association and TAP. Based on the decision, contribution from TAP were returned to its members along with their returns according to the articles of association. This resulted in the settlement of the respective obligation.

The amounts included in the balance sheet are as follows:

	31.12.2016
Present value of defined obligation	
Fair value of plan assets	
Liability/(asset)	**-**

The amounts included in the income statement are as follows:

	FROM 1 JANUARY TO 31.12.2016
Current service cost	1,155
Net interest cost resulted from net asset/liability	284
General expenses	2
Total of current service cost	**1,441**
Settlement/Curtailment/Termination (gain)/loss	2,531
Total (included in staff costs)	**3,972**

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The movement in the present value of the defined benefit obligation is as follows:

	2016
Opening balance	**62,947**
Current service cost	1,155
Interest cost	654
Employee contributions	124
Benefits paid	(72,125)
Contributions paid directly by the Fund	
Settlement/curtailment/termination loss/(gain)	2,531
Actuarial (gain)/loss - financial assumptions	
Actuarial (gain)/loss – experience adjustments	4,714
Closing balance	**-**

The movement in the fair value of plan assets is as follows:

	2016
Opening balance	**35,502**
Expected return	370
Employee contributions	124
Bank's contributions	31,417
Benefits paid	(72,125)
Expenses	(2)
Actuarial (losses) / gains	4,714
Closing balance	**-**

The amounts recognized directly in equity during the year are analyzed as follows:

	2016
Change in liability gain/(loss) due to experience adjustments	(4,714)
Return on plan assets excluding amounts included in income statement	4,714
Total actuarial gain/(loss) recognized in equity	**-**

The movement of the liability/(asset) in the balance sheet is as follows:

	2016
Opening balance	**27,445**
Benefits paid directly by the Bank	(31,417)
Loss/(Gain) recognized in Income Statement	3,972
Closing balance	**-**

c. Guarantee of the minimum benefit for newly insured employees (after 1993) that were hired up to 31.12.2004 and joined the new Bank's savings plan

For employees hired by the Bank and insured from 1.1.1993 until 31.12.2004 the final amount to be received upon retirement has, according to the provisions of the insurance plan, as minimum limit the benefit as defined in Law 2084/1992 and the Cabinet Act 2/39350/0022/2.3.99.

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The amounts included in the balance sheet are analyzed as follows:

	31.12.2017	31.12.2016
Present value of defined obligation	3,232	4,225
Liability/(asset)	**3,232**	**4,225**

The amounts included in the income statement are analyzed as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Current service cost	225	142
Net interest cost resulted from the net asset/liability	76	64
Total (included in staff costs)	**301**	**206**

The movement in the present value of liability is as follows:

	2017	2016
Opening balance	**4,225**	**2,556**
Current service cost	225	142
Interest cost	76	64
Actuarial (gain)/loss - financial assumptions	70	1,631
Actuarial (gain)/loss – experience adjustments	(1,364)	(168)
Closing balance	**3,232**	**4,225**

The amounts recognized directly in equity during the year are analyzed as follows:

	2017	2016
Change in liability gain/(loss) due to changes in assumptions	(70)	(1,631)
Change in liability gain/(loss) due to experience adjustments	1,364	168
Total actuarial gain/(loss) recognized in Equity	**1,294**	**(1,463)**

The movement in the obligation is as follows:

	2017	2016
Opening balance	**4,225**	**2,556**
Loss/(Gain) recognized in income statement	301	206
Loss/(Gain) recognized in equity	(1,294)	1,463
Closing balance	**3,232**	**4,225**

d. Supplementary Pension Fund and Health Care of Diners

The Bank guarantees from 30.9.2014, date of acquisition of Diners Club Hellas S.A. the Supplementary Pension Fund and Health Care Plan of the company, which is managed by an independent insurance company. On 2.6.2015, the merger via absorption of the company was completed. These plans cover the pensioners and those who have retired and have the right to receive suplementary penion in the future.

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The amounts included in the balance sheet are analyzed as follows:

	31.12.2017	31.12.2016
Present value of defined obligation	9.752	9.727
Fair value of plan assets	(3.069)	(3.422)
Liability/(asset)	**6.683**	**6.305**

The amounts included in the income statement are analyzed as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Net interest cost resulted from the net asset/liability	114	130
Expenses	11	11
Total (included in staff costs)	**125**	**141**

The movement in the present value of benefits is as follows:

	2017	2016
Opening balance	**9,727**	**8,941**
Interest cost	172	220
Benefits paid directly by the Bank	(23)	(13)
Benefits paid	(343)	(336)
Actuarial (gain)/loss - financial assumptions	162	1,000
Actuarial (gain)/loss – experience adjustments	58	(85)
Closing balance	**9,753**	**9,727**

The movement in the fair value of plan assets is as follows:

	2017	2016
Opening balance	**3,422**	**3,769**
Expected return	58	90
Benefits paid	(343)	(336)
Expenses	(11)	(11)
Actuarial losses	(57)	(90)
Closing balance	**3,069**	**3,422**

The amounts recognized directly in equity during the year are analyzed as follows:

	2017	2016
Change in liability gain/(loss) due to financial and demographic assumptions	(162)	(1,000)
Change in liability gain/(loss) due to experience adjustments	(58)	85
Return on plan assets excluding amounts included in income statement – gain / (loss)	(57)	(90)
Total actuarial gain/(loss) recognized in equity	**(277)**	**(1,005)**

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The movement of the liability/(asset) in the balance sheet is as follows:

	2017	2016
Opening balance	**6,305**	**5,172**
Benefits paid directly by the Bank	(23)	(13)
(Gain)/loss recognized in Income Statement	125	141
(Gain)/loss recognized in Equity	277	1,005
Closing balance	**6,684**	**6,305**

The results of the abovementioned valuations are based on the assumptions of the actuarial studies.

The principal actuarial assumptions used for the above mentioned defined benefit plans are as follows:

	31.12.2017	31.12.2016
Discount rate	1.68%	1.8%
Inflation rate	1.5%	1.5%
Return on plan assets	2.0%	2.0%
Future salary growth	1.8%	1.8%
Future pension growth	0%	0%

The discount rate was based on the iBoxx Euro Corporate AA+ adopted to the characteristics of the programs.

The average duration per program is depicted in the table below:

	31.12.2017	31.12.2016
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	17.2	17.7
Saving program guarantee	18.6	19.5
Plans for Diners (pension and health care)	16.0	16.3

The table below presents the sensitivity of the obligations of the above programs on the financial assumptions:

	Percentage variation in liability (%)
Increase in discount rate by 0.5%	(8.0)
Decrease in discount rate by 0.5%	8.9
Increase in future salary growth rate by 0.5%	8.9
Decrease in future salary growth rate by 0.5%	(8.0)

ii. Group companies

The employees of the Greek subsidiaries with open ended employment contracts receive a lump sum payment on retirement, which is defined by Law 2112/1920 as modified by Law 4093/2012.

The total amounts recognized in the financial statements regarding the defined benefit obligations of the Group are analyzed as follows:

	Balance Sheet – Liabilities	
	31.12.2017	31.12.2016
Bank's employees indemnity of greek subsidiaries due to retirement in accordance with Law 2112/1920	2,597	2,701
Total Liabilities	**2,597**	**2,701**

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	Income Statement Expenses/(Income) FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Bank's employees indemnity of greek subsidiaries due to retirement in accordance with Law 2112/1920	441	702
Total	**441**	**702**

The amount of actuarial gain/losses that was recognized in equity for the defined benefit programs of the Group companies' amounts to €65 gain for 2017 against €160 loss for 2016.

For all the programs mentioned above, no contibutions are expected to be paid during 2018.

30. Other liabilities

	31.12.2017	31.12.2016
Liabilities to third parties	108,727	80,732
Liabilities to Insurance Funds (note 7)	0	67,281
Brokerage services	15,379	9,387
Deferred income	3,252	5,410
Accrued expenses	65,504	60,172
Liabilities to merchants from credit cards	306,153	271,339
Other	368,906	384,864
Total	**867,921**	**879,185**

31. Provisions

	31.12.2017	31.12.2016
Insurance	262,626	219,530
Provisions to cover credit risk and other provisions	178,614	102,174
Total	**441,240**	**321,704**

a. Insurance

	31.12.2017	31.12.2016
Life insurance		
Unearned premiums	262,287	218,996
Outstanding claim reserves	339	534
Total	**262,626**	**219,530**

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b. Provisions to cover credit risk and other provisions

Balance 1.1.2016	**129,640**
Changes for the period 1.1 - 31.12.2016	
Reclassification of provision from Alpha Bank Srbija A.D. to “Liabilities related assets held for sale”	(1,139)
Provisions to cover credit risk relating to off-balance sheet items (note 10)	(1,357)
Used provision for Alpha Bank A.E. separation scheme	(35,262)
Provisions from legal cases and other contingent liabilities (note 9)	16,000
Other provisions	785
Other provisions used during the year	(6,536)
Foreign exchange differences	43
Balance 31.12.2016	**102,174**
Changes for the period 1.1 - 31.12.2017	
Provisions to cover credit risk relating to off-balance sheet items (note 10)	(2,233)
Used provision for Alpha Bank A.E. separation scheme	(18,457)
Other provisions used during the year	(6,805)
Provisions from legal cases and other contingent liabilities (note 9)	11,351
Provision for Alpha Bank A.E. separation scheme	92,719
Foreign exchange differences	(135)
Balance 31.12.2017	**178,614**

The amounts of the provisions from pending legal cases and other contingent liabilities are included in “Other Expenses” of the income statement.

As at 31.12.2017 the balance of provisions to cover credit risk relating to off-balance sheet items amounts to €787 (31.12.2016: €3,195) and other provisions to €177,827 (31.12.2016: €98,978) out of which:

- an amount of €40,905 relates to pending legal cases (31.12.2016: €38,641).
- an amount of €103,300 (31.12.2016: € 29,038) relates to provisions for separation scheme, out of which an amount of €10,581 relates to unutilized provision of the voluntary separation scheme of the Bank that had been accounted as at 31.12.2015 (at the amount of € 64,300) and the amount of € 92,719 relates to additiotial provision recognized during the fourth quarter of the current year.

During 2016, Alpha Bank Cyprus Ltd prepared a voluntary separation scheme, aiming to achieve substantial benefit in operational costs. The Group recognized during the first quarter 2016 a provision of amount € 30,993 for the expected cost, which was used during the second quarter for the compensations.

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EQUITY

32. Share capital

The Bank's share capital as at 31.12.2017 and 31.12.2016 is analysed as follows:

	Opening balance of shares as at 1.1.2017	Changes for the period from 1.1.2017 to 31.12.2017 (units) Shares from the Conversion of convertible bond loan	Balance of shares as at 31.12.2017	Paid-in capital as at 31.12.2017
a. Ordinary shares				
Number of ordinary shares	1,536,881,200		1,536,881,200	461,064
Share capital increase		6,818,181	6,818,181	2,046
Total	**1,536,881,200**	**6,818,181**	**1,543,699,381**	**463,110**

On 23.2.2017, as a result of exercising the conversion right of all bondholders, the Bank's Board of Directors, approved the share capital increase of €2,045, due to the conversion of the convertible bond of €150,000 that was issued on 1.2.2013, under the agreement with Credit Agricole S.A., Crédit Agricole Corporate and Investment Bank.

As a result of the above the Bank's share capital on 31.12.2017 amounts to €463,110. From the conversion, 6,818,181 new ordinary, registered, voting, paperless shares of the Bank with a nominal value of €0.30 each, were issued and registered to Athens Stock Exchange on 18.4.2017.

Regarding the warrant's exercise on the shares held by the Hellenic Financial Stability Fund, on 14.12.2017, 6,608 warrants were exercised by the shareholders which corresponded to 979 ordinary shares. The exercise of warrants did not affect the Bank's share capital but the number of shares held by the Hellenic Financial Stability Fund.

33. Share premium

Balance 1.1.2017	**10,790,870**
Conversion of convertible bond loan to shares	10,159
Balance 31.12.2017	**10,801,029**

Following the above share capital increase «Share premium» was increased by €10,159.

34. Reserves

Reserves are analyzed as follows:

a. Statutory reserve

	31.12.2017	31.12.2016
Statutory reserve	533,485	529,700

According to the Bank's article of association (article 26), the Bank is required to transfer 5% of its annual profit after tax to a statutory reserve, until this reserve amounts to one third of its share capital. According to article 44 of Codified Law 2190/1920, this reserve can only be used to offset any debit balance of the account "Retained Earnings".

For the remaining companies of the Group the statutory reserve is established according to local regulations.

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b. Available for sale securities reserve

	2017	2016
Opening balance 1.1	102.638	30.705
Changes for the period 1.1 - 31.12		
Net change in fair value of available for sale securities, after income tax	434,919	109,691
Fair value of available for sale securities transferred to profit and loss	(64,943)	(36,199)
Reclassification to reserves relating to assets held for sale		(1,559)
Total	**369,976**	**71,933**
Balance 31.12	472,614	102,638

c. Other reserves

	2017	2016
Balance 1.1	(181,377)	(142,179)
Changes for the period 1.1 - 31.12		
Change in cash flow hedge reserve after income tax	37,470	(39,198)
Balance 31.12	(143,907)	(181,377)

d. Exchange differences on translating and hedging the net investment in foreign operations

	2017	2016
Balance 1.1	(50,209)	(115,179)
Changes for the period 1.1 - 31.12		
Change in exchange differences on translating and hedging the net investment in foreign operations	(2,870)	(5,046)
Reclassification to reserves relating to assets held for sale		70,016
Balance 31.12	(53,079)	(50,209)

e. Share of other comprehensive income of associates and joint ventures

	2017	2016
Balance 1.1	(112)	(234)
Changes for the period 1.1 - 31.12		
Change in the share of other comprehensive income of associates and joint ventures	72	
Reclassification to reserves relating to assets held for sale		122
Balance 31.12	(40)	(112)

Total reserves (a+b+c+d+e)	809,073	400,640

Reserves relating to assets held for sale

	2017	2016
Opening balance 1.1	(68,579)	40
Changes for the period 1.1 - 31.12		
Exchange differences on translating and hedging the net investment in foreing operations		(70,016)
Available for sale securities reserve		1,559
Share of other comprehensive income of associates and joint ventures		(122)
Transfer in comprehensive income available for sale securities reserve	68,457	(40)
Total	**68,457**	**(68,619)**
Balance 31.12	(122)	(68,579)

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35. Retained earnings

a. Since 2016 there were no distributable profits, in accordance with article 44a of Codified Law 2190/1920, the Ordinary General Meeting of Shareholders on 30.6.2017 decided the non-distribution of dividends to ordinary shareholders of the Bank.

b. Since the above are also valid for 2017 the Bank's Board of Directors will propose the non distribution of dividend to the Ordinary General Meeting of the shareholders of the Bank.

c. "Retained Earnings" as of 31.12.2017 include expenses concerning the share capital increase, amounting to €560 after income tax (31.12.2016: €689).

36. Hybrid securities

	31.12.2017	31.12.2016
Perpetual with 1st call option on 18.2.2015 and per year	15,232	15,232
Securities held by Group companies	(125)	(100)
Total	**15,107**	**15,132**

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ADDITIONAL INFORMATION

37. Contingent liabilities and commitments

a) Legal issues

The Group, in the ordinary course of business, is a defendant in claims from customers and other legal proceedings. In the context of managing the operational risk events and on the basis of the accounting principles followed, the Group records all the filed lawsuits or similar actions performed by third parties against the Group and considers any possibility of their success, as well as the possible outcome.

For cases where there is a significant probability of a negative outcome, and the result may be sufficiently estimated, the Group creates a provision that is included in the Balance Sheet under the caption "Provisions". On 31.12.2017 the amount of the provision stood at €40,905.

For cases where according to their progress and the evaluation of the Legal department on December 31, 2017, a negative outcome is not probable or the potential outflow cannot be estimated reliably due to the complexity of the cases, the time period they will last and the uncertainty of their outcome, the Bank has not recognized a provision. As of 31.12.2017 the legal claims against the Bank for the above cases amount to €289.9 million (31.12.2016: €270.3 million).

According to the estimations of the legal department, the ultimate settlement of these matters is not expected to have a material effect on the financial position or the operations of the Group.

b. Tax issues

Alpha Bank has been audited by the tax authorities for the years up to and including 2009. Tax audit for the year 2010 was finalized by tax authorities in January 2018. The year 2011 is considered prescribed as per the circular POL1208/20.12.2017 of the Indipendent Public Revenue Authority. For the years 2011 up to 2016, the Bank has obtained a tax certificate with no qualifications according to the article 82 of Law 2238/1994 and the article 65a of Law 4174/2013. The former Emporiki Bank has been audited by the tax authorities for the years up to and including 2008. Years 2009-2011 are considered as closed, in accordance with the Circular POL 1208/20.12.2017 of the Independent Public Revenue Authority. For the years 2011 up to 2013 a tax certificate with no qualifications was issued.

Alpha Bank's branches in London and Bulgaria have been audited by the tax authorities for 2013 and 2016 respectively. For Bulgaria Branch, the tax audit for the year 2016 was completed in February 2017. The branch of former Emporiki Bank in Cyprus has not been audited by the tax authorities since the commencement of its operations (year 2011) until its deletion from the department of Registrar of companies of Cyprus (August 2015), meanwhile it has ceased its operations since September of 2014.

On 2.6.2015, the merger via absorption of Diners Club of Greece A.E.P.P was completed. Diners Club of Greece A.E.P.P. has been audited by the tax authorities for the years up to and including 2010.

Year 2011 is considered as closed, in accordance with the circular POL 1208/20.12.2017 of the Independent Public Revenue Authority. For the years 2011 up to 2013 it has obtained a tax certificate with no qualifications.

Based on circular POL 1006/5.1.2016 there is no exemption from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and they have received an unqualified tax audit certificate. Therefore, the tax authorities may reaudit the tax books for previous years.

Additional taxes and penalties may be imposed for the unaudited years the amount of which cannot be accurately determined.

The Group's subsidiaries have been audited by the tax authorities up to and including the year indicated in the table below:

Name	Year
Banks	
1. Alpha Bank London Ltd (voluntary settlement of tax obligation)	2015
2. Alpha Bank Cyprus Ltd (tax audit is in progress for years from 2012 – 2014)	2011
3. Alpha Bank Romania S.A.	2006
4. Alpha Bank Srbija A.D. (the company was transferred on 11.04.2017)	2004
5. Alpha Bank Albania SH.A.	2011
Leasing Companies	
1. Alpha Leasing A.E. **(tax audit is in progress for year 2012)	2011
2. Alpha Leasing Romania IFN S.A.	2007
3. ABC Factors A.E.**	2011
Investment Banking	
1. Alpha Finance A.E.P.E.Y. **/***	2011
2. SSIF Alpha Finance Romania S.A.	2002
3. Alpha A.E. Investment Holdings **/***	2011
4. Alpha A.E. Ventures Capital Management - AKES **/***	2011
5. Emporiki Ventures Capital Developed Markets Ltd	2007
6. Emporiki Ventures Capital Emerging Markets Ltd	2008
Asset Management	
1. Alpha Asset Management A.E.D.A.K. **/***	2011
2. ABL Independent Financial Advisers Ltd (voluntary settlement of tax obligation)	2015
Insurance	
1. Alpha Insurance Agents A.E. **/***	2011
2. Alpha Insurance Brokers S.R.L.	2005
3. Alphalife A.A.E.Z. **/***	2011
Real Estate and Hotel	
1. Alpha Astika Akinita A.E.**(tax audit is in progress for 2012)	2011
2. Ionian Hotel Enterprises A.E.** (the company was transferred on 16.12.2016)	2011
3. Oceanos A.T.O.E.E. **/*** (the company merged with Alpha Investment Property Amaroussion I A.E. on 20.12.2017)	2011
4. Emporiki Development and Real Estate Management A.E.	2011
5. Alpha Real Estate D.O.O. Beograd	2008
6. Alpha Real Estate Bulgaria E.O.O.D. (commencement of operation 2007)	*
7. Chardash Trading E.O.O.D. (commencement of operation 2006)	*
8. Alpha Real Estate Services S.R.L. (commencement of operation 1998)	*
9. Alpha Investment Property Chalandriou A.E. (commencement of operation 2012 - merge with Alpha Investment Property Amaroussion I A.E. on 20.12.2017)	**
10. Alpha Investment Property Attikis A.E. (commencement of operation 2012)	**
11. Alpha Investment Property Attikis II A.E. (commencement of operation 2012)	**
12. Alpha Investment Property Amaroussion I A.E. (commencement of operation 2012)	**
13. Alpha Investment Property Amaroussion II A.E. (commencement of operation 2012 - merge with Alpha Investment Property Amaroussion I A.E. on 20.12.2017)	**
14. AGI-RRE Participations 1 S.R.L. (commencement of operation 2010)	*
15. AGI-BRE Participations 1 E.O.O.D. (commencement of operation 2012 - the company was transferred on 18.5.2017)	*
16. Stockfort Ltd (commencement of operation 2010)	*

* These companies have not been audited by the tax authorities since the commencement of their operations.

** These companies received tax certificate for the years 2011 to 2016 without any qualification whereas the years up to and including 2011 are considered as closed in accordance with the circular POL 1208/20.12.2017 (note 11).

*** These companies have been audited by the tax authorities up to and including 2009 in accordance with Law 3888/2010 which relates to voluntary settlement for the unaudited tax years.

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Name	Year
Real Estate and Hotel (continued)	
17. Romfelt Real Estate SA (commencement of operation 1991)	*
18. AGI-RRE Zeus S.R.L. (commencement of operation 2012)	*
19. AGI-RRE Athena S.R.L. (cessation of operation 2017)	*
20. AGI-RRE Poseidon S.R.L. (commencement of operation 2012)	*
21. AGI-RRE Hera S.R.L. (commencement of operation 2012)	*
22. AGI-BRE Participations 2 E.O.O.D. (commencement of operation 2012)	*
23. AGI-BRE Participations 2BG E.O.O.D. (commencement of operation 2012)	*
24. AGI-BRE Participations 3 E.O.O.D. (commencement of operation 2012)	*
25. AGI-BRE Participations 4 E.O.O.D. (commencement of operation 2012)	*
26. APE Fixed Assets A.E.**/***	2011
27. SC Cordia Residence S.R.L.	2013
28. HT-1 E.O.O.D (commencement of operation 2013)	*
29. AGI-RRE Venus S.R.L. (commencement of operation 2014)	*
30. AGI-RRE Cleopatra S.R.L. (commencement of operation 2014)	*
31. AGI-RRE Hermes S.R.L. (commencement of operation 2014)	*
32. SC Carmel Residential S.R.L. (commencement of operation 2013)	*
33. Alpha Investment Property Neas Kifisias A.E. (commencement of operation 2014)	*
34. Alpha Investment Property Kalirois A.E. (commencement of operation 2014)	*
35. Alpha Investment Property Livadias A.E. (commencement of operation 2014)	*
36. AGI-SRE Ariadni DOO (commencement of operation 2015-the company was transferred on 20.06.2017)	*
37. Alpha Investment Property Kefalariou A.E. (commencement of operation 2015)	*
38. Alpha Investment Property Neas Erythraias A.E. (commencement of operation 2015)	*
39. Alpha Investment Property Chanion A.E. (former Anaplasi Plagias A.E.) (commencement of operation 2011)	*
40. Asmita Gardens S.R.L.	2010
41. Ashtrom Residents S.R.L. (commencement of operation 2006)	*
42. Cubic Center Development S.A. (commencement of operation 2010)	*
43. AGI-BRE Participations 5 EOOD (commencement of operation 2015)	*
44. AGI-SRE Participations 1 DOO (commencement of operation 2016)	*
45. Alpha Investment Property Spaton A.E. (commencement of operation 2017)	*
46. TH Top Hotels S.R.L (commencement of operation 2009)	*
47. Kestrel Enterprise E.O.O.D. (commencement of operation 2013)	*
48. House Properties Investments E.O.O.D. (commencement of operation 2013)	*
49. Residence Properties Investments E.O.O.D. (commencement of operation 2013)	*
50. Beroe Real Estate E.O.O.D. (companay under formation)	
Special purpose and holding entities	
1. Alpha Credit Group Plc (voluntary settlement of tax obligation)	2015
2. Alpha Group Jersey Ltd	****
3. Alpha Group Investments Ltd (commencement of operation 2006)	*
4. Ionian Holdings A.E.**/***	2011
5. Ionian Equity Participations Ltd (commencement of operation 2006 - the company was transferred to Alpha A.E. Investment Holdings on 11.09.2017)	*
6. Emporiki Group Finance Plc (voluntary settlement of tax obligation)	2015

* These companies have not been audited by the tax authorities since the commencement of their operations.

** These companies received tax certificate for the years 2011 to 2016 without any qualification whereas the years up to and including 2011 are considered as closed in accordance with the circular POL 1208/20.12.2017 (note 11).

*** These companies have been audited by the tax authorities up to and including 2009 in accordance with Law 3888/2010 which relates to voluntary settlement for the unaudited tax years.

**** These companies are not subject to a tax audit.

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Name	Year
Special purpose and holding entities (continued)	
7. AGI-BRE Participations 1 Ltd (commencement of operation 2009)	*
8. AGI-RRE Participations 1 Ltd (commencement of operation 2009)	*
9. Alpha Group Ltd (commencement of operation 2012)	*
10. Katanalotika Plc (voluntary settlement of tax obligation)	2016
11. Epihiro Plc (voluntary settlement of tax obligation)	2016
12. Irida Plc (voluntary settlement of tax obligation)	2016
13. Pisti 2010-1 Plc (voluntary settlement of tax obligation)	2016
14. Alpha Shipping Finance Ltd (voluntary settlement of tax obligation)	2016
15. Alpha Proodos DAC (commencement of operation 2016)	*
16. AGI-RRE Athena Ltd (commencement of operation 2011)	*
17. AGI-RRE Poseidon Ltd (commencement of operation 2012)	*
18. AGI-RRE Hera Ltd (commencement of operation 2012)	*
19. Umera Ltd (commencement of operation 2012)	*
20. AGI-BRE Participations 2 Ltd (commencement of operation 2011)	*
21. AGI-BRE Participations 3 Ltd (commencement of operation 2011)	*
22. AGI-BRE Participations 4 Ltd (commencement of operation 2010)	*
23. Alpha Real Estate Services LLC (commencement of operation 2010)	*
24. AGI-RRE Ares Ltd (commencement of operation 2010)	*
25. AGI-RRE Venus Ltd (commencement of operation 2012)	*
26. AGI-RRE Artemis Ltd (commencement of operation 2012)	*
27. AGI-BRE Participations 5 Ltd (commencement of operation 2012)	*
28. AGI-RRE Cleopatra Ltd (commencement of operation 2013)	*
29. AGI-RRE Hermes Ltd (commencement of operation 2013)	*
30. AGI-Cypre Arsinoe Ltd (commencement of operation 2013)	*
31. AGI-SRE Ariadni Ltd(commencement of operation 2014)	*
32. Zerelda Ltd (commencement of operation 2012)	*
33. AGI-Cypre Alaminos Ltd (commencement of operation 2014)	*
34. AGI-Cypre Tochni Ltd (commencement of operation 2014)	*
35. AGI-Cypre Evagoras Ltd (commencement of operation 2014)	*
36. AGI-Cypre Tersefanou Ltd (commencement of operation 2014)	*
37. AGI-Cypre Mazotos Ltd (commencement of operation 2014)	*
38. AGI-Cypre Ermis Ltd (commencement of operation 2014)	*
39. AGI-SRE Participations 1 Ltd (commencement of operation 2016)	*
Other companies	
1. Alpha Bank London Nominees Ltd	****
2. Alpha Trustees Ltd (commencement of operation 2002)	*
3. Kafe Alpha A.E.**/***	2011
4. Alpha Supporting Services A.E.**/*** (tax audit is in progress for 2012)	2011
5. Real Car Rental A.E.**/***	2011
6. Evisak A.E. **/*** (the company was transferred on 11.12.2017)	2011
7. Emporiki Management A.E.***	2011
8. Alpha Bank Notification Services A.E. (commencement of operation 2015)	*

* These companies have not been audited by the tax authorities since the commencement of their operations.

** These companies received tax certificate for the years 2011 to 2016 without any qualification whereas the years up to and including 2011 are considered as closed in accordance with the circular POL 1208/20.12.2017 (note 11).

*** These companies have been audited by the tax authorities up to and including 2009 in accordance with Law 3888/2010 which relates to voluntary settlement for the unaudited tax years.

**** These companies are not subject to a tax audit.

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c) Operating leases

The Group's obligations with respect to leases relate to buildings used as branches and other operating units.

The minimum future lease payments are:

	31.12.2017	31.12.2016
- Less than one year	39,166	41,708
- Between one and five years	85,924	104,517
- Over five years	108,374	146,383
Total	**233,464**	**292,608**

The Group's receivables from leases relate to leases from buildings to third parties

The minimum future lease fees are:

	31.12.2017	31.12.2016
- Less than one year	17,107	13,419
- Between one and five years	50,514	43,754
- Over five years	47,523	48,527
Total	**115,144**	**105,700**

d) Off balance sheet commitments

The Group as part of its normal operations, is bound by contractual commitments, that in the future may result in changes in its asset structure. These commitments are monitored in off balance sheet accounts and relate to letters of credit, letters of guarantee, undrawn credit facilities and credit limits.

Letters of credit are used to facilitate trading activities and relate to the financing of contractual agreements for the transfer of goods locally or abroad, by undertaking the direct payment on behalf of the third party bound by the agreement on behalf of the Group's client. Letters of credit, as well as letters of guarantee, are commitments under specific terms and are issued by the Group for the purpose of ensuring that its clients will fulfill the terms of their contractual obligations.

The outstanding balances are as follows:

	31.12.2017	31.12.2016
Letters of credit	29.313	47.993
letters of guarentee and other guarentees	3.355.650	3.519.793

In addition, contingent liabilities for the Group arise from undrawn loan agreements and credit limits that may not be fulfilled immediately or may be partly fulfilled as long as the agreed upon requirements are fulfilled by counterparties.

Committed limits that can not be recalled in case where counterparties fail to meet their contractual obligations as at 31.12.2017 amounts to €402,124 (31.12.2016: €494,734) and are included in the calculation of risk weighted assets.

The Bank has committed to contribute in the share capital of the joint venture Alpha TANEO AKES up to the amount of € 187.

e) Assets pledged

Assets pledged, as at 31.12.2017 are analyzed as follows:

- Cash and balances with Central Banks amounting to €763,146 concerning the Group's obligation to maintain deposits in Central Banks according to percentages determined by the respective country.

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- Due from Banks:
  - i. Pledged placements amounting to €216,195 concerning guarantees provided on behalf of the Greek Government.
  - ii. Pledged placements to credit institutions amounting to €947,939 which have been provided as guarantee for derivative transactions.
  - iii. Pledged placements to credit institutions amounting to €18,905 which have been provided for Letter of Credit or Guarantee Letters that the Bank issue for facilitating customer imports.
  - iv. Pledged placements of €6,214 have been provided to the Resolution Fund as irrevocable payment commitment, as part of the 2016 and 2017 contribution. This commitment must be fully covered by collateral exclusively in cash, as decided by the Single Resolution Board.
  - v. Placements of € 5,100 has been given as collateral for the issuance of bonds of € 1,000,000, held by the Bank, as mentioned below under "Loans and advances to customers" (note 37.e.vi).
- Loans and advances from customers:
  - i. Loans of €17,736,225 pledged to central banks for liquidity purposes.
  - ii. A carrying amount of €3,390,710 which relates to corporate, consumer loans and credit cards has been securitized for the issuance of Special Purpose Entities' corporate bond of a nominal value of € 4,174,400, held by the Bank, of which an amount of € 2,066,900 has been given as collateral for repurchase agreements (repo).
  - iii. A carrying amount of € 523,422 which relates to shipping loans, has been securitized for the purpose of financing the Group through a Special Purpose Entitiy, which amounts to € 317,066 at 31.12.2017. An amount of € 23,125 included in "Due from Banks" has been given as collateral for the aforementioned transaction.
  - iv. A carrying amount of € 586,680 which relates to corporate loans have been securitized for the issuance of the Group's special purpose entitie's bonds, which amounts to € 640,000 at 31.12.2017, out of which € 320,000 is held by the Bank. As far as the amount held by the Bank is concerned, an amount of € 100,000 has been given as collateral for repurchase agreements (repo). An amount of € 80,886 included in "Due from Banks" has been given as collateral for the aforementioned transaction.
  - v. An amount of nominal value € 46,048 which relates to corporate loans, has been given as collateral for other loan facilities.
  - vi. An amount of mortgage loans of a nominal value of € 1,112,325 has been given as collateral for the issuance of covered bonds held by the Bank amounted to a nominal value € 1,000,000 as at 31.12.2017 and has been given as collateral for repurchase agreements (repo).
- Trading securities and investment securities:
  - i. A carrying amount of € 3,436,247 of Greek Government securities, of which a carrying amount of € 3,133,717 has been pledged to Central Banks for liquidity purposes, a carrying amount of € 5,304 has been given as collateral for other loan facilities whilst a carrying amount of € 297,226 has been given as collateral for repurchase agreements (repo).
  - ii. A carrying amount of € 251,507 relates to securities issued by the European Financial Stability Facility (EFSF), which has been pledged to Central Banks with the purpose to participate in main refinancing operations.
  - iii. A carrying amount of € 114,556 of other corporate securities, has been given as a collateral of repo agreements.
  - iv. A carrying amount of € 138,124 which relates to bonds issued by third parties, has been given to Central Banks for liquidity purposes.
  - v. A carrying amount of € 15,424 which relates to other government bonds, has been pledged as a collateral for repurchase agreements (repo).

38. Group Consolidated Companies

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

a. Subsidiaries

Name	Country	Group's ownership interest % 31.12.2017	31.12.2016
Banks			
1. Alpha Bank London Ltd	United Kingdom	100	100
2. Alpha Bank Cyprus Ltd	Cyprus	100	100
3. Alpha Bank Romania S.A. (49aa)	Romania	99.92	99.92
4. Alpha Bank Srbija A.D. (49e, 49m)	Serbia		100
5. Alpha Bank Albania SH.A.	Albania	100	100
Leasing Companies			
1. Alpha Leasing A.E.	Greece	100	100
2. Alpha Leasing Romania IFN S.A.	Romania	100	100
3. ABC Factors A.E.	Greece	100	100
Investment Banking			
1. Alpha Finance A.E.P.E.Y.	Greece	100	100
2. SSIF Alpha Finance Romania S.A.	Romania	99.98	100
3. Alpha A.E. Investment Holdings (49j, 49z)	Greece	100	100
4. Alpha A.E. Ventures Capital Management - AKES	Greece	100	100
5. Emporiki Ventures Capital Developed Markets Ltd	Cyprus	100	100
6. Emporiki Ventures Capital Emerging Markets Ltd	Cyprus	100	100
Asset Management			
1. Alpha Asset Management A.E.D.A.K.	Greece	100	100
2. ABL Independent Financial Advisers Ltd	United Kingdom	100	100
Insurance			
1. Alpha Insurance Agents A.E.	Greece	100	100
2. Alpha Insurance Brokers S.R.L.	Romania	100	100
3. Alphalife A.A.E.Z. (49b)	Greece	100	100
Real estate and hotel			
1. Alpha Astika Akinita A.E. (49ag)	Greece	93.17	93.17
2. Oceanos A.T.O.E.E. (49al)	Greece		100
3. Emporiki Development and Real Estate Management A.E. (49p)	Greece	100	100
4. Alpha Real Estate D.O.O. Beograd	Serbia		93.17
5. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	93.17	93.17
6. Chardash Trading E.O.O.D.	Bulgaria	93.17	93.17
7. Alpha Real Estate Services S.R.L.	Romania	93.17	93.17
8. Alpha Investment Property Chalandriou A.E. (49k)	Greece		100
9. Alpha Investment Property Attikis A.E. (49an)	Greece	100	100
10. Alpha Investment Property Attikis II A.E. (49an)	Greece	100	100
11. Alpha Investment Property I A.E. (49k, 49al)	Greece	100	100
12. Alpha Investment Property Amaroussion II A.E. (49k, 49al)	Greece		100
13. AGI-RRE Participations 1 S.R.L.	Romania	100	100
14. AGI-BRE Participations 1 E.O.O.D. (49q)	Bulgaria		100
15. Stockfort Ltd	Cyprus	100	100
16. Romfelt Real Estate S.A.	Romania	98.86	98.86
17. AGI-RRE Zeus S.R.L.	Romania	100	100
18. AGI – RRE Athena S.R.L. (49r)	Romania		100

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Name	Country	Group's ownership interest % 31.12.2017	31.12.2016
Real estate and hotel (continued)			
19. AGI – RRE Poseidon S.R.L.	Romania	100	100
20. AGI – RRE Hera S.R.L.	Romania	100	100
21. AGI-BRE Participations 2 E.O.O.D.	Bulgaria	100	100
22. AGI-BRE Participations 2BG E.O.O.D.	Bulgaria	100	100
23. AGI-BRE Participations 3 E.O.O.D.	Bulgaria	100	100
24. AGI-BRE Participations 4 E.O.O.D.	Bulgaria	100	100
25. APE Fixed Assets A.E. (49ab)	Greece	72.2	72.2
26. SC Cordia Residence S.R.L.	Romania	100	100
27. HT-1 E.O.O.D.	Bulgaria	100	100
28. AGI-RRE Venus S.R.L. (49r)*	Romania		100
29. AGI-RRE Cleopatra S.R.L. (49t)	Romania	100	100
30. AGI-RRE Hermes S.R.L. **	Romania	100	100
31. SC Carmel Residential S.R.L.	Romania	100	100
32. Alpha Investment Property Neas Kifissias A.E. (49k)	Greece	100	100
33. Alpha Investment Property Kalirois A.E.	Greece	100	100
34. Alpha Investment Property Livadias A.E. (49ac)	Greece	100	100
35. AGI-SRE Ariadni DOO (49s)	Serbia		100
36. Asmita Gardens SRL	Romania	100	100
37. Alpha Investment Property Kefalariou A.E. (49a, 49f)	Greece	54.17	100
38. Ashtrom Residents S.R.L.	Romania	100	100
39. AGI-BRE Participations 5 E.O.O.D.	Bulgaria	100	100
40. Cubic Center Development S.A.	Romania	100	100
41. Alpha Investment Property Neas Erythraias A.E. (49ac)	Greece	100	100
42. Alpha Investment Property Chanion A.E. (49k, 49u, 49ai)	Greece	100	100
43. AGI-SRE Participations 1 DOO	Serbia	100	100
44. Alpha Investment Property Spaton A.E. (49l)	Greece	100	
45. TH Top Hotels SRL (49t)	Romania	97.5	
46. Alpha Investment Property Kallitheas A.E.** (49v)	Greece	100	
47. Kestrel Enterprise EOOD (49ao)	Bulgaria	100	
48. House Properties Investments EOOD (49ao)	Bulgaria	100	
49. Residence Properties Investments EOOD (49ao)	Bulgaria	100	
50. Beroe Real Estate EOOD (49ae)	Bulgaria	100	
Special purpose and holding entities			
1. Alpha Credit Group Plc	United Kingdom	100	100
2. Alpha Group Jersey Ltd	Jersey	100	100
3. Alpha Group Investments Ltd (49a, 49f, 49l, 49v, 49am)	Cyprus	100	100
4. Ionian Holdings A.E.	Greece	100	100
5. Ionian Equity Participations Ltd (49x , 49z)	Cyprus	100	100
6. Emporiki Group Finance Plc	United Kingdom	100	100
7. AGI – BRE Participations 1 Ltd (49ae)	Cyprus	100	100
8. AGI – RRE Participations 1 Ltd	Cyprus	100	100
9. Alpha Group Ltd	Cyprus	100	100
10. Katanalotika Plc	United Kingdom		
11. Epihiro Plc	United Kingdom		
12. Irida Plc	United Kingdom		

* The companies are deleted from the Company Register.

** The company does not have financial activity.

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Name	Country	Group's ownership interest % 31.12.2017	31.12.2016
Special purpose and holding entities (continued)			
13. Pisti 2010-1 Plc	United Kingdom		
14. Alpha Shipping Finance Ltd	United Kingdom		
15. Alpha Proodos DAC	Ireland		
16. AGI – RRE Athena Ltd	Cyprus	100	100
17. AGI – RRE Poseidon Ltd	Cyprus	100	100
18. AGI – RRE Hera Ltd	Cyprus	100	100
19. Umera Ltd	Cyprus	100	100
20. AGI-BRE Participations 2 Ltd	Cyprus	100	100
21. AGI-BRE Participations 3 Ltd	Cyprus	100	100
22. AGI-BRE Participations 4 Ltd	Cyprus	100	100
23. Alpha Real Estate Services LLC	Cyprus	93.17	93.17
24. AGI-RRE Ares Ltd	Cyprus	100	100
25. AGI-RRE Venus Ltd	Cyprus	100	100
26. AGI-RRE Artemis Ltd	Cyprus	100	100
27. AGI-BRE Participations 5 Ltd	Cyprus	100	100
28. AGI-RRE Cleopatra Ltd	Cyprus	100	100
29. AGI-RRE Hermes Ltd	Cyprus	100	100
30. AGI-RRE Arsinoe Ltd	Cyprus	100	100
31. AGI-SRE Ariadni Ltd	Cyprus	100	100
32. Zerelda Ltd	Cyprus	100	100
33. AGI-Cypre Alaminos Ltd	Cyprus	100	100
34. AGI-Cypre Tochni Ltd	Cyprus	100	100
35. AGI-Cypre Evagoras Ltd	Cyprus	100	100
36. AGI-Cypre Tersefanou Ltd	Cyprus	100	100
37. AGI-Cypre Mazotos Ltd	Cyprus	100	100
38. AGI-Cypre Ermis Ltd (49h)	Cyprus	100	100
39. AGI-SRE Participations 1 Ltd	Cyprus	100	100
Other companies			
1. Alpha Bank London Nominees Ltd	United Kingdom	100	100
2. Alpha Trustees Ltd	Cyprus	100	100
3. Kafe Alpha A.E.	Greece	100	100
4. Alpha Supporting Services A.E.	Greece	100	100
5. Real Car Rental A.E.	Greece	100	100
6. Evisak A.E. (49ah)	Greece		85.71
7. Emporiki Management A.E.	Greece	100	100
8. Alpha Bank Notification Services A.E.	Greece	100	100

b. Joint Ventures

Name	Country	Group's ownership interest % 31.12.2017	31.12.2016
1.APE Commercial Property A.E. (49af, 49ak)	Greece	72.20	72.20
2. APE Investment Property A.E. (49ad)	Greece	71.08	72.80
3. Alpha TANEO A.K.E.S. (49y)	Greece	51.00	51.00
4. Rosequeens Properties Ltd.	Cyprus	33.33	33.33
5.Cepal Holdings A.E. (49c, 49d, 49n, 49o,49w)	Greece		45.00
6. Panarae Saturn LP (49j)	Jersey	62.5	

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c. Associates

Name	Country	Group's ownership interest % 31.12.2017	31.12.2016
1. AEDEP Thessalias and Stereas Ellados	Greece	50.00	50.00
2. A.L.C. Novelle Investments Ltd	Cyprus	33.33	33.33
3. Bank Information Systems A.E.	Greece	23.77	23.77
4. Propindex A.E.D.A.	Greece	35.58	35.58
5. Olganos A.E.	Greece	30.44	30.44
6. Alpha Investment Property Eleona A.E.	Greece	50.00	50.00
7. Selonda A.E.G.E.	Greece	21.97	21.97
8. Nireus S.A.	Greece	20.65	20.65
9. Famar S.A. (49i)	Luxembourg	47.04	
10.Cepal Holdings A.E. (49c, 49d, 49n 49o, 49w)	Greece	42.77	

On Subsidiaries the following are noted:

The subsidiary company Stockfort Ltd is a group of companies, that includes the following companies: Sheynovo Offices EOOD, Sheynovo Apartments EOOD, Sheynovo Residence EOOD, Serdica 2009 EOOD and Pernik Logistics Park EOOD.

On 27.6.2017, the Group, through the recovery of collaterals used for the loan portfolio, gained control over the entity TH Top Hotels Srl, by acquiring 97.50% of its share capital for € 85. The business operations of the above mentioned entity is the licence of operation of the hotels acquired by the Group through the subsidiary AGI-RRE Cleopatra Srl.

It is noted that the valuation assessment, under IFRS 3, for the aforementioned entity's assets and liabilities acquired by the Group, has not been finalized and taking into account the current fair value valuation, no goodwill has arised from the acquisition. The voting rights of non controlling interests were recognized based on their portion of the net assets value. The amount of income and gain/(loss) arose after the acquisition date, which were included in the Consolidated Statement of Total Comprehensive Income for the period, are not material, whilst the Group's income and gain/(loss) would not differ significantly, if the aforementioned entity had been acquired since the beginning of the year.

Additionally, during the fourth quarter of 2017, the Group gained control of entities Kestrel Entreprise EOOD, House Properties Investments EOOD and Residence Properties Investments EOOD acquiring the 100% of the share capital in the context of transactions concerning the recovery of collaterals related to the financing activities by the Group. The core business of the aforementioned companies is real estate. The price for the acquisition of the companies amounted to € 1,666. The valuation of the acquired assets and liabilities in the context of the above transtactions has not been completed due to the short period of time having passed since the acquisitions. Based on the most recent valuation, the Group recognized net assets at the amount of € 1,666, concerning investment property, while there is no goodwill derived from the transactions. It should be mentioned that the amount of the income statement of profit/loss of the above companies, after the acquisition date and included in the consolidated Comprehensive Income statement of the year is zero.

The consolidated financial Statements as at 31.12.2017, include three mutual funds under the management of the subsidiary Alpha Asset Management AEDAK, since based on the participation percentage at the end of the year, it was assessed that the Group holds the control.

Consolidated financial statements do not include the companies Commercial Bank of London Ltd, which is a dormant company and Smelter Medical Systems AEBE, Aris-Diomidis Emporiki SA, Metek SA, Flagbright Ltd, which have been fully impaired and are in the process of liquidation.

The Group hedges the foreign exchange risk arising from the net investment in subsidiaries through the use of derivatives in their functional currency.

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On Associates and Joint Ventures the following are noted:

Cepal Holdings S.A. is the parent company of a group companies with subsidiaries the companies Cepal Hellas Financial Services Societe Anonyme for the Management of Receivables from Loans and Credits, Kaican Services Limited and Kaican Hellas S.A..

APE Investment Property is the parent company of a group of companies, in which the subsidiaries SYMET A.E., Astakos Terminal A.E., Akarport A.E. and NA.VI.PE A.E. are included. Furthemore, Rosequeens Properties Ltd is the parent company of a group of companies where its subsidiary is Rosequeens Properties S.R.L. The Group accounts the aforementioned groups under the equity method, based on their consolidated financial statements, except APE Investment Property A.E. which is classified as assets held for sale and is valuated under IFRS 5 (note 47).

Group subsidiaries with non controlling interests

The table below presents information concerning the Group's subsidiaries with non controlling interests.

Name	Country	Non controlling interests %		Profit/(loss) attributable to non controlling interests		Other comprehensive income recognized directly in Equity for non controlling interests		Non controlling interests	
				FROM 1 JANUARY TO		FROM 1 JANUARY TO			
		31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016	31.12.2017	31.12.2016
1. APE Fixed Assets A.E.	Greece	27.8	27.8	(70)	(72)			10,947	10,953
2. Evisak A.E.	Greece		14.29		8		(1)		531
3. Ionian Hotel Enterprises A.E.	Greece				17				
4. Alpha Astika Akinita A.E.	Greece	6.83	6.83	196	194		(1)	9,301	9,095
5. Alpha Real Estate Bulgaria E.O.O.D.	Bulgaria	6.83	6.83	(2)	7			20	22
6. Chardash Trading E.O.O.D.	Bulgaria	6.83	6.83	(62)	(61)			(32)	30
7. Alpha Bank Romania S.A.	Romania	0.08	0.08	38	21	(8)	(8)	311	275
8. Romfelt Real Estate S.A.	Romania	1.14	1.14	(13)	(17)	5	1	(198)	(137)
9.Alpha Real Estate Services SRL	Romania	6.83	6.83	13	10	(2)	1	58	47
10.Alpha Real Estate D.O.O. Beograd	Serbia	6.83	6.83		55		(4)		181
11. Alpha Real Estate Services LLC	Cyprus	6.83	6.83	5				2	
12. SSIF Alpha Finance Romania S.A.	Romania	0.02							
13. Alpha Investment Property Kefalariou A.E	Greece	45.83		(122)				8,111	
14. TH Top Hotels SRL	Romania	2.50		(2)				14	
Total				**(19)**	**162**	**(5)**	**(12)**	**28,534**	**20,997**

The percentage of voting rights of non controlling interests in subsidiaries does not differ from their participation in the share capital.

From the above subsidiaries significant percentage of voting rights of non controlling interests exist is Alpha Astika Akinita A.E., Alpha Investment Properties Kefalariou A.E, due to the share capital increase on 3.2.2017 in which the minority shareholders participated with the amount of € 8,260 and in APE Fixed Assets A.E. APE fixed Assets has been classified as assets held for sale (note 47).

Condensed financial information for Alpha Astika Akinita and Alpha Investment Property Kefalariou A.E, are presented below. Their respective data is based on amounts before the elimination of intercompany transactions.

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Condensed Statement of Comprehensive Income

	Alpha Astika Akinita A.E.		Alpha Investment Property Kefalariou A.E	
	FROM 1 JANUARY TO		FROM 1 JANUARY TO	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Total income	13,387	10,919	100	
Total expenses	(9,113)	(6,890)	(305)	(51)
Profit/(loss) for the year after income tax	**3,391**	**2,838**	**(266)**	**(51)**
Total comprehensive income for the year, after income tax	**3,391**	**2,838**	**(266)**	**(51)**

Condensed Balance Sheet

	Alpha Astika Akinita A.E.		Alpha Investment Property Kefalariou A.E	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Total non-current assets	67,944	76,130	17,535	17,630
Total current assets	72,471	61,527	256	11
Total short-term liabilities	2,502	2,773	27	17,675
Total long-term liabilities	1,698	2,054	66	
Total Equity	136,214	132,830	17,699	(34)

Condensed Statement of Cash Flows

	Alpha Astika Akinita A.E.		Alpha Investment Property Kefalariou A.E	
	FROM 1 JANUARY TO		FROM 1 JANUARY TO	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Total inflows/(outflows) from operating activities	2,441	1,637	(17,553)	17,620
Total inflows/(outflows) from investing activities	8,839	1,297	(81)	(17,630)
Total inflows/(outflows) from financing activities		(12)	17,880	
Total inflows/(outflows) for the year	**11,280**	**2,922**	**246**	**(10)**
Cash and cash equivalents at the beginning of the year	**57,682**	**54,760**	**11**	**21**
Cash and cash equivalents at the end of the year	**68,962**	**57,682**	**256**	**11**

No dividends were distributed by the aforementioned companies, for the years 2017 and 2016.

Significant Restrictions

Group's significant restrictions regarding the use of assets or the settlement of obligations, are those imposed by the regulatory framework in which subsidiaries supervised for their capital adequacy, mainly operate. In particular, the regulatory authorities request, where appropriate and depending on the nature of the company, the compliance with specific thresholds, as in example the maintenance of a specific level of capital buffers and liquid assets, the limitation of exposure to other Group companies and the compliance with specific ratios. The total assets and liabilities of the subsidiaries operating in the banking, insurance and other mainly financial sectors with significant restrictions amount to €9,326,135 (31.12.2016 €9,53,572 million) and €7,989,017 million (31.12.2016 €8,093,249) respectively. In addition, all greek subsidiaries are subject to the restrictions imposed by the regulatory framework (Codified Law 2190/1920 or a more specific legislation depending on the nature of activities) regarding the minimum threshold of the share capital and equity as well as the potential dividend distribution.

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Moreover apart from the cash withdrawals and free capital flows restrictions imposed by Legislative Act within 2015, and any ministerial or other decision issued, impose restrictions to Greek subsidiaries of the Group, to move capitals out of Greece.

There are no protective rights for non controlling interest, which could restrict the Group's ability to use assets or settle Group's obligations.

Consolidated structured entities

The Group consolidates six structured entities which were established to accommodate transactions related to securitized loans issued by Group companies. Securitization transactions aim to raise liquidity by issuing bonds or other legal form of borrowing. In all cases, the Group has concluded that it controls these companies since it has the power over their activities and has a significant exposure to their returns.

Bonds and other financial instruments which are issued by the consolidated structured companies are fully -owned by the Bank with the exception of shipping and corporate (SME) loans securitization transaction through the company Alpha Shipping Finance Ltd and Alpha Proodos DAC, where all the high-priority payment debt is held by third parties outside the Group.

Depending on the criteria required for each securitized portfolio, the Group, without having any relevant contractual obligation, proceeds in ad hoc repurchases of securitized loans. In addition, for the securitization transactions that are in replacement period the Group proceeds with new securitization of loan portfolios transferring them to those companies, in order to meet specific quantitative criteria related to the amount of debt securities. The intention of the Group is to continue this practice. The table below presents the balances of debt securities or other form of debt issued per consolidated special structure entity that constitute tools of raising liquidity.

	Nominal value	
Entity name	**31.12.2017**	**31.12.2016**
Epihiro Plc	1,593,400	1,593,400
Katanalotika Plc	1,520,000	1,520,000
Pisti 2010-1 Plc	586,200	586,200
Irida Plc	474,800	474,800
Alpha Shipping Finance Ltd	316,712	254,194
Alpha Proodos DAC	640,000	640,000

Furthermore, on 31.12.2017, the Group had granted subordinated loans amounting to €261,849 (31.12.2016: €380,346) to the structured entities for credit enhancement purposes of the securitization transactions. Further to the above loans, the Group has no contractual obligation to grant additional funding to the companies, except for Alpha Proodos DAC and Alpha Shipping Finance Ltd to which the Group is required, if needed to grant additional subordinated loan.

Additionally, on 31.12.2017 the Group proceeded to the consolidation of three mutual funds managed by Alpha Asset Management AEDAK, since based on the participation percentage at the end of the year, it was assessed that the Group holds the control. The total assets of the aforementioned mutual funds as at 31.12.2.2017 amounted to € 3,070.

Changes of ownership interest in subsidiaries which did not result in loss of control

The transactions with minority interests shareholders (in which the Group retained the control) for the year 2017 and 2016 respectively, in which the Group maintained control.

On 5.1.2017 the subsidiary Alpha Group Investments Ltd proceeded to the disposal of 45,84% of shares of Group's subsidiary company Alpha Investment Property Kefalariou A.E with the price of €11.

On 14.9.2016 the subsidiary of the Group, Alpha Astika Akinita A.E. (93.17%), proceeded in the acquisition, from the 100% subsidiary Alpha Group Investments Ltd, of the total number of shares of Alpha Real Estate Services LLC for the amount of €11. The above transaction resulted in a change in the percentage of the Group's participation from 100% to 93.17%.

The effect from the changes in subsidiary participation in total equity attributed to the shareholders of the company during the years 2017 and 2016 is presented in the following tables:

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	Change in ownership interest AEP Kefalariou A.E. 1.1.2017 - 31.12.2017	Change in ownership interest Alpha Real Estate Sevices LLC 1.1.2016 - 31.12.2016
Carrying amount of allocated non-controlling interest	(15)	
Contribution received	11	11
Amount attributable to Bank's shareholders	26	

Loss of control in subsidiary due to sale

On 11.4.2017 the sale of all shares of the Bank's subsidiary, Alpha Bank Srbija A.D. was completed, in accordance with the relevant agreement of 30.1.2017 with the serbian group of companies MK Group (note 47).

On 18.5.2017, the sale of all shares of Group's subsidiary, AGI BRE Participations 1 EOOD was completed for an amount of € 1. The gains of the above transtaction reached the amount of € 1,121.

On 20.6.2017, the sale of all shares of Group's subsidiary, AGI-SRE Ariadni DOO was completed for an amount of € 1. The gains of the above transtaction reached the amount of € 1,028.

On 28.11.2017 the subsidiary company of the Group, Alpha Astika Akinita A.E. proceeded with the disposal of all owned shares of Alpha Real Estate D.O.O. Beograd, with the price of € 8,400. The above transaction has affected the "Gains less losses on financial transactions" of the Group by € 2,998.

On 11.12.2017 the sale of all shares of Group's subsidiary, EVISAK S.A. was completed, for an amount of € 2,136. The above transaction has affected the "Gains less losses on financial transactions" of the Group by € 1,095.

On 10.5.2016 the sale of all shares of the Bank's subsidiary, Alpha Bank A.D. Skopje was completed (note 47).

On 21.10.2016, the subsidiary of the Group, Alpha Astika Akinita A.E. sold all the shares of the company Alpha Astika Akinita D.O.O.E.L. Skopje for the amount of €775. The transaction has affected the "Gains less losses on financial transactions" of the Group by €122.

On 16.12.2016 the sale of the Bank's entire participation (approximately 97.3%) to the share capital of the company Ionian Hotel Enterprises A.E. for an amount of €76.1 million was completed (note 47).

Exposure to non-consolidated structured entities

The Group, through its subsidiary Alpha Asset Management AEDAK, manages 48 (31.12.2016: 27) mutual funds which meet the definition of structured entities and on each reporting date, it assesses whether it exercises any control on these entities according the provisions of IFRS 10.

The Group, as the manager of the mutual funds has the ability to direct the activities which significantly affect their rate of return through selecting the investments made by the funds, always within the framework of permitted investments as described in the regulation of each fund. As a result, the Group has power over the mutual funds under management but within a clearly defined decision making framework. Moreover the Group is exposed to variable returns, through its involvement in the mutual funds as it receives fees for the disposal, redemption and management of the funds under normal market levels for similar services. The Group also holds direct investments in some of the funds under management, the level of which is assessed to be determined whether it leads to a significant variability in the return compared to the respective total rate of return variability for the mutual fund. Due to these factors, the Group assessed that, with the exemption of the three mutual funds, in which the Group owns a significant direct investment, for all mutual funds under management, it exercises, for the benefit of unit holders, the decision making rights assigned to it acting as an agent without controlling the mutual funds.

The following table presents the figures of the mutual funds under Group's management but not controlled, grouped by type of investments held. The amounts shown include the total assets of the funds at the balance sheet date and the income recognized in the Group's income statement during the year from the funds under management concerning fees for the disposal, redemption and management services.

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	Total Assets		Commission income	
			FROM 1 JANUARY TO	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Category of Mutual Funds				
Bond Funds	354,540	343,282	3,993	3,946
Money Market Funds	186,109	229,997	1,327	1,075
Equity Funds	446,434	383,125	10,290	8,319
Balanced Funds	220,750	200,307	3,674	3,012
Total	**1,207,833**	**1,156,711**	**19,284**	**16,352**

The Group's direct investment in the above mutual funds has been recognized in Available for sale portfolio and the carrying amount of shares amounts to €17,291 (31.12.2016: €34,852). The Group has also entered into derivative transactions with the mutual funds that it manages as a counterparty. The carrying amount of assets and liabilities of these derivative financial instruments amounts to €62 (31.12.2016: €41) and €1,466.7 (31.12.2016: €1,026), respectively. It is noted that the Group has fully hedged its position in these derivatives. During 2017 an amount of €84 (2016: €1,495) was recognized in the Group's income statement as impairment losses over the mutual funds of the available for sale portfolio that it manages.

It should be noted that there is no contractual obligation for the Group to provide financial support to any of the mutual funds under management nor does it guarantee their rate of return.

In addition, the Group manages Alpha TANEO Ventures Capital Management Mutual Fund through its subsidiary Alpha A.E. Venture Capital Management -AKES. The unit holders of this mutual fund are the Bank owning 51% and the New Economy Development Fund S.A owning 49%. Both parties mutually control the mutual fund and as a result the Group's investment in Alpha TANEO A.K.E.S is measured under the equity method. The carrying amount of the Group's investment on 31.12.2017 amounts to €2,853 (31.12.2016: €3,213) and is included in Associates and Joint Ventures. The Group's share of Alpha TANEO AKES profit or loss is presented in note 19. Company's total assets amounted to €5,654 as at 31.12.2017 (31.12.2016: €6,483). The Group's commission income for the management of the mutual fund for 2017 amounted to €163 (2016: €163). The Bank has undertaken the obligation to participate in additional investments in the share capital of the joint venture up to €187. This commitment along with participation's carrying amount represent the maximum exposure of the Group to Alpha TANEO AKES.

The Group also participates in other structured entities through investment in private equity mutual funds which are not managed by it, as well as in companies whose operation involves the issuance of asset-backed securities through its investment in their securities. The following table presents the abovementioned Group's investments. As indication of the size of the structured entities the total assets of the private equity mutual funds according to the most recent available financial statements and the total nominal value of the issue of asset backed securities are given.

	Carrying Value		Total Assets/ Value of issue	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
Category of Structured Entity				
Investment securities available for sale				
Private Equity Mutual Funds	23,133	28,622	365,264	470,398
Asset- backed securities	8,433	7,185	992,461	1,090,928
Investment securities held to maturity				
Asset- backed securities	319	319	3,816	3,816
Investments in associates and joint ventures				
Private Equity Mutual Funds	1,400	1,012	3,089	3,050

The Group has committed to participate in further investments of these mutual funds up to the amount of €700 (31.12.2016: €2,026). This commitment and the carrying amount of the investment, consist the maximum Group's exposure to these investments. During 2017, an amount of €84 was recognized in Group results as impairment losses from the above mutual funds of the available for sale portfolio (2016: €0.3 million).

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From its investment in asset-backed securities the Group recognized during 2017 interest income amounting to €285.2(2016: €294) and profits amounting to €162.6 (2016: gains €137) in gains less losses on financial transactions. There is no contractual obligation of providing financial support to the companies which have issued these securities by the Group. The maximum exposure of the Group to losses from the asset-backed securities is not different from their carrying value.

39. Disclosures of Law 4261/5.5.2014

Article 81 of Law 4261/5.5.2014 incorporated into Greek legislation the Article 89 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013, according to which, it is adopted for the first time the obligation to disclose information on a consolidated basis by Member State and third country in which the Group has headquarters and specified as follows: name or names, nature of business, geographic location, turnover, results before tax, taxes on results, public subsidies received and number of full time employees.

The required information is listed below:

Greece

Turnover in Greece on 31.12.2017 amounted to €2,673,946 , results before tax amounted to gains €104,588 , debit taxes on results amounted to €(69,054) and the number of employees was 8,698 for the following companies that included:

Banks
1. Alpha Bank A.E. (including the Branch in United Kingdom)

Asset Management
1. Alpha Asset Management A.E.D.A.K

Leasing
1. Alpha Leasing A.E.
2. ABC Factors A.E.

Investment Banking
1. Alpha Finance A.E.P.E.Y.
2. Alpha A.E. Investment Holdings
3. Alpha A.E. Ventures Capital Management-AKES

Insurance
1. Alpha Insurance Agents A.E.
2. Alphalife A.A.E.Z.

Real estate and hotel
1. Alpha Astika Akinita A.E.
2. Emporiki Development and Real Estate A.E.
3. Alpha Investment Property Attikis A.E.
4. Alpha Investment Property Attikis II A.E.
5. Alpha Investment Property I A.E.
6. APE Fixed Assets A.E.
7. Alpha Investment Property Neas Kifisias A.E.
8. Alpha Investment Property Kallirois A.E.
9. Alpha Investment Property Livadias A.E.
10. Alpha Investment Property Kefalariou A.E.
11. Alpha Investment Property Neas Erythreas A.E.

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12. Alpha Investment Property Chanion A.E.
13. Alpha Investment Property Spaton A.E.
14. Alpha Investment Property Kallitheas A.E.

Special purpose and holding entities
1. Ionian Holdings A.E.

Other
1. Kafe Alpha A.E.
2. Alpha Supporting Service A.E.
3. Real Car Rental A.E.
4. Evisak A.E.
5. Emporiki Management A.E.
6. Alpha Bank Notification Services A.E.

United Kingdom

Turnover in United Kingdom on 31.12.2017 amounted to € 43,096, results before tax amounted to gains € 16,349, debit taxes on results amounted to €(2,692), the number of employees was 39 and the following companies were included:

Banks
1. Alpha Bank London Ltd

Asset Management
1. ABL Independent Financial Advisers Ltd

Special purpose and holding entities
1. Alpha Credit Group Plc
2. Emporiki Group Finance Plc
3. Irida Plc
4. Alpha Shipping Finance Ltd

Other companies
1. Alpha Bank London Nominees Ltd

Cyprus

Turnover in Cyprus on 31.12.2017 amounted to € 168,585, results before tax amounted to losses € (449,515), debit taxes on results amounted to € (1,933) the number of employees was 671 and the following companies were included:

Banks
1. Alpha Bank Cyprus Ltd

Investment Banking
1. Emporiki Ventures Capital Developed Markets Ltd
2. Emporiki Ventures Capital Emerging Markets Ltd

Real estate and hotel
1. Stockfort Ltd

Special purpose and holding entities
1. Alpha Group Investments Ltd
2. Ionian Equity Participations Ltd
3. AGI-BRE Participations 1 Ltd
4. AGI-RRE Participations 1 Ltd
5. Alpha Group Ltd
6. AGI-RRE Athena Ltd
7. AGI-RRE Poseidon Ltd
8. AGI-RRE Hera Ltd
9. Umera Ltd
10. AGI-BRE Participations 2 Ltd
11. AGI-BRE Participations 3 Ltd
12. AGI-BRE Participations 4 Ltd
13. Alpha Real Estate Services LLC
14. AGI-RRE Ares Ltd
15. AGI-RRE Venus Ltd
16. AGI-RRE Artemis Ltd
17. AGI-BRE Participations 5 Ltd
18. AGI-RRE Cleopatra Ltd
19. AGI-RRE Hermes Ltd
20. AGI-RRE Arsinoe Ltd
21. AGI-SRE Ariadni Ltd
22. Zerelda Ltd
23. AGI-Cypre Alaminos Ltd
24. AGI-Cypre Tochini Ltd
25. AGI-Cypre Evagoras Ltd
26. AGI-Cypre Tersefanou Ltd
27. AGI-Cypre Mazotos Ltd
28. AGI-Cypre Ermis Ltd
29. AGI-SRE Participations 1 Ltd

Other companies
1. Alpha Trustees Ltd

Romania

Turnover in Romania on 31.12.2017 amounted to € 164,243 , results before tax amounted to gains € 45,531, debit tax on results amounted to € (9,346), the number of employees was 1,897 and the following companies were included:

Banks
1. Alpha Bank Romania S.A.

Leasing
1. Alpha Leasing Romania IFN S.A.

Investment Banking
1. SSIF Alpha Finance Romania S.A.

 The amounts are presented in thousands of Euro unless otherwise indicated

Insurance
1. Alpha Insurance Brokers S.R.L.

Real estate and hotel
1. Alpha Real Estate Services S.R.L.
2. AGI-RRE Participations 1 S.R.L.
3. Romfelt Real Estate S.A.
4. AGI-RRE Zeus S.R.L.
5. AGI-RRE Poseidon S.R.L.
6. AGI-RRE Hera S.R.L.
7. AGI-RRE Cleopatra S.R.L.
8. AGI-RRE Hermes S.R.L.
9. SC Cordia Residence S.R.L.
10. SC Carmel Residential S.R.L.
11. Asmita Gardens S.R.L.
12. Ashtrom Residents S.R.L.
13. Cubic Center Development S.A.
14. Th Top Hotels S.R.L.

Serbia

Turnover in Serbia on 31.12.2017 amounted to € 10,434, results before tax amounted to gains € 11,204, debit tax on results amounted to € (43) and the following companies were included:

Banks
1. Alpha Bank Srbija A.D.

Real estate and hotel
1. Alpha Real Estate D.O.O. Beograd

Real estate and hotel
1. Alpha Real Estate D.O.O. Beograd
2. AGI-SRE Participations 1 DOO
3. AGI-SRE Ariadni DOO

Albania

Turnover in Albania on 31.12.2017 amounted to € 18,657, results before tax amounted to losses € (6,613), credit tax on results amounted to € 458, the number of employees was 422 and the following companies were included:

Banks
1. Alpha Bank Albania SH.A.

Bulgaria

Turnover in Bulgaria on 31.12.2017 amounted to € 2,667, results before tax amounted to losses € (5,494), credit taxes on results amounted to € 4 and the following companies were included:

Real estate and hotel
1. Alpha Real Estate Bulgaria E.O.O.D.
2. Chardash Trading E.O.O.D.

3. AGI-BRE Participations 1 E.O.O.D.
4. AGI-BRE Participations 2 E.O.O.D.
5. AGI-BRE Participations 2BG E.O.O.D.
6. AGI-BRE Participations 3 E.O.O.D.
7. AGI-BRE Participations 4 E.O.O.D.
8. HT-1 E.O.O.D
9. AGI-BRE Participations 5 E.O.O.D.
10. Kestrel Enterprises EOOD
11. House Properties Investments EOOD
12. Residence Properties Investments EOOD
13. Beroe Real Estate EOOD

Ireland

On 31.12.2017, turnover in Ireland amounted to € 13,770 and results before tax amounted to losses € (496).

Special purpose and holding entities
1. Alpha Proodos D.A.C.

Jersey

Turnover in Jersey on 31.12.2017 amounted to € 528 and the results before tax amounted to losses € (83).

Special purpose and holding entities
1. Alpha Group Jersey Ltd

Neither the Bank nor the Group companies have received any public subsidies. According to article 82 of Law 4261/5.5.2014 with which incorporated into Greek legislation the article 90 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 is established the requirement to disclose the total return on assets.

The overall performance of the assets of the Group* for the year of 2017 amounted to 0.03% (31.12.2016: 0.1%).

* In accordance with the guidance of European Securities and Markets Authority (ESMA), the definition and the detailed calculation of the ratio is included in the appendix of the Annual Financial Statements.

40. Operating segments

a. Analysis by operating segment

(In millions of Euro)

	1.1 - 31.12.2017						
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other	Group
Net interest income	953.2	633.8	12.2	107.5	232.5	3.4	1,942.6
Net fee and commission income	108.2	125.9	44.5	19.0	25.7	0.2	323.5
Other income	8.4	(22.3)	2.3	139.0	19.7	50.4	197.5
Total income	**1,069.8**	**737.4**	**59.0**	**265.5**	**277.9**	**54.0**	**2,463.6**
Total expenses (Excluding the cost/ provision for separation schemes)	**(670.0)**	**(174.5)**	**(31.1)**	**(29.9)**	**(187.9)**	**(106.9)**	**(1,200.3)**
Impairment losses	(886.5)	62.2			(181.1)		(1,005.4)
Cost/Provision for separation scheme						(92.7)	(92.7)
Profit/(losses) before income tax	**(486.7)**	**625.1**	**27.9**	**235.6**	**(91.1)**	**(145.6)**	**165.2**
Income tax							(75.6)
Profit/(losses) after income tax from continuing operations							**89.6**
Profit/(losses) from discontinued operations						(68.5)	(68.5)
Profit/(losses) after income tax							**21.1**
Assets 31.12.2017	23,932.0	15,351.3	410.7	7,892.1	8,051.7	5,175.2	60,813.0
Liabilities 31.12.2017	23,423.3	5,825.8	1,968.0	13,906.4	5,849.8	213.0	51,186.3
Capital expenditure	58.0	36.3	5.3	17.4	11.8	16.8	145.6
Depreciation and Amortization	(54.5)	(22.5)	(2.3)	(2.4)	(9.4)	(8.6)	(99.7)

(In millions of Euro)

	1.1 - 31.12.2016						
	Retail	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other	Group
Net interest income	1,001.7	684.8	14.7	(38.3)	257.8	3.4	1,924.1
Net fee and commission income	111.3	136.3	35.6	8.3	25.0	1.4	317.9
Other income	6.9	12.6	(1.5)	66.5	39.1	18.2	141.8
Total income	**1,119.9**	**833.7**	**48.8**	**36.5**	**321.9**	**23.0**	**2,383.8**
Total expenses (Excluding the cost/ provision for separation schemes)	**(664.3)**	**(153.5)**	**(26.7)**	**(29.7)**	**(182.2)**	**(137.4)**	**(1,193.8)**
Impairment losses	(352.2)	(536.4)			(273.8)	(5.6)	(1,168.0)
Cost/Provision for separation scheme					(31.7)		(31.7)
Profit/(losses) before income tax	**103.4**	**143.8**	**22.1**	**6.8**	**(165.8)**	**(120.0)**	**(9.7)**
Income tax							29.2
Profit/(losses) after income tax from continuing operations							**19.5**
Profit/(losses) from discontinued operations					22.8		22.8
Profit/(losses) after income tax							**42.3**
Assets 31.12.2016	24,887.3	15,379.1	380.7	10,436.6	8,813.3	4,975.3	64,872.3
Liabilities 31.12.2016	22,459.0	5,809.3	1,658.7	19,634.3	6,125.6	72.0	55,758.9
Capital expenditure	74.0	73.9	1.9	1.3	25.0	9.9	186.0
Depreciation and Amortization	(53.4)	(20.2)	(1.6)	(2.1)	(10.3)	(9.8)	(97.4)

i. Retail Banking

It includes all individuals (retail banking customers), professionals, small and very small companies operating in Greece and on abroad, except from South-Eastern Europe countries.

* Excluding staff separation schemes.

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

ii. Corporate Banking

It includes all medium-sized and large companies, with international activities, corporations with international business activities, entrerprises which cooperate with the Corporate Banking Division, as well as shipping corporations operating in Greece and on abroad except from South Eastern European countries. The Group offers working capital facilities, corporate loans, and letters of guarantee of the abovementioned corporations. This sector also includes leasing products which are provided by Alpha Leasing A.E. as well as factoring services which are provided by the subsidiary company ABC Factors A.E.

iii. Asset Management/Insurance

It consists of a wide range of asset management services offered through Group's private banking units and its subsidiary, Alpha Asset Management A.E.D.A.K. In addition, it includes income received from the sale of a wide range of insurance products to individuals and companies through either AXA insurance, which is the corporate successor of the subsidiary Alpha Insurance A.E. or the subsidiary Alphalife A.A.E.Z.

iv. Investment Banking/Treasury

It includes stock exchange, advisory and brokerage services related to capital markets, and also investment banking facilities, which are offered either by the Bank or specialized subsidiaries (Alpha Finance A.E.P.E.Y., Alpha Ventures S.A.). It also includes the activities of the Dealing Room in the interbank market (FX Swaps, Bonds, Futures, IRS, Interbank placements Loans etc.).

v. South-Eastern Europe

It consists of the Group's subsidiaries, which operate in South Eastern Europe. It is noted that Bulgaria's Branch and Alpha Bank's subsidiary Alpha Bank AD Skopje, as well as Alpha Bank Srbija A.D., are not included anymore in the results of the continuing activities in this sector anymore. Their financial result is included in caption "Profit/Loss from discontinued operations".

vi. Other

This segment consists of the non-financial subsidiaries of the Group and Bank's income and expenses that are not related to its operating activity. The relevant figures for the foreign subsidiaries are included in the operating segment South-Eastern Europe.

The assets of the operating segments "Retail" and "Corporate Banking" include the following figures of the Bank's loans and the companies ABC Factors A.E. and Alpha Leasing A.E., which are being managed by the non performing loans retail and wholesale banking units, based on Bank's internal procedures.

	31.12.2017			31.12.2016		
	Total Gross Amount	Allowance for impairment losses	Total Net Amount	Total Gross Amount	Allowance for impairment losses	Total Net Amount
Mortgages	7,753,680	2,518,418	5,235,262	7,655,203	2,032,511	5,622,691
Consumer Credit Division	3,634,517	1,678,567	1,955,950	4,336,599	2,394,214	1,942,385
Corporate Loans	12,511,587	5,907,700	6,603,887	14,030,221	7,785,885	6,244,336
Total	**23,899,784**	**10,104,685**	**13,795,098**	**26,022,023**	**12,212,610**	**13,809,413**

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b. Analysis by geographical sector

(in millions of Euro)

	1.1 - 31.12.2017		
	Greece	Other countries	Total
Net interest income	1,694.4	248.8	1,942.6
Net fee and commission income	291.9	31.6	323.5
Other income	175.5	22.0	197.5
Total income	**2,161.9**	**301.7**	**2,463.6**
Total expenses (Excluding the cost/provision for separation schemes)	**(1,087.3)**	**(113.0)**	**(1,200.3)**
Impairment losses	(824.3)	(181.1)	(1,005.4)
Cost for voluntary separation scheme		(92.7)	(92.7)
Profit/(losses) before income tax	**250.3**	**(85.2)**	**165.1**
Income tax			(75.6)
Profit/(losses) after income tax from continuing operations	**250.3**	**(85.2)**	**89.5**
Profit/losses from discontinued operations		(68.5)	(68.5)
Profit/(losses) after income tax			**21.0**
Total Assets 31.12.2017	52,446.9	8,346.2	60,813.0

(in millions of Euro)

	1.1 - 31.12.2016		
	Greece	Other countries	Total
Net interest income	1,648.5	275.6	1,924.1
Net fee and commission income	289.2	28.7	317.9
Other income	99.8	42.0	141.8
Total income	**2,037.5**	**346.3**	**2,383.8**
Total expenses*	**(996.0)**	**(197.8)**	**(1,193.8)**
Impairment losses	(894.2)	(273.8)	(1,168.0)
Cost for voluntary separation scheme		(31.7)	(31.7)
Profit/(losses) before income tax	**147.3**	**(157.0)**	**(9.7)**
Income tax			29.2
Profit/(losses) after income tax from continuing operations			**19.5**
Profit/losses from discontinued operations		22.8	22.8
Profit/(losses) after income tax			**42.3**
Total Assets 31.12.2016	55,796.4	9,075.9	64,872.3

* Excluding the cost/provision for separation schemes.

41. Risk Management

The Group has established a thorough and prudent risk management framework which is being built on best supervisory practices which, based on the common European legislation and banking system rules, principles and standards is evolved over time in order to be implemented in a coherent and effective manner on the Bank's and Group's companies conduct of the day-to-day business to ensure the effectiveness of the corporate governance of the Group entities. The Group's critical focus in 2017 was to maintain high standards in corporate governance and compliance with regulatory risk rules and retain confidence in the conduct of its business activities through sound and robust provision of financial services.

41.1 Credit Risk Management

RISK MANAGEMENT ORGANIZATION

Board of Directors (BoD)

The Board of Directors supervises the overall operations of the Risk Management Unit. Regarding Risk Management, the Board of Directors has established a Board Risk Committee (BRC), which convenes on a monthly basis and reports to the BoD. The BRC recommends to the BoD risk undertaking and capital management strategy, checks its implementation and evaluates its effectiveness.

The risk management framework and its effectiveness are re-assessed on a regular basis in order to ensure compliance with International best practices.

For a more comprehensive and effective identification and monitoring of all risk types, Management Committees have been established (Assets and Liabilities Committee, Operational Risk Committee and Credit Risk Committee).

Risk Management Committee

The General Manager and Group Chief Risk Officer supervise the Risk Management Unit of the Group and report on a regular basis and ad hoc to the Management Committees, the Risk Management Committee and to the Board of Directors. As far as credit risk is concerned the reporting to the above mentioned committees covers the following areas:

- The portfolio risk profile by rating grade.
- The transition among rating grades (migration matrix).
- The estimation of the relevant risk parameters by rating grade, group of clients, etc.
- The trends of basic rating criteria.
- The changes in the rating process, the criteria or in each specific parameter.
- The concentration risk (by risk type, sector, country, collateral and portfolio etc.).

Organizational Structure of Risk Management Divisions

In the Group, under the supervision of the General Manager and Group Chief Risk Officer the following Risk Management Divisions operate within the Group and have been assigned with the responsibility of implementing the risk management framework, according to the principles of the BRC.

- Market and Operational Risk Division
- Credit Risk Data and Analysis Division
  - Credit Risk Data Management Division
  - Credit Risk Analysis Division
- Credit Control Division
  - Credit Risk Policy and Control Division

- Credit Risk Methodologies Division
- Credit Risk Cost Assessment Division

- Wholesale Credit Division
- Wholesale Credit Workout Division
- Retail Credit Division

In addition, there is also the department "Models Validation Risk Division" that operates under the supervision of General Manager and the Group Chief Risk Officer.

For credit risk management purposes, facilities are separated into Wholesale and Retail.

WHOLESALE BANKING PORTFOLIO

Wholesale Banking credit facilities

Wholesale Banking credit facilities are included in each of the following categories subject to the characteristics of the credit facility and the obligor, as shown in the table below:

	Portfolio	Characteristics
Obligors under the competence of Wholesale Banking	Corporate	Companies with turnover > Euro 75 million Includes financing in shipping companies, as well as, obligors under the management of the Investment Banking Division
	SME	Euro 2.5 million < Companies with turnover < Euro 75 million or companies with credit limit > Euro 1 million

1. Credit Risk Approval Process

The limits of the Wholesale Banking Credit Committees are determined in accordance to **Total Credit Exposure**, defined as the sum of all credit facilities of the obligor (single company or group of associated companies) which can be approved by the Group and include the following:

- Total credit requested exposure
- Working Capital limits
- Withdrawal limits from unclear deposits
- Letters of Credit/Letters of Guarantee limits
- Factoring limits
- Derivative transaction limits
- Corporate Cards limits
- Medium and long-term loans (current outstanding/exposure for facilities that have been fully drawn or limit amount of undrawn facilities).
- Leasing Facilities (current outstanding/exposure for leasing facilities that have been fully drawn or limit amount for undrawn/unused facilities).
- Special credit limits or loans, or any form of personal financing to the company's business owners (mortgage loans, consumer loans, shares' purchase, credit cards etc.).

Credit Approval Limits Wholesale Banking Credit Committees

Credit Committees Structure:

- General Management Credit Committee
- Wholesale Banking Credit Committees
  - Under the General Managers
  - Under the Divisions Managers
  - Under the Divisions Assistant Managers
  - Commercial Centers Credit Committee

Credit Limit Expiry/Renewal date:

The credit limits' expiry/renewal date is determined by the relevant Wholesale Banking Credit Committees. The basic factor for the determination of the credit limit expiry is the client's credit rating, which is not a standalone approval or rejection criterion, but the basis for determining the minimum security/collateral required and the respective pricing. As a rule, for obligors that have been rated in the Low, Medium and Acceptable credit risk zones, reviews are carried out on an **annual basis**, for Watch List clients, on a **semi-annual basis** while obligors that have been rated in the High Risk zone are reviewed on a **quarterly basis**. Deviations from the above rule are not allowed, except when the request by the responsible Business Units is approved by the competent Credit Committees.

2. Credit Risk Measurement and Internal Ratings

The assessment of the borrowers' creditworthiness and their rating in credit risk scales is established through rating systems.

The rating of the Group's borrowers with the use of credit risk rating systems constitutes a basic tool for:

- The decision-making process of Credit Committees for the approval/ renewal of credit limits and the implementation of the appropriate pricing policy (interest rate spreads etc.).
- The estimation of the future behavior of borrowers which belong to a group with similar characteristics.
- The early recognition of potential troubled facilities (early alert mechanism) and the prompt, effective action for the minimization of the expected loss for the Group.
- The assessment of the quality of the Group's loan portfolio and the credit risk undertaken.

The aim of the credit risk rating systems is the estimation of the probability that the borrowers will not meet their contractual obligations to the Group.

The rating systems employed by the Group are the Alpha Bank Rating System (ABRS) and Risk Analyst (RA) which incorporate different credit rating models.

All current and future clients of the Group are assessed based on the appropriate credit risk rating model and within pre-specified time frames.

For the estimation of the probability of default of the obligors of the Group the credit risk rating models evaluate a series of parameters, which can be grouped as follows:

- Obligor's Financial Ability (liquidity's ratios, debt to income, etc.)
- Peers' Analysis: Obligor's comparative position in the market in which it operates mostly compared to its peers.
- Behavioral status and history of the obligor with the Group and with third parties (debt in arrears, adverse transaction records, etc).
- Obligor's qualitative characteristics (solid and healthy administration, management succession, appropriate infrastructure and equipment etc.).

The credit rating models which are currently employed by the Group are differentiated according to:

- The turnover of the company.
- The level of the total credit risk exposure.
- The credit facility's specific characteristics.

 The amounts are presented in thousands of Euro unless otherwise indicated

- The available information for the obligor's assessment. Specifically, for the financial analysis the differentiation relates to the type of the local accounting standards and the International Financial Reporting Standards.

For each of the credit rating models, different parameters may be used, each of which contributes in a specific manner to the relevant assessment.

The statistical validation of the credit risk rating models is reviewed regularly in order to ensure the maximum predictive ability according to the best international practices.

Obligors Rating Scale

Borrowers are rated in the following rating scales:

AA, A+, A, A–, BB+, BB, BB–,B+, B, B–, CC+, CC, CC–, C, D, D0, D1, D2, E

For presentation purposes of the table "Analysis of neither past due nor impaired Loans and Advances to customers", the "strong" rating includes the rating scales AA, A+, A, A- and BB+, "satisfactory" rating includes the rating scales BB, BB-, B+, B, B-, CC+ and CC and "under close monitoring" (higher risk) includes the rating scales CC- and lower than CC-.

For special purpose finance (Structured and Shipping Financing) special models have been designed (slooting) with the following categorization scale:

Strong (Class 1), Good (Class 2), Satisfactory (Class 3), Weak (Class 4), Default (Category 5).

Facility Rating Model

In the context of the alignment with the current Basel II supervisory requirements and the reinforcement of credit risk management processes, the Group has developed a risk rating model that incorporates the transaction characteristics (facility rating), in case of a customer's default.

The model is complementary to the existing models of credit risk assessment (ABRS, RA), calibrating separately each credit facility based on the collateral. The specific assessments of existing and proposed credit facilities are weighted, yielding the final classification of the expected loss at the level of the overall credit risk exposure of the borrower.

The grading scales of the facility rating system that ranges from the best to the worst grading is as follows: 1, 2, 3, 4, 5, 6, 7.

3. Impairment Policy

The Group has defined as 'significant for individual assessment' customers loans that are managed by the Wholesale Banking Unit.

The assessment for impairment is performed on a quarterly basis, as follows:

The Group assesses whether objective evidence for individual assessment for impairment exists. The process for identifying loans for impairment and estimating their impairment allowance consists of the following steps:

1. Identification of loans which will be individually assessed and for which events exist which constitute objective evidence that an impairment loss has occurred.
2. Impairment calculation on an individual basis for the loans identified in the previous step, as the difference between the recoverable amount and the carrying amount of the loan.
3. In cases where the impairment allowance under individual assessment was zero, these loans will be assessed for impairment on a collective basis, based on similar credit risk characteristics. For example, groups of loans are created per collateral coverage, days in arrears, credit rating etc, where the corresponding impairment factor will be applied.

The individual assessment for impairment is performed by the Wholesale Banking Unit. Due to organizational changes, from the fourth quarter of 2017 and on, the responsible division of the validation of the impairment is Credit Risk Cost Assessment Division.

Significant loans are assessed individually if one of the following conditions are met:

- Clients that are experiencing or about to experience difficulties in meeting their financial commitments and credit obligations to the Group ("financial difficulty").
- Clients with credit risk rating D, D0,D1, D2 and E.

- Clients with credit risk rating CC- and C.
- Significant deterioration in the industry outlook in which the borrower operates taking into account the five sectors that have had the worst deterioration on an annual basis, according to the high risk sectors' segmentation .
- Derogatory items including but not limited to :. payment orders, bounced cheques, auctions, bankruptcies, overdue payments to the State, to Social Security Funds, or to employees.
- Occurrence of unexpected, extreme events such as natural disasters, fraud, etc.
- Interventions and actions by regulatory bodies/local authorities against the borrower (e.g. Athens Stock Exchange, Hellenic Capital Market Commission).
- Breach of contractual terms and conditions.
- Adverse changes in the shareholders' structure or the management of the company or serious management issues/problems.
- Significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit, etc.
- Significant deterioration of financial ratios of the obligor (Reduction of equity due to losses, debt ratio etc) and of estimated future cash flows of the obligor.

Collective Assessment for Impairment

Collective assessment should be performed for exposures as follows:

a. Exposures that have been individually assessed and were found not to be impaired on an individual basis -the impairment allowance estimated was zero- are subsequently assessed for impairment on a collective basis, after they are grouped in pools based on common credit risk characteristics.

b. Exposures with no impairment triggers and therefore are assessed collectively in pools formed based on similar credit risk characteristics.

The future cash flows of a group of exposures that are collectively evaluated for impairment are calculated based on the estimated contractual cash flows, and historical loss experience for exposures with credit risk characteristics similar to those in the group. The need for objective evidence in order for the loss to be recognized and effectively the impairment loss to be identified on individual loans, may lead to a delay in the recognition of a loan's impairment, which has already occurred. Within this context and in accordance with IAS 39, it is appropriate to recognize impairment losses for those losses "which have been incurred but have not yet been reported» (Incurred But Not Reported - IBNR).

4. Credit Risk Concentration Management

Concentration Risk is a specific form of credit risk and arises due to the low degree of diversification between counterparties, products or group of counterparties, sectors, geographic regions, or collaterals.

The Group monitors on a regular basis concentration risk through detail reporting which informs Senior management and the Board of Directors. According to the supervisory framework, the Group complies with the regulatory directives regarding large exposures, while the capital requirements for single name and sector concentration risks are estimated in the context of Pillar 2 of Basel II.

5. Credit Control

The Group has adopted a Credit Control mechanism so as to provide assurance that the credit policy and forbearance frameworks are being consistently followed.

More, specifically, on site credit controls are conducted in Wholesale Banking Business Units of the Group as well as desktop controls that cover the adherence and the compliance to the Bank's Credit Policy, the portfolio analysis and the confirmation of the completeness and correctness of the data in the systems through sample checks.

RETAIL BANKING PORTFOLIO

Retail banking involves the lending facilities offered from the Group to borrowers covering traditional banking products and services such as:

- Housing loans/Mortgages
- Consumer Loans and Credit Cards
- Small companies and small business (SB): Legal entities with turnover up to Euro 2.5 million and credit limit up to Euro 1 million.

1. Credit Risk Approval Process

The Group monitors customer Total Credit Risk Exposure (For Individuals and Small Businesses), which refers to the sum of all revolving limits of an obligor, all the balances of long term facilities and for the case of small businesses the total exposure of facilities given to stakeholders of customer companies. Additionally, facilities for which the customer is guarantor or co-debtor are also taken into account.

The Group has developed and implemented a strict framework for the conduct of credit policy (legislative and supervisory / regulatory) and has also formulated and put into effect an internal system of credit principles, procedures and rules clearly applicable to the Group's lending business, in order to promote sound practices for managing credit risk.

Credit policies establish the framework for lending and guide the credit-granting activities of Retail Banking through:

- Sound lending management.
- Prudent client selection through in-depth assessment of both financial and qualitative data of the borrower
- Assessing the risk/reward relationship with a respective determination of pricing policy and collateral coverage after taking into account the level of credit risk.
- Monitoring and management of the total credit risk, i.e. the consolidated risk from any type of credit facility granded by the Alpha Bank Group.

The enforcement of the Credit Policy requires certain criteria to be met. These criteria, which vary based upon whether the obligor is an individual or legal entity, play a significant role in the achievement and maintenance of a healthy portfolio and in the Group's Capital allocation. In particular:

Individuals

The approval process of credit to individuals (being individual with earnings from salaries, pensions or other sources of income not related with business activities) is performed on the basis of the classification of borrowers into risk groups (risk groups), which represent a certain level of undertaken risk. The level of risk undertaken by the Group is adjusted, when deemed necessary, according to its credit policy.

The credit assessment for individuals is based upon the following pillars:

- Application fraud detection;
- Willingness to pay;
- Ability to pay;
- Collateral risk.

Small Businesses

Small Business are defined as following:

- Personal Companies with turnover up to €2.5 million and a credit limit up to €1 million
- Entrepreneurs with a credit limit up to €1 million
- Legal entities with turnover up to €2.5 million and a credit limit up to €1 million.

The creditworthiness of Small Businesses in the Retail Banking sector is related to the creditworthiness of agencies/ competent of the company and vice versa. Therefore the evaluation of claims in this category is based on two dimensions:

- The valuation of the creditworthiness of entities or business managers.
- The valuation of the creditworthiness of the company.

The valuation of the creditworthiness of a company is based on the specific pillars:

- Willingness to pay.
- Ability to pay.

Hence, the credit assessment for the small businesses is based on the following:

- Application fraud detection;
- Demographics;
- Financials;
- Behavior;
- Credit Bureau;
- Qualitative data; and
- Collateral risk.

2. Internal Ratings

The fundamental parameter in assessing Retail Banking Credit Risk is the Credit Scoring Models that are developed and employed throughout the credit cycle at the Group level. The above models segments populations into homogenous risk groups (pools) and are categorized as follows:

- Behavior Models, which assess the customer's performance and predict the probability of defaulting within the following months;
- Application Credit Scoring Models, which assess application data—mainly demographic- that predict the probability of defaulting within the following months; and
- Models for the assessment of regulatory parameters. It is noted that during 2017, Group's credit risk assessment models were designed and/or adjusted to be in line with IFRS 9 with effect from 1.1.2018.

  These models and the probabilities of default that derive from them, contribute a significant role in risk management and decision making throughout the Group.

  Specifically, the models are used in the following segments:

- Decision making of credit assessment and credit limit assignment.
- Impairment tests
- Predicting future performance of customers belonging to the same pool of common characteristics.
- Tracing high risk accounts in time to schedule all necessary actions so as to reduce expected losses for the Group.
- Assessing the Group's portfolio quality and credit risk.

The parameters taken into account vary, according to the model's type and product category that it assesses. Indicatively, some factors are:

- Personal/demographic data: the customer's age, profession, marital status, or current address;
- Loan characteristics: product applied for, loan term, loan amount, or financing purpose;
- Behavioral data: payments during latest period of time, maximum delinquency, outstanding loan balance versus loan limit, transaction type;
- Financial data: sales change, liabilities versus sales; and
- Qualitative data: experience, seat of business (company registry).

Models are reviewed, validated and updated on a yearly basis and are subject to quality control so as to ensure at their predictive power at any point in time.

Furthermore, on a regular basis the Group conducts exercises simulating crisis situations (Stress Tests), which explore the potential impact on the financial results of the Group due to unfavorable developments both in obligors' transactional behavior as well as in the broader financial macroeconomic environment.

3. Impairment Policy

The process for determining the loans eligible for impairment and the estimation of their provision comprises the following steps:

1. Identification of loans which will be individually assessed and for which events exist which constitute objective evidence that impairment loss has occurred;
2. Impairment calculation on individual basis for the loans identified in the previous step, as the difference between the recoverable amount and the accounting value of the loan;
3. Identification of the loans to be assessed collectively, including cases that have been individually assessed and were found not impaired; and
4. Collective provision calculation for the loans identified in the previous step;

For provision purposes, under collective assessment, loans are seperated based on similar credit risk characteristics. These characteristics are selected based on the future cash flows of the abovementioned Retail Banking loan categories which depict customers' ability to repay their debts according to the contractual agreements.

Loss Rate is calculated based on credit risk characteristics of the segment and portfolio in which the facility or the customer belongs to. The Loss Rate is determined with statistical methods.

Trigger Events for the Individual Assessed Exposures

For the Retail Banking portfolios, loans are assessed on an individual basis if one of the trigger events mentioned below is met and if the following criteria are met:

- Consumer Loans: Customers with total exposures more than €500 thousand;
- Housing Loans: Customers with total exposures more than €2 million; and
- Corporate Loans: Customers with total exposures more than €1.5 million.

The above limits differ from country to country according to size and characteristics of the portfolio.

Trigger Events for Individuals

1. Customers with loans past due over 90 days;
2. Customers with loans past due more than 30 days and less than 90 days;
3. Customers with restructured loans;
4. Unemployed Customers;
5. Deceased Customers;
6. Occurrence of unexpected, extreme events such as fraud, natural disasters, etc.;
7. Freelancers or Personal Company owners who ceased their business activity due to retirement;
8. Freelancers or Personal Company owners with significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;
9. Stakeholders of Companies have filled for inclusion in Article 99 (pre-bankruptcy law);
10. Stakeholders of Companies with loans past due more than 90 days (rating D or D0 or D1 or D2 or E) or with rating CC- or C;

11. Stakeholders of Companies with detrimentals (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts to Social Security or employees);
12. Stakeholders of Companies with interventions and actions of regulatory bodies/local authorities against their companies (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
13. Stakeholders of Companies with significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;
14. Stakeholders of Companies which operate in industries with significant deterioration in their outlook (taking into account the five higher risk sectors according to Risk Analyst classification);
15. Customers with impairment amount in the previous impairment test for which none of the above criteria is met; and
16. Customers with detrimental (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts Social Security or employees).

Trigger Events for Legal Entities

1. Customers with credit risk rating D, D0, D1, D2 and E or with overdue amount above 90 days;
2. Customers with loans past due more than 30 days and less than 90 days;
3. Customers with rating CC- or C;
4. Customers which operate in industries with significant deterioration in their outlook (taking into account the five higher risk sectors according to Risk Analyst classification);
5. Customers with impairment amount in the previous impairment test for which none of the above criteria is met.
6. Customers with detrimentals (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts to Social Security or employees);
7. Occurrence of unexpected, extreme events such as fraud, natural disasters, etc.;
8. Interventions and actions of regulatory bodies/local authorities against their companies (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
9. Breach of contract or credit terms and conditions;
10. Adverse changes in the shareholders' structure or the management of the company or serious management issues/ problems;
11. Significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;

Trigger Events for the Collective assessment per portfolio

The specific trigger events for the collective assessment for the Retail Banking portfolios are the following:

- Accounts up to 89 days past due with or without signs of unlikeliness to pay;
- Accounts more than 90 days past due;
- Forborne exposures; and
- Accounts with partial write off.

4. Credit Control

The Group in order to ensure that all Credit Units fully comply with the Credit Policy, has adopted and introduced a Credit Control mechanism on a monthly basis, so as to review and assess whether the credit policy framework is being consistently followed. In addition Data Integrity Verification controls are conducted in credit requests elements of Retail Banking Loans. Quality analysis of the credit approval process is also conducted.

CREDIT RISK MITIGATION

1. Collaterals

Collaterals are received both for Wholesale and Retail lending in order to mitigate credit risk that may arise from the obligor's inability to fulfill his contractual obligations.

Collaterals include all kind of assets and rights which are made available to the Group either by their debtors or by third parties, in order to be used as complementary liquidity sources of relative loans.

The mitigation tools applied by the Group include two broad categories: intangible and tangible collaterals.

2. Intangible Collaterals

Intangible collaterals form the framework of the obligations and rights that are typically included and described in specific contractual documents that bind the Group and the borrowers during the lending process with specific commitments. The commitments involve a third party who substitutes for the primary debtor in the event of the latter's default or the primary debtor itself (natural or legal entities) to honor the contractual loan agreements and their prompt repayment to the Group and on the other hand the Group has the right to claim them.

The main type of intangible collateral that the Group uses to protect the bank against the risk of losses due to debtor insolvency is the Guarantee.

3. Tangible Collaterals

Tangible collaterals provide the Group with the rights over an asset (movable or immovable),owned by the obligor or the guarantor, providing priority in the satisfaction of the creditor by the liquidation preceeds of the asset.

Tangible collaterals are distinguished between mortgages and prenotation on mortgages which are registered over immovable properties and pledges on movable assets (e.g., commodities, checks, bills of exchange) or on claims and rights.

In order to better secure credit facilities granted, all mortgage and pledged assets are covered by an insurance contract, with assignment of the relevant insurance contract to the Group.

3.1. Mortgages – Prenotation on Mortgages

Mortgages are registered on real estate or immovable assets which can be liquidated as indicatively reported below:

- Residential Real Estate;
- Commercial Real Estate;
- Industrial Buildings;
- Land;
- Mines;
- Ships and aircrafts;
- Machinery or other facilities (engineering, mechanical, electrical, etc.), if they are permanently and consistently connected with the mortgaged estate.

Periodic revaluation of mortgaged property

According to the Group's Credit Policy, the existence and the valuation of mortgaged property is closely monitored. The frequency of the appraisal does not usually exceed one year.

Valuations are carried out by certified real estate appraisers either:

- Using statistical indicators (such as PropIndex), depending on the type of property; or
- By qualified engineers, after their visit to the property used as collateral or via desktop assessment.

3.2. Pledges

Pledges provide seniority rights over liquidation proceeds from a movable third party asset.

Pledges can be registered on movable assets or on rights that have not been excluded or banned from exchanges and are liquid , including:

- Raw materials, products or commodities;
- Machinery (movable);
- Bill of Lading;
- Bill of exchange;
- Cheques;
- Securities;
- Deposit; and
- Any type of claim that can be pledged

Periodic revaluation of pledges

Depending on the right or the underlying asset on which a pledge is registered, the periodic revaluation varies from one month to one year.

4. Acceptable Value

The Group calculates the value of the securities/collaterals received based on the potential proceeds that could arise if and when these are liquidated. This calculation refers to the acceptable value/haircut of the securities/collaterals provided to the Group by its obligors for the determination of which the quality of assets as well as their market value are taken into account.

In this way, the guaranteed values are determined for each type of collateral, which are expressed as a percentage of their market value, nominal or weighted value, depending on the type of collateral.

ENVIRONMENTAL AND SOCIAL RISK

Within Credit Risk Management Framework and Credit Policy, it has been integrated the assessment of the strict compliance of the principles of an environmentally and socially responsible financing towards legal enitites .

The main purpose is the management of potential risk arising from the operations of obligors of the Group that may be connected with a damage to the environment or the society or with any direct threat of such a damage, having as a result a negative impact on the business operations and financial results of the Group.

FORBEARANCE

Maintaining a healthy loan portfolio depends on the constant monitoring and assessment of the borrowers in order to allow early detection of future liquidity problems, which could affect the normal repayment of their obligations to the Group.

The credit tools which are normally used by the Group for managing the liquidity problems that borrowers are facing for repaying their obligations are the restructuring of debt through the renegotiation of the original terms and conditions of the loan agreement they have entered into.

The Executive Committee "Act 42/30.05.2014" as amended by the Executive Committee "Act 47/ 09.02.2015" and the Executive Committee "Act 102/ 30.8.2016" of the Bank of Greece, has determined the supervisory framework for the management of loans in arrears and non-performing loans, over and above the already applicable requirements of Law 4261/2014, the CRR, and delegated the decision authority to the Bank of Greece.

Furthermore, in the context of the Commission Implementing Regulation (EU) 2015/227 of the European Commision dated

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January 9, 2015 and the executive technical standards of the European Banking Authority, the Group assumes the resulting regulatory obligations for forborne exposures.

Forbearance measures should be applied on the basis of the risk, cooperativeness and viability of each debtor and consist of concessions that are robust and sustainable, through the renegotiation of the initial terms and conditions of the debt contract duly taking into account the causes of the debtor's financial difficulties.

Forbearance measures may be applied a) on the basis of a customer's request, b) in accordance with the Code of Conduct under Law 4224/2013, as currently is in force, which is a State initiative under the supervision of the Bank of Greece. Apart from the forbearance measures applied to existing Retail lending exposures, which are initiated by the Group in accordance with the directives of the Executive Committee Acts of the Bank of Greece (No. 42 / 30.5.14 47/9.2.2015 & 102/30.8.2016) and Arrears Resolution Process (ARP) of the Code of Conduct under L.4224/2013 as currently is in force, there are restructuring solutions according to the Legislative Framework.

The existence of more favorable terms for renegotiating and modifying the terms and conditions of the bilateral arrangement between the Group and the debtor (concession), who is facing or is about to face difficulties in meeting his financial commitments ("financial difficulty"), are defined with respect to:

- Difference in favour of the debtor between the modified and the previous terms of the contract; and
- Cases where a modified contract includes more favourable terms than other debtors with a similar risk profile could have obtained.

MONITORING OF FORBORNE EXPOSURES

Following the Executive Committee Act 42 / 30.05.2014, ("Act 42") as subsequently amended by the Act 47 / 09.02.2015 ("Act 47") and by the Act 102/30.08.2016 ("Act 102") of the Bank of Greece, the Group has undertaken a series of actions to ensure adherence to the supervisory obligations and requirements arising from the above Acts. These changes cover the following distinct sections:

- Adaptation of Information Systems of the Group;
- Amendments of the existing processes, such as the customization of new types of forborne exposures according to what is provided in Act 42, Act 47 and Act 102;
- Creation of data structures (Data Marts) aiming at:
  - Automation of the processes related to the production of both internal (Risk Management) and external (Supervisory) reports;
  - Perform analyses on the portfolio of the Group; and
  - Production of Management Information Reporting (MIS)

Additionally, the Group has introduced independent operation management for the "Troubled Assets" (Troubled Asset Committee). This is achieved by the representation of the Administrative Bodies in the Evaluation and Monitoring of Denounced Customers Committee as well as in the Arrears Councils.

WRITE-OFFS AND WRITE-DOWNS OF BAD DEBTS

Bad Debt Write-off is defined as the reduction of the gross carrying amount of a financial asset, when there is no reasonable expectation of recovery. The write-off refers to the accounting write-off of a debt or a portion of it, i.e. the removal of the financial asset or part of it from the balance sheet, which does not necessarily entail the waiver of the legal right to recover the debt. In the event that the Group decides to waive its legal right to recover the debt, this is called **Debt Forgiveness** and this waiver may include either on or off-balance sheet items as well.

Bad Debt Write-down is defined as the definitive reduction of a debt or portion of it, as a result of a legally binding decision or agreement (court judgment, contractual agreement etc.), which is not further claimable. It is noted that this category encompasses **Definitive write-downs** which are unconditional and **Conditional Write-Downs** (Contingent Write-Down) subject to the achievement by the Customer of a specific performance (usually, upon the successful implementation of a specific repayment program). In the case of Definitive Write-downs, both the accounting and the legal reduction (Debt Forgiveness) take place immediately and simultaneously, whereas in the case of Contingent Write-downs, the accounting reduction takes place when the relevant decision is taken or when the agreement is concluded, while the legal reduction (Debt Forgiveness) takes place either simultaneously with the relevant decision or at a later (future) time, depending on the type of the condition.

Contingent Write-downs of debts are in turn classified into:

(a) **Resolutive Condition**, i.e. the debt is accounting and legal write down at the time of reaching the agreement with the Debtor and is revived only in the event that the debtor does not pay the remaining amount and

(b) **Condition Precedent**, i.e. the debt is legally written down if the Debtor repays the debt in accordance with the relevant agreement.

Indicative conditions for the submission of proposals for writing-off a part or the whole of bad debts include, but are not limited to, the following:

- The relevant Agreements with the Customers have been terminated.
- Payment Orders have been issued against all liable parties to such Agreements.
- The actions regarding the investigation of immovable property have been completed without any results.
- The procedure for the registration of encumbrances, in accordance with the Non-Performing Loans Manuals in force for Wholesale Banking and Retail Banking, respectively, has been completed.
- At least one real estate property has been auctioned, so that the preferential claims (through the final creditor's classification list) and, by extension, the Group's potential losses, are finalised.
- In cases where the likelihood of further recovery of the debt is considered to be particularly low, due to:
  - the fact that the debtors are placed under special liquidation;
  - the proven existence of preferential claims of a significant amount and the adoption of a decision to cease litigation actions, in order to avoid non-collectable enforcement costs;
  - the fact that further litigation actions seeking collection of the claim is economically unprofitable (e.g. low-value collateral);

The write-off requires the existence of an impairment provision in the same amount, established no later than in the quarter preceding the submission of the proposal.

DEFINITIONS:

The following definitions are provided as guidance to tables that follow:

Public Sector

The Public Sector includes:

- The Greek Central Government (all departments or Ministries and Public Administration);
- Local Authorities;
- Companies controlled and fully or partially owned by the State; and
- Companies associated with the State
- Legal Entities controlled by politically exposed persons

Past Due Exposures

Past due exposures are defined as exposures that are more than one (1) day past due.

Non-Performing Exposures

An exposure is considered as non-performing when one of the following criteria is satisfied:

- The exposure is more than 90 days past due;
- An exposure against which legal actions have been undertaken by the Group;
- The debtor is assessed as unlikely to pay its credit obligations in full;
- The exposure is classified as impaired (as defined below);
- The exposure is classified as forborne non-performing exposure, as defined in the Implementing Regulation (EU) 2015/227 Committee of 9 January 2015.

A non-performing exposure with forbearance measures includes the following:

- Exposures which were non-performing prior to the extension of forbearance measures.
- Forborne exposures which have been reclassified from the performing exposures category, including exposures under probation (forborne performing having been reclassified out of the Forborne Non Performing Loan (FNPL) status) having been re-forborne or that are more than 30 days past-due.

Performing Exposures

An exposure is considered as performing when the following criteria are met:

- The exposure is less than 90 days past due;
- No legal actions have been undertaken against the exposure;
- The situation of the debtor has improved to the extent that full repayment, according to the original or when applicable the modified conditions, is likely to be made
- The exposure is not classified as impaired;

  or

- The exposure is classified as forborne performing exposure, as defined in the aforementioned Implementing Regulation (EU) 2015/227 of 9 January 2015.

Unlikely to pay Exposures

For the Wholesale Banking Portfolio: Customers, with exposures below 90 days past due, assessed as unlikely to pay based on either of the following criteria:

- The debtor has been denounced in the competent Non-Performing Loans Unit.
- The deptor is impaired but not denounced in the competent Non-Performing Loans Unit.
- The Group regards that the debtor cannot repay its credit obligations in full without the realisation of security (if held) and regardless of the existence of any past due amount or of the number of days past due with the exception of cases of collaterals that are part of the production ane trade chain of the debtor (e.g. properties for Real Estate Companies, corporate shares for Holding companies etc).

For the Retail Banking Portfolio, unlikely to pay exposures are considered those with less than 90 days past due and if one of the following criteria is met:

- A trial date has been set for inclusion in Law 3869. (Bankrupty Law for Individuals)
- Fraudelent cases
- Deseased Customers
- Unemployed Customers with lack of any source of income
- Customers with heavy health problems

- Insolvent companies (The company has filled for inclusion in Article 99)
- Companies which have ceased their operations (inactive)

Impaired Exposures

Impaired exposures for Wholesale Banking are defined as follows:

a. Exposures for which an impairment amount has been allocated following the individual assessment for impairment;
b. Exposures in arrears more than 90 days or under legal workout status, for which an impairment amount has been allocated following the collective assessment for impairment;
c. Unlikely to pay exposures; and
d. Forborne Non Performing Exposures that are up to 89 days past due.

Accumulated provision for impairment

The accumulated provision for impairment, for disclosure purposes of credit risk as well as for the monitoring of credit risk, includes the adjustment for the contractual loans which were acquired at fair value during the acquisition of assets or companies (i.e. Emporiki Bank and Citibank's retail operations in Greece), since the Group monitors the respective adjustment as part of the provisions. It is noted that in note 17 Loans and Advances to customers, this adjustment is deducted from the gross balance of loans before impairment.

Collateral value

The collateral's latest market value available. In the case of immovable properties, collateral value is considered the lower figure between the prenotation amount and the market value. Values of guarantees include the value of guarantees that exceeds the value of collaterals. All collateral values are capped at 100% of the outstanding amount of the loan.

DUE FROM BANKS

Exposure to credit institutions relates to loans, interbank transactions (which include positions in derivatives) and International Trade activities. Following the basic rules of designation, monitoring and revision of corporate lending, boundaries are established by the relevant Credit Committees for the monitoring of credit risk for the overall exposure per credit institution counterparty, excluding positions related to bonds issued by them. The approved credit limits are monitored on a daily basis. The validity period of the limits is specified in the approval of the limits in accordance with the counterparty credit institutions rating from international credit rating agencies.

In addition to the regular revisions of counterparty credit institutions limits, interim revisions may be carried out either due to circumstances associated with the trading activity of the Group or due to markets conditions or problems associated with counterparty credit institutions. Trigger events for an extraordinary review are regularly monitored per counterparty in order to review the relevant limits when such trigger events exist.

In addition, at each reporting date an impairment test is performed as follows:

1. The respective credit institutions are separated to be tested for impairment.
2. Due from Banks will be evaluated individually by credit institution.
3. Credit institutions are reviewed for events that constitute objective evidences for impairment.
4. Impairment provisions per receivable are calculated, as the difference between the recoverable amount and the carrying amount of the claim on an individual basis for the credit institution for which there are objective evidences for impairment.

INVESTMENTS IN DEBT SECURITIES

Investments in debt securities relate to securities that are classified into loans and receivables portfolios, held to maturity and available for sale. If there is a loan relationship with the counterparty issuer at the time of classification of the security position as investment, the Corporate Credit Policy procedures apply. In each case, the classification of the position is subject for approval by the relevant Committee of the Group. These positions are subject to Group investment limits and country limits and are monitored on a daily basis.

In addition, at each reporting date an impairment test is performed as follows:

1. The respective securities are separated to be tested for impairment.
2. Securities are reviewed for events that constitute objective evidence for impairment losses.
3. Impairment provisions are calculated on a individual basis per each security, for which there are objective evidences that impairment losses exist, as: a) the difference between the present value of future cash flows and the carrying amount of securities that are classified into loans and receivables portfolio and held to maturity and b) the difference between acquisition costs and current fair value, less the impairment loss which has already been recognized in income statement for securities classified as available for sale.

Financial instruments credit risk

	31.12.2017			31.12.2016*		
	Exposure before impairment	Impairment	Net exposure for credit risk	Exposure before impairment	Impairment	Net exposure for credit risk
A. Credit risk exposure relating to balance sheet items						
Balances with Central Banks	1,203,389		1,203,389	1,163,432		1,163,432
Due from banks	1,757,610	41,961	1,715,649	2,011,242	41,961	1,969,281
Loans and advances to customers	56,612,220	13,294,027	43,318,193	60,316,012	15,907,252	44,408,760
Derivative financial assets	622,536		622,536	634,323		634,323
Trading securities:						
- Government bonds	5,969		5,969	2,256		2,256
Total	**5,969**		**5,969**	**2,256**		**2,256**
Available for sale securities:						
- Available for sale (Government bonds)	4,460,302		4,460,302	4,117,545		4,117,545
- Available for sale (other)	1,277,313		1,277,313	953,721	22,385	931,336
Total	**5,737,615**	**-**	**5,737,615**	**5,071,266**	**22,385**	**5,048,881**
Held to maturity securities:						
- Held to maturity (Government bonds)	10,551		10,551	15,430		15,430
- Held to maturity (other)	319		319	29,569		29,569
Total	**10,870**		**10,870**	**44,999**	**-**	**44,999**
Loans and receivables (HFSF)				2,682,655		2,682,655
Available for sale assets - Loans and receivables	1,303,367	1,090,108	213,259	151,724	104,154	47,570
Total amount of balance sheet items exposed to credit risk (a)	**67,253,576**	**14,426,096**	**52,827,480**	**72,077,909**	**16,075,752**	**56,002,157**
Other balance sheet items not exposed to credit risk	8,511,694	526,149	7,985,545	9,411,979	541,870	8,870,109
Total Assets	**75,765,270**	**14,952,245**	**60,813,025**	**81,489,888**	**16,617,622**	**64,872,266**
B. Credit risk exposure relating to off balance sheet items:						
Letters of guarantee, letters of credit and other guarantees	3,384,963	787	3,384,176	3,567,786	3,195	3,564,591
Undrawn loan agreements and credit limits that can not be recalled (committed) **	402,124		402,124	494,734		494,734
Total amount of off balance sheet items exposed to credit risk (b)	**3,787,087**	**787**	**3,786,300**	**4,062,520**	**3,195**	**4,059,325**
Total credit risk exposure (a+b)	**71,040,663**	**14,426,883**	**56,613,780**	**76,140,429**	**16,078,947**	**60,061,482**

The maximum credit risk per category, in which the Group is exposed, is presented in the “Net exposure for credit risk”.

* Some figures of the previous year were restated for comparability purposes

** These correspond to limits which cannot be cancelled in case of a possible lack of commitment of their contractual obligations.

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Loans and advances to customers

Loans and advances to customers by asset quality
(impaired or not impaired – impairment allowance – value of collateral)

	31.12.2017								
	Non Impaired Loans and Advances		Impaired Loans and Advances			Accumulated Impairment Allowance			
	Neither past due nor impaired	Past due but not impaired	Individually assessed	Collectively assessed	Total gross amount	Individually assessed	Collectively assessed	Total net amount	Value of collateral
Retail lending	**11,037,149**	**2,819,773**	**557,565**	**17,692,107**	**32,106,594**	**320,681**	**7,167,343**	**24,618,570**	**19,903,257**
Mortgage	7,753,284	2,383,830	391,872	9,046,590	19,575,576	213,834	3,335,021	16,026,721	15,181,832
Consumer	1,332,546	235,624	159,149	3,282,983	5,010,302	103,649	1,509,613	3,397,040	1,332,210
Credit cards	1,105,350	86,752	900	436,237	1,629,239	622	268,772	1,359,845	91,701
Other (incl. SBL)	845,969	113,567	5,644	4,926,297	5,891,477	2,576	2,053,937	3,834,964	3,297,514
Corporate lending	**11,779,863**	**741,519**	**10,296,265**	**537,642**	**23,355,289**	**5,366,189**	**392,694**	**17,596,406**	**14,363,037**
Large	7,671,273	519,472	5,126,151	30,609	13,347,505	2,700,887	146,136	10,500,482	8,133,139
SME's	4,108,590	222,047	5,170,114	507,033	10,007,784	2,665,302	246,558	7,095,924	6,229,898
Public sector	**1,107,629**	**1,237**	**40,202**	**1,269**	**1,150,337**	**28,934**	**18,186**	**1,103,217**	**299,805**
Greece	1,034,442	909	40,202	1,269	1,076,822	28,934	16,586	1,031,302	295,394
Other countries	73,187	328			73,515		1,600	71,915	4,411
Total	**23,924,641**	**3,562,529**	**10,894,032**	**18,231,018**	**56,612,220**	**5,715,804**	**7,578,223**	**43,318,193**	**34,566,099**

The accumulated impairment allowance for collectively assessed loans and advances includes an amount of €602,135 (2016: €767,701) concerning IBNR provisions on 31.12.2017.

The impaired loans and advances to customers of retail lending include as at 31.12.2017 forborne loans with up to 89 days past due collectively assessed, amounting to €4,710,831 (31.12.2016: €4,354,947).

	31.12.2016								
	Non Impaired Loans and Advances		Impaired Loans and Advances			Accumulated Impairment Allowance			
	Neither past due nor impaired	Past due but not impaired	Individually assessed	Collectively assessed	Total gross amount	Individually assessed	Collectively assessed	Total net amount	Value of collateral
Retail lending	**11,530,952**	**3,024,872**	**980,454**	**18,787,549**	**34,323,827**	**576,459**	**8,194,498**	**25,552,870**	**21,402,496**
Mortgage	8,408,553	2,401,641	533,043	8,917,244	20,260,481	288,075	2,996,585	16,975,821	16,214,980
Consumer	1,405,844	259,534	146,868	3,934,845	5,747,091	87,658	2,163,984	3,495,449	1,476,939
Credit cards	1,073,608	96,896	829	505,088	1,676,421	462	356,914	1,319,045	39,435
Other (incl. SBL)	642,947	266,801	299,714	5,430,372	6,639,834	200,264	2,677,015	3,762,555	3,671,142
Corporate lending	**11,845,804**	**610,758**	**12,028,567**	**302,460**	**24,787,589**	**6,784,070**	**300,603**	**17,702,916**	**16,069,343**
Large	7,882,753	343,445	5,993,498	150,018	14,369,714	3,234,494	167,726	10,967,494	9,243,136
SME's	3,963,051	267,313	6,035,069	152,442	10,417,875	3,549,576	132,877	6,735,422	6,826,207
Public sector	**1,159,315**	**3,357**	**41,924**	**-**	**1,204,596**	**31,995**	**19,627**	**1,152,974**	**305,167**
Greece	1,067,060	2,968	41,924		1,111,952	31,995	17,138	1,062,819	298,457
Other countries	92,255	389			92,644		2,489	90,155	6,710
Total	**24,536,071**	**3,638,987**	**13,050,945**	**19,090,009**	**60,316,012**	**7,392,524**	**8,514,728**	**44,408,760**	**37,777,006**

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Analysis of neither past due nor impaired loans and advances to customers

	31.12.2017				
	Strong	Satisfactory	Watch list (higher risk)	Total neither past due nor impaired	Value of collateral
Retail lending		**11,037,149**		**11,037,149**	**7,825,099**
Mortgage		7,753,284		7,753,284	6,844,117
Consumer		1,332,546		1,332,546	311,939
Credit cards		1,105,350		1,105,350	58,326
Other (incl. SBL)		845,969		845,969	610,717
Corporate lending	**3,005,691**	**7,651,303**	**1,122,869**	**11,779,863**	**7,811,582**
Large	2,382,702	4,470,479	818,092	7,671,273	4,993,322
SME's	622,989	3,180,824	304,777	4,108,590	2,818,260
Public sector	**340,923**	**766,161**	**545**	**1,107,629**	**281,690**
Greece	340,764	693,184	494	1,034,442	277,607
Other countries	159	72,977	51	73,187	4,083
Total	**3,346,614**	**19,454,613**	**1,123,414**	**23,924,641**	**15,918,371**

	31.12.2016				
	Strong	Satisfactory	Watch list (higher risk)	Total neither past due nor impaired	Value of collateral
Retail lending		**11,530,952**		**11,530,952**	**8,304,272**
Mortgage		8,408,553		8,408,553	7,505,280
Consumer		1,405,844		1,405,844	325,015
Credit cards		1,073,608		1,073,608	1,156
Other (incl. SBL)		642,947		642,947	472,821
Corporate lending	**2,110,550**	**8,777,841**	**957,413**	**11,845,804**	**8,321,051**
Large	1,590,229	5,735,913	556,611	7,882,753	5,406,829
SME's	520,321	3,041,928	400,802	3,963,051	2,914,222
Public sector	**355,299**	**801,432**	**2,584**	**1,159,315**	**279,265**
Greece	355,120	709,462	2,478	1,067,060	272,944
Other countries	179	91,970	106	92,255	6,321
Total	**2,465,849**	**21,110,225**	**959,997**	**24,536,071**	**16,904,588**

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Ageing analysis of past due but not impaired loans and advances to customers by product line

31.12.2017									
	Retail lending				Corporate lending		Public sector		Total past due but not impaired
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	
1 - 29 days	1,611,180	158,321	67,799	87,574	395,400	167,894	901		2,489,069
30 - 59 days	430,024	53,038	12,601	14,549	30,002	20,472	8		560,694
60 - 89 days	342,626	24,264	6,352	11,444	71,169	23,299		328	479,482
90 - 179 days		1			1,291	201			1,493
180 - 360 days					6,879	1,294			8,173
> 360 days					14,731	8,887			23,618
Total	**2,383,830**	**235,624**	**86,752**	**113,567**	**519,472**	**222,047**	**909**	**328**	**3,562,529**
Value of collateral	2,007,174	52,363	1,190	73,677	366,702	175,379	8	328	2,676,821

31.12.2016									
	Retail lending				Corporate lending		Public sector		Total past due but not impaired
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	
1 - 29 days	1,656,237	167,448	74,086	181,805	194,102	159,727	2,261	389	2,436,055
30 - 59 days	438,786	60,532	14,427	38,630	75,269	61,644	707		689,995
60 - 89 days	306,618	31,554	8,383	46,366	51,145	33,555			477,621
90 - 179 days					6,093	1,583			7,676
180 - 360 days					10,115	1,089			11,204
> 360 days					6,721	9,715			16,436
Total	**2,401,641**	**259,534**	**96,896**	**266,801**	**343,445**	**267,313**	**2,968**	**389**	**3,638,987**
Value of collateral	2,046,994	66,938	27	193,960	288,584	216,100	1,254	389	2,814,246

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Ageing analysis of impaired loans and advances to customers by product line

31.12.2017									
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other	Large	SME's	Greece	Other countries	Total
Current	798,960	481,316	56,561	516,909	901,889	847,179	7,877		3,610,691
1 - 29 days	478,583	164,772	23,953	56,921	522,203	168,669	136		1,415,237
30 - 59 days	313,789	159,199	16,465	51,241	49,337	78,175	1,206		669,412
60 - 89 days	567,077	96,651	13,152	36,549	146,383	45,823			905,635
90 - 179 days	207,130	101,010	24,083	80,639	18,406	47,751			479,019
180 - 360 days	157,796	152,782	15,983	76,920	30,972	61,402	52		495,907
> 360 days	3,648,348	738,579	26,891	2,083,242	778,382	1,579,388	2,427		8,857,257
Total net amount	**6,171,683**	**1,894,309**	**177,088**	**2,902,421**	**2,447,572**	**2,828,387**	**11,698**	**-**	**16,433,158**
Value of collateral	6,330,541	967,908	32,185	2,613,120	2,773,115	3,236,259	17,779		15,970,907

31.12.2016									
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other	Large	SME's	Greece	Other countries	Total
Current	786,801	509,724	64,525	194,581	1,083,531	743,707	6,584		3,389,453
1 - 29 days	407,283	166,252	24,015	133,980	112,522	94,658			938,710
30 - 59 days	270,397	153,505	17,071	67,240	286,220	71,569			866,002
60 - 89 days	375,297	101,260	13,670	100,051	164,463	72,090			826,831
90 - 179 days	59,366	86,322	14,023	74,379	96,523	54,950			385,563
180 - 360 days	200,385	89,555	7,840	105,765	320,819	74,784	16		799,164
> 360 days	4,483,397	802,669	19,533	2,211,334	807,049	1,468,369	3,329		9,795,680
Total net amount	**6,582,926**	**1,909,287**	**160,677**	**2,887,330**	**2,871,127**	**2,580,127**	**9,929**	**-**	**17,001,403**
Value of collateral	6,662,706	1,084,986	38,252	3,004,361	3,547,723	3,695,885	24,259		18,058,172

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Reconciliation of the accumulated impairment allowance

	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	Total
Balance 1.1.2017	**9,450,284**	**4,081,713**	**505,919**	**5,730,086**	**6,143,515**	**6,187,512**	**41,925**	**-**	**32,140,954**
New impaired loans	951,000	404,307	58,162	320,257	424,460	461,276	733		2,620,195
Transfer to non-impaired loans	(406,264)	(157,333)	(6,895)	(192,334)	(95,926)	(124,771)			(983,523)
Repayments and recoveries from collaterals	(69,187)	(56,086)	(14,402)	(49,145)	(281,041)	(210,209)	(578)		(680,648)
Write-offs of impaired loans	(382,370)	(532,567)	(27,067)	(388,981)	(524,749)	(593,647)	(608)		(2,449,989)
Foreign exchange differences and other movements	(99,175)	64,445	(805)	(22,794)	(90,795)	(26,757)	(1)		(175,882)
Disposals of impaired loans	(5,826)	(10,398)	(2,529)		(92,992)	(1,024)			(112,769)
Loans classified as held for sale		(351,949)	(75,246)	(465,148)	(325,712)	(15,233)			(1,233,288)
Balance 31.12.2017	**9,438,462**	**3,442,132**	**437,137**	**4,931,941**	**5,156,760**	**5,677,147**	**41,471**	**-**	**29,125,050**
Accumulated impairment allowance	(3,266,779)	(1,547,823)	(260,049)	(2,029,520)	(2,709,188)	(2,848,760)	(29,773)		(12,691,892)
Net amount of impaired loans and advances	**6,171,683**	**1,894,309**	**177,088**	**2,902,421**	**2,447,572**	**2,828,387**	**11,698**	**-**	**16,433,158**

	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (incl. SBL)	Large	SME's	Greece	Other countries	Total
Balance 1.1.2016	**9,369,134**	**3,906,340**	**512,306**	**5,508,657**	**5,758,272**	**6,173,597**	**43,775**	**-**	**31,272,081**
New impaired loans	854,931	599,136	50,029	684,511	1,565,410	477,574	561		4,232,152
Transfer to non-impaired loans	(447,177)	(172,108)	(14,428)	(152,554)	(128,027)	(45,513)			(959,807)
Repayments and recoveries from collaterals	(96,010)	(60,247)	(13,459)	(46,801)	(540,261)	(140,566)	(726)		(898,070)
Write-offs of impaired loans	(236,278)	(146,951)	(29,370)	(261,934)	(302,503)	(260,261)			(1,237,297)
Disposals of impaired loans					(14,868)				(14,868)
Foreign exchange differences and other movements	13,420	(8,812)	6,524	181	11,195	(15,651)	(1,686)		5,172
Loans classified as held for sale	(7,736)	(35,645)	(5,683)	(1,974)	(205,703)	(1,668)			(258,409)
Balance 31.12.2016	**9,450,284**	**4,081,713**	**505,919**	**5,730,086**	**6,143,515**	**6,187,512**	**41,925**	**-**	**32,140,954**
Accumulated impairment allowance	(2,867,361)	(2,172,426)	(345,240)	(2,842,756)	(3,272,389)	(3,607,384)	(31,995)		(15,139,551)
Net amount of impaired loans and advances	**6,582,923**	**1,909,287**	**160,679**	**2,887,330**	**2,871,126**	**2,580,128**	**9,930**	**-**	**17,001,403**

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Reconciliation of the accumulated impairment allowance

The accumulated impairment allowance for disclosure purposes of credit risk as well as for credit risk monitoring purposes includes the adjustments for the contractual balances of loans which were acquired at fair value either individually or in the context of acquisitions (eg Emporiki Bank and Citibank Greece), since the Group monitors such adjustment as part of the impairments. It is noted that in Note 17 Loans and advances to customers this adjustment is deducted from the gross balance of loans before impairments.

	31.12.2017			
	Retail lending	Corporate lending	Public sector	Total
Balance 1.1.2017	**6,833,509**	**5,696,349**	**28,395**	**12,558,253**
Impairment losses for the year	1,075,940	(44,644)	(2,773)	1,028,523
Reclassification to assets held for sale	(664,149)	(184,947)	(3)	(849,099)
Disposals of impaired loans	(14,081)	(56,346)		(70,427)
Change in present value of the allowance account	121,467	140,765	1,125	263,357
Foreign exchange differences	(48,829)	(45,689)		(94,518)
Loans written-off during the year	(1,205,997)	(745,943)	(124)	(1,952,064)
Reclassification between portfolios	33,207	(33,207)		-
Other Movements	58,876	95,383		154,259
Balance 31.12.2017	**6,189,943**	**4,821,721**	**26,620**	**11,038,284**
Fair value adjustments	1,298,081	937,162	20,500	2,255,743
Balance 31.12.2017	**7,488,024**	**5,758,883**	**47,120**	**13,294,027**

	31.12.2016			
	Retail lending	Corporate lending	Public sector	Total
Balance 1.1.2016	**6,675,906**	**5,324,778**	**21,071**	**12,021,755**
Impairment losses for the year	471,040	716,295	6,413	1,193,748
Reclassification to assets held for sale	(38,094)	(133,486)		(171,580)
Disposals of impaired loans		(17,795)		(17,795)
Change in present value of the allowance account	243,171	169,752	912	413,835
Foreign exchange differences	1,946	5,948	(1)	7,893
Loans written-off during the year	(520,460)	(352,718)		(873,178)
Other movements		(16,425)		(16,425)
Balance 31.12.2016	**6,833,509**	**5,696,349**	**28,395**	**12,558,253**
Fair value adjustments	1,937,448	1,388,324	23,227	3,348,999
Balance 31.12.2016	**8,770,957**	**7,084,673**	**51,622**	**15,907,252**

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Loan-to-value ratio (ltv) of mortgage lending

	Mortgages	
	31.12.2017	31.12.2016
< 50%	1,366,266	2,859,898
50% - 70%	1,857,748	2,292,400
71% - 80%	1,276,595	1,285,597
81% - 90%	1,293,315	1,414,234
91% - 100%	3,701,832	1,485,001
101% - 120%	2,219,568	2,683,050
121% - 150%	2,279,431	3,349,705
> 150%	5,580,822	4,890,596
Total exposure	**19,575,577**	**20,260,481**
Simple average LTV (%)	84	78

Repossessed collaterals

	31.12.2017						
	Balance Sheet balances					Disposals during the year	
	Value of collaterals repossessed 31.12.2017	Of which Within 2017	Accumulated impairment allowance 31.12.2017	Of which Within 2017	Carrying amount of collaterals repossessed 31.12.2017	Net disposal value	Net gain/(loss) on disposal
Real estate	952,869	60,090	191,990	43,467	760,879	38,311	1,959
Other collaterals	3,024	161	68	15	2,956	9,037	1,472

	31.12.2016						
	Balance Sheet balances					Disposals during the year	
	Value of collaterals repossessed 31.12.2016	Of which Within 2016	Accumulated impairment allowance 31.12.2016	Of which Within 2016	Carrying amount of collaterals repossessed 31.12.2016	Net disposal value	Net gain/(loss) on disposal
Real estate	938,977	41,141	148,857	39,863	790,120	31,053	(592)
Other collaterals	11,171	83,209	262	106	10,909	68,359	(5,497)

Policy of disposal of repossessed assets

The Group has assigned to a subsidiary of the Group the management of repossessed assets of Bank and Group's subsidiaries. When a Group company acquires, due to the debtor's default, the legal title of property which had been given as collateral for the respective asset, then the respective company is in charge of legal, accounting and tax settlement of property in cooperation with the competent Bank's division and in parallel performs a valuation of the asset. Taking into account the characteristics of the asset and based on the market conditions,it assesses the ability of promoting it for sale or leasing. Based on the above assessment, a proposal is submitted to the responsible Committee, which decides the sale or leasing of the assets or their own use from a Group company. Based on the decision, the asset is classified into the suitable category for reporting purposes. Classification of assets is reassessed on a regular basis in order to ensure that the classification is in line with current market conditions.

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Breakdown of collateral and guarantees

	31.12.2017				
	Value of collateral received				Guarantees received
	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	
Retail lending	18,912,420	179,492	811,345	19,903,257	4,043,712
Corporate lending	8,248,417	1,487,489	4,627,131	14,363,037	5,926,219
Public sector	44,153	9,626	246,026	299,805	151,201
Total	**27,204,990**	**1,676,607**	**5,684,502**	**34,566,099**	**10,121,132**

	31.12.2016				
	Value of collateral received				Guarantees received
	Real estate collateral	Financial collateral	Other collateral	Total value of collateral	
Retail lending	20,597,468	339,737	465,291	21,402,496	3,277,664
Corporate lending	10,631,426	1,155,701	4,282,216	16,069,343	5,139,073
Public sector	58,235	1,365	245,567	305,167	243,373
Total	**31,287,129**	**1,496,803**	**4,993,074**	**37,777,006**	**8,660,110**

There are no cases of transfer or repledge of collateral received from customer for which a liability to return has been recognized.

Loans and advances to customers, impaired loans and impairment allowance by product line, industry and geographical region

	31.12.2017					
	Greece			Rest of Europe		
	Gross Amount	Impaired Amount	Accumulated impairment allowance	Gross Amount	Impaired Amount	Accumulated impairment allowance
Retail lending	**28,123,251**	**16,275,233**	**6,540,400**	**3,983,343**	**1,974,439**	**947,624**
Mortgage	16,207,387	7,755,258	2,758,143	3,368,189	1,683,204	790,712
Consumer	4,498,615	3,207,081	1,482,243	511,687	235,051	131,019
Credit cards	1,594,074	429,305	264,211	35,165	7,832	5,183
Other (incl. SBL)	5,823,175	4,883,589	2,035,803	68,302	48,352	20,710
Corporate lending	**19,087,496**	**8,615,125**	**4,387,467**	**4,267,793**	**2,218,782**	**1,371,416**
Financial institutions	323,502	67,780	54,728	74,251	8,119	4,869
Manufacturing	5,046,694	2,140,377	1,082,709	303,243	89,133	54,638
Construction and real estate	2,959,840	1,708,913	946,176	2,844,605	1,785,325	1,137,842
Wholesale and retail trade	4,643,964	2,509,579	1,315,235	421,471	108,420	73,638
Transportation	569,143	80,482	39,496	74,943	11,549	3,169
Shipping	1,464,388	301,344	130,360	36,880		442
Hotels – Tourism	1,745,100	765,914	291,707	247,957	112,188	41,616
Services and other sectors	2,334,865	1,040,736	527,056	264,443	104,048	55,202
Public sector	**1,076,822**	**41,471**	**45,520**	**73,515**	**-**	**1,600**
Total	**48,287,569**	**24,931,829**	**10,973,387**	**8,324,651**	**4,193,221**	**2,320,640**

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	31.12.2016					
	Greece			Rest of Europe		
	Gross Amount	Impaired Amount	Accumulated impairment allowance	Gross Amount	Impaired Amount	Accumulated impairment allowance
Retail lending	**30,167,325**	**17,678,812**	**7,733,753**	**4,156,502**	**2,089,191**	**1,037,204**
Mortgage	16,717,187	7,657,124	2,397,157	3,543,294	1,793,163	887,503
Consumer	5,238,674	3,843,038	2,128,814	508,417	238,675	122,828
Credit cards	1,638,525	495,429	349,801	37,896	10,488	7,575
Other (incl. SBL)	6,572,939	5,683,221	2,857,981	66,895	46,865	19,298
Corporate lending	**20,025,110**	**9,674,883**	**5,551,606**	**4,762,479**	**2,656,144**	**1,533,067**
Financial institutions	440,185	190,752	144,595	78,939	6,953	4,431
Manufacturing	5,440,618	2,319,978	1,421,369	360,467	176,215	90,362
Construction and real estate	3,127,672	1,830,293	1,074,375	3,088,430	1,963,457	1,138,090
Wholesale and retail trade	4,862,657	2,872,434	1,795,036	545,972	223,647	130,728
Transportation	646,383	121,481	72,685	80,813	19,586	5,462
Shipping	1,537,945	412,590	137,186	720		9
Hotels – Tourism	1,655,037	741,905	259,360	256,295	117,428	41,205
Services and other sectors	2,314,613	1,185,450	647,000	350,843	148,858	122,780
Public sector	**1,111,952**	**41,924**	**49,133**	**92,644**	**-**	**2,489**
Total	**51,304,387**	**27,395,619**	**13,334,492**	**9,011,625**	**4,745,335**	**2,572,760**

Interest income by credit quality and type of loans and advances

	31.12.2017		
	Interest income on non impaired Loans and Advances	Interest income on impaired Loans and Advances	Total interest income
Retail lending	652,540	572,033	1,224,573
Corporate lending	753,736	180,197	933,933
Public sector	29,486	201	29,687
Total interest income	**1,435,762**	**752,431**	**2,188,193**

	31.12.2016		
	Interest income on non impaired Loans and Advances	Interest income on impaired Loans and Advances	Total interest income
Retail lending	724,291	584,119	1,308,410
Corporate lending	772,314	179,734	952,048
Public sector	28,082	245	28,327
Total interest income	**1,524,687**	**764,098**	**2,288,785**

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Forborne loans

On 31.12.2014, the Group reassessed the perimeter of forborne loans for all the portfolios based on the Executive Regulation (EU) 2015/227 of European commission dated 9 January 2015 and the Executive technical standards of the European banking authority and incorporated the related definitions to its credit risk policy. In this respect, the evolution, the quality and the effectiveness of these loans are monitored according to the above definition.

The forborne loans perimeter includes loaans:

- which have been restructured within the last 36 months and were not past due more than 90 days, and
- forborne loans past duemore than 90 days.

The restructuring of loans is performed through renegotiation of the original contractual terms and include changes such as:

- Extension of the credit duration
- Write-off of a portion of debtor's amounts due
- Grace period for the principal and interests
- Decrease in the interest rate

As a rule the forborne measures which are extended include a combination of the above amendments to the contractual terms. The carrying amount of forborne loans of the Group as of 31.12.2017 is amounted to €14,200 (31.12.2016: €12,812).

In addition, in the context of renegotiations of the terms of loans granted, the Group has participated in agreements for the exchange of debt securities or loans with debtors' shares. As at 31.12.2017, the Group included in its Available for Sale portfolio and in Assets held for Sale shares of fair value amounting to €2,321 (31.12.2016: €2,724) which were acquired from respective transactions. The shares that have been classified in Assets held for Sale concern SELONDA AQUACULTURE A.E.G.E. and NIREUS AQUACULTURE S.A. (note 47).

Analysis of forborne loans and advances to customers by type of forberance measure

	31.12.2017	31.12.2016
Interest payment only	395,799	256,478
Reduce payments scheme	6,238,755	6,010,250
Grace period	900,330	935,761
Loan term extension	3,264,230	2,477,019
Arrears capitalization	2,041,991	2,260,847
Partial write-off in borrower's obligations	177,982	71,108
Hybrid forbearance measures	142,345	152,964
Debt for equity transactions	6,805	
Other	1,031,402	647,619
Total net amount	**14,199,639**	**12,812,046**

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Forborne loans and advances to customers by product line

	31.12.2017	31.12.2016
Retail lending	**10,698,797**	**9,830,261**
Mortgage	6,831,684	6,213,940
Consumer	2,024,257	2,015,715
Credit cards	179,416	174,724
Other (incl. SBL)	1,663,440	1,425,882
Corporate lending	**3,463,158**	**2,974,180**
Large	2,109,103	1,893,174
SME's	1,354,055	1,081,006
Public sector	**37,684**	**7,605**
Greece	37,684	7,605
Total net amount	**14,199,639**	**12,812,046**

Forborne loans and advances to customers by geographical region

	31.12.2017	31.12.2016
Greece	12,666,217	11,041,455
Europe	1,533,422	1,770,591
Total net amount	**14,199,639**	**12,812,046**

Forborne loans and advances to customers according to their credit quality

	31.12.2017		
	Total amount of Loans and Advances	Total amount of Forborne Loans and Advances	Forborne Loans and Advances (%)
Neither past due nor impaired	23,924,641	3,760,804	16
Past due but not impaired	3,562,529	1,664,781	47
Impaired	29,125,050	14,206,478	49
Exposure before impairment	**56,612,220**	**19,632,063**	**35**
Individual Impairment Allowance	(5,715,804)	(2,256,220)	39
Collective Impairment Allowance	(7,578,223)	(3,176,204)	42
Total net amount	**43,318,193**	**14,199,639**	**33**
Value of collateral	34,566,099	11,498,732	33

	31.12.2016		
	Total amount of Loans and Advances	Total amount of Forborne Loans and Advances	Forborne Loans and Advances (%)
Neither past due nor impaired	24,536,071	3,413,688	14
Past due but not impaired	3,638,987	1,842,999	51
Impaired	32,140,954	13,061,887	41
Exposure before impairment	**60,316,012**	**18,318,574**	**30**
Individual Impairment Allowance	(7,392,524)	(2,131,292)	29
Collective Impairment Allowance	(8,514,728)	(3,375,236)	40
Total net amount	**44,408,760**	**12,812,046**	**29**
Value of collateral	37,777,006	11,307,369	30

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Reconciliation of net forborne loans

	Forborne loans (Net Value):
Balance 1.1.2017	**12,812,046**
Forbearance measures during the period	2,472,869
Transfer of Loans and Receivables to Assets Held for sale	(80,452)
Interest income	502,336
Disposal of Forborne Loans	(7,128)
Repayment of Loans and Receivables (partial or total)	(558,245)
Loans and Receivables that exited forbearance status	(898,630)
Impairment loss	(8,409)
Other	(34,748)
Balance 31.12.2017	**14,199,639**

	Forborne loans (Net Value):
Balance 1.1.2016	**11,128,350**
Forbearance measures during the period	2,774,716
Transfer of Loans and Receivables to Assets Held for sale	(29,963)
Interest income	471,230
Disposal of Forborne Loans	
Repayment of Loans and Receivables (partial or total)	(583,184)
Loans and Receivables that exited forbearance status	(750,533)
Impairment loss	(314,990)
Other	116,420
Balance 31.12.2016	**12,812,046**

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Balances with central banks - due from banks - derivative financial instruments and debt securities

Analysis per rating

	31.12.2017							
	Balances with Central Banks	Due from Banks	Derivatives Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
AAA					378,258			378,258
AA+ to AA-		106,388	21,944		688,189	9,008		825,529
A+ to A-		1,132,927	153,281		46,881			1,333,089
BBB+ to BBB-	384,519	397,193	73,897		537,440			1,393,049
Lower than BBB-	818,870	8,766	372,659	5,969	4,079,606	1,862		5,287,732
Unrated		112,336	755		7,241			120,332
Exposure before impairment	**1,203,389**	**1,757,610**	**622,536**	**5,969**	**5,737,615**	**10,870**	**-**	**9,337,989**

	31.12.2016							
	Balances with Central Banks	Due from Banks	Derivatives Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
AAA	10,500				367,753			378,253
AA+ to AA-	19,024	76,204	38,421		76,103	9,010	2,682,655	2,901,417
A+ to A-		1,252,057	136,252		3,402	19,241		1,410,952
BBB+ to BBB-	498,729	417,104	343,317		218,260	10,009		1,487,419
Lower than BBB-	370,653	120,750	116,033	2,256	4,162,180	6,739		4,778,611
Unrated	264,526	145,127	300		243,568			653,521
Exposure before impairment	**1,163,432**	**2,011,242**	**634,323**	**2,256**	**5,071,266**	**44,999**	**2,682,655**	**11,610,173**

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Balances with central banks - due from banks - derivative financial instruments and debt securities

Analysis by asset quality

	31.12.2017							
	Balances with Central Banks	Due from Banks	Derivatives Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
Neither past due nor impaired	1,203,389	1,715,649	622,537	5,969	5,737,615	10,870		9,296,029
Past due but not impaired								
Impaired		41,961						41,961
Exposure before impairment	**1,203,389**	**1,757,610**	**622,537**	**5,969**	**5,737,615**	**10,870**	**-**	**9,337,990**
Less: Allowance for impairment losses		(41,961)						(41,961)
Net exposure	**1,203,389**	**1,715,649**	**622,537**	**5,969**	**5,737,615**	**10,870**	**-**	**9,296,029**

	31.12.2016							
	Balances with Central Banks	Due from Banks	Derivatives Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
Neither past due nor impaired	1,163,432	1,969,281	634,323	2,256	5,038,172	44,999	2,682,655	11,535,118
Past due but not impaired								
Impaired		41,961			33,094			75,055
Exposure before impairment	**1,163,432**	**2,011,242**	**634,323**	**2,256**	**5,071,266**	**44,999**	**2,682,655**	**11,610,173**
Less: Allowance for impairment losses		(41,961)			(22,385)			(64,346)
Net exposure	**1,163,432**	**1,969,281**	**634,323**	**2,256**	**5,048,881**	**44,999**	**2,682,655**	**11,545,827**

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The following table shows an analysis of the financial instruments subject to credit risk, by counterparty's industry sector.

Financial instruments credit risk

Analysis by industry sector

	31.12.2017										
	Financial Institutions and other financial services	**Manufacturing**	**Construction and real estate**	**Wholesale and retail trade**	**Public sector/ Government securities/ Derivatives**	**Transportation**	**Shipping**	**Hotels-Tourism**	**Services and other sectors**	**Retail and small businesses**	**Total**
Credit risk exposure relating to balance sheet items:	1,203,389										1,203,389
Balances with Central Banks	1,757,610										1,757,610
Due from banks	397,753	5,349,938	5,804,445	5,065,434	1,150,337	644,086	1,501,268	1,993,057	2,599,306	32,106,596	56,612,220
Loans and advances to customers	175,695	16,348	67,304	17,018	331,967		728	8,266	5,095	115	622,536
Derivative financial assets					5,969						5,969
Trading securities	1,074,787	163,719	1,567	10,675	4,460,302				26,565		5,737,615
Available for sale securities			319		10,551						10,870
Held to maturity securities											
Loans and receivables securities	69,905	48,980	131,639	27,178		289		9,579	123,142	892,655	1,303,367
Total amount of balance sheet items exposed to credit risk (a)	**4,679,139**	**5,578,985**	**6,005,274**	**5,120,305**	**5,959,126**	**644,375**	**1,501,996**	**2,010,902**	**2,754,108**	**32,999,366**	**67,253,576**
Other balance sheet items not exposed to credit risk	571,079	3,034	86,145	350		404			7,850,682		8,511,694
Total assets	**5,250,218**	**5,582,019**	**6,091,419**	**5,120,655**	**5,959,126**	**644,779**	**1,501,996**	**2,010,902**	**10,604,790**	**32,999,366**	**75,765,270**
Credit risk exposure relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	29,581	437,452	1,409,318	468,173	93,359	63,635	6,529	88,603	718,283	70,030	3,384,963
Undrawn loan agreements and credit limits that can not be recalled (committed)	39,892	162,751	6,785	15,531	28,881	795	110,160	1,300	23,070	12,959	402,124
Total amount of off-balance sheet items exposed to credit risk (b)	**69,473**	**600,203**	**1,416,103**	**483,704**	**122,240**	**64,430**	**116689**	**89,903**	**741,353**	**82,989**	**3,787,087**
Total credit risk exposure (a+b)	**4,748,612**	**6,179,188**	**7,421,377**	**5,604,009**	**6,081,366**	**708,805**	**1,618,685**	**2,100,805**	**3,495,461**	**33,082,355**	**71,040,663**

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31.12.2016*											
	Financial Institutions and other financial services	**Manufacturing**	**Construction and real estate**	**Wholesale and retail trade**	**Public sector/ Government securities/ Derivatives**	**Transportation**	**Shipping**	**Hotels-Tourism**	**Services and other sectors**	**Retail and small businesses**	**Total**
Credit risk exposure relating to balance sheet items:											
Balances with Central Banks	1,163,432										1,163,432
Due from banks	2,011,242										2,011,242
Loans and advances to customers	519,124	5,801,085	6,216,102	5,408,629	1,204,596	727,196	1,538,665	1,911,332	2,665,456	34,323,827	60,316,012
Derivative financial assets	174,519	10,578	79,891	754	342,737		1,579	10,709	13,556		634,323
Trading securities					2,256						2,256
Available for sale securities	472,348	217,570		21,539	4,117,545				242,264		5,071,266
Held to maturity securities	29,250		319		15,430						44,999
Loans and receivables securities	2,682,655										2,682,655
Available for sale assets - Loans and receivables	151,724										151,724
Total amount of balance sheet items exposed to credit risk (a)	**7,204,294**	**6,029,233**	**6,296,312**	**5,430,922**	**5,682,564**	**727,196**	**1,540,244**	**1,922,041**	**2,921,276**	**34,323,827**	**72,077,909**
Other balance sheet items not exposed to credit risk	693,506	49,819	22,325	49,265		6,087		83	8,297,242	293,652	9,411,979
Total assets	**7,897,800**	**6,079,052**	**6,318,637**	**5,480,187**	**5,682,564**	**733,283**	**1,540,244**	**1,922,124**	**11,218,518**	**34,617,479**	**81,489,888**
Credit risk exposure relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	29,859	556,869	1,506,602	488,509	94,823	34,332	7,205	72,897	702,359	74,331	3,567,786
Undrawn loan agreements and credit limits that can not be recalled (committed)	31,133				50,645		133,553	94,349	185,054		494,734
Total amount of off-balance sheet items exposed to credit risk (b)	**60,992**	**556,869**	**1,506,602**	**488,509**	**145,468**	**34,332**	**140,758**	**167,246**	**887,413**	**74,331**	**4,062,520**
Total credit risk exposure (a+b)	**7,265,286**	**6,586,102**	**7,802,914**	**5,919,431**	**5,828,032**	**761,528**	**1,681,002**	**2,089,287**	**3,808,689**	**34,398,158**	**76,140,429**

* * Restatement due to transfer to assets held for sale – loan portfolio Alpha Bank S.A. (review the comment)

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Exposure in credit risk from debt issued by the peripheral eurozone countries

Due to the prolonged turmoil in the Eurozone countries, and the issues which the Greek economy faces concerning the services of the public debt, the Group monitors credit risk from its exposure to the Greek State as well as the remaining peripheral countries.

i. Exposure to the Greek State

The table below presents the Group's total exposure in Greek Government securities:

	31.12.2017		31.12.2016	
Portfolio	**Nominal value**	**Carrying amount**	**Nominal value**	**Carrying amount**
Available for sale	3,801,005	3,718,394	4,175,594	3,589,720
Trading	6,265	5,969	2,861	2,256
Total	**3,807,270**	**3,724,363**	**4,178,455**	**3,591,976**

All Greek Government securities are classified in level 1 based on the quality of inputs used for the estimation of their fair value.

Furthermore, the securities issued by public entities amounted to €111,674 on 31.12.2017 (31.12.2016: €151,868)

The Group's exposure to Greek State from other financial instruments, excluding securities and loans and advances is depicted in the tables below:

On balance sheet exposure

	Carrying amount	
	31.12.2017	31.12.2016
Derivative financial instruments – assets	331,967	342,737
Derivative financial instruments – liabilities	(28,698)	(69,299)

Derivative financial assets from public sector entities/organizations amounted to € 6,541 as at 31.12.2017 (31.12.2016: €8,370).

The Group exposure in loans to public entities/organizations on 31.12.2017 amounted to € 1,076,823 (31.12.2016: €1,111,952). The Group, for the above receivables has recognized an impairment amounted to € 45,519 on 31.12.2017 (31.12.2016: €49,133).

In addition, the balance of Group's loans guaranteed by the Greek State (directly guaranteed by Greek government, loans guaranteed by TEMPE, Loans guaranteed by Common Ministerial Decisions) on 31.12.2017 amounted to € 679,214 (31.12.2016: €720,600). For these loans the Bank has recognized impairment amounted to €113,967 on 31.12.2017 (31.12.2016: €: €149,199).

Off balance sheet exposure

	31.12.2017		31.12.2016	
	Nominal value	**Fair value**	**Nominal value**	**Fair value**
Bonds used as collaterals for refinancing operation			56,373	57,162
Bonds used as collaterals for derivatives transactions	300,000	299,370		

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ii. Exposure to other peripheral Eurozone countries debt

The Group holds in its available for sale portfolio, bonds and treasury bills of the Republic of Cyprus with a book value of €131,789 (31.12.2016: €114,515), bonds issued by the Italian Republic with a book value of €80,920 (31.12.2016: €9,844) and bonds issued by the Spanish Republic with a book value of €87,095 (31.12.2016: €10,770).

As at 31.12.2017 the Group had no exposure to bonds issued by Portugal and Ireland.

41.2. Market risk

Market risk is the risk of losses arising from unfavourable changes in the value or volatility of interest rates, foreign exchange rates, stock exchange indices, equity prices and commodities. Losses may also occur either from the trading portfolio or from the Assets-Liabilities management.

More specifically:

- Interest rate risk is the risk that results from the Group's exposure to adverse changes in the value or volatility of interest rates.
- Foreign exchange risk is the risk arising from adverse changes in the value or volatility of foreign exchange rates.
- Equity risk is the risk arising from adverse changes in the value or volatility of equities or equity indices. The Group holds no material portfolio in such instruments.

i. Trading portfolio

The Group Market Risk Management Policy elaborates on how market risk is managed within the Group, i.e. the identification, measurement, monitoring and control of market risk inherent in Treasury assets and liabilitities transacted by the Group and the country local Treasury Management Units, as well as the determination that adequate capital is held against this type of risk. The ultimate objective of the Policy is to provide the framework and principles for the effective management of market risk, in order to:

- maintain market risk within the limits, in line with the Group's risk appetite;
- reduce the risk of fraud or regulatory non-compliance by prescribing sound methodologies;
- ensure adequate controls to prevent significant losses;
- facilitate efficient decision-making by quantifying where possible the probabilities of failing to achieve earnings or other targets.

All competent Group and country local Units apply the Policy by developing and applying corresponding processes.

Market risk is measured by Value at Risk – VAR, that is the maximum amount of loss with a given probability (confidence level). The method applied for calculating Value at Risk is historical simulation with full revaluation using the 99th percentile and one tailed confidence interval. The historical observation period is one year at minimum. Risk factor returns are calculated according to the absolute, relative or mixed approach.

The Bank calculates VAR on a daily basis and the data sets are updated daily. A holding period of one and ten days is applied for regulatory purposes. Additional holding periods may be applied for internal purposes, according to the time required for the liquidation of the portfolio.

In line with the regulatory requirement, back-testing is performed on a daily basis for the Bank prudential trading book through the use of hypothetical and actual outcomes by monitoring the number of times that the trading outcomes exceed the corresponding risk measure.

1 day value at risk, 99% confidence interval (2 years historical data)

(Amounts in Euro)

	2017				
	Foreign currency risk	Interest rate risk	Price risk	Covariance	Total
31 December	346,333	1,941,302	24,345	(213,915)	**2,098,065**
Average daily value (annual)	585,522	1,146,831	42,153	(321,815)	**1,452,691**
Maximum daily value (annual)*	429,859	2,220,697	9,763	(432,617)	**2,227,702**
Minimum daily value (annual)*	323,703	254,866	24,174	(158,717)	**444,026**

(Amounts in Euro)

	2016				
	Foreign currency risk	Interest rate risk	Price risk	Covariance	Total
31 December	1,216,957	174.020	79.163	(221.350)	**1,248,790**
Average daily value (annual)	1,752.271	117.635	27.930	(133.385)	**1,764,451**
Maximum daily value (annual)*	1.992.659	89.316	31.773	(115.652)	**1,998,095**
Minimum daily value (annual)*	1.216.957	174.020	79.163	(221,350)	**1,248,790**

The above items concern the Bank. The Group's subsidiaries and branches have limited trading positions, which are immaterial compared to the positions of the Bank. As a result, the market risk effect deriving from these positions on the total income, is immaterial.

The Value at Risk methodology is based on certain theoretical assumptions, which under extreme market conditions might not capture the maximum loss the Bank may suffer, The limitations of the methodology may be summarized as follows:

- VAR refers to the potential loss at a 99% confidence level, without considering any losses beyond that level
- Risk factor returns are assumed to follow the empirical distribution that was experienced during the historical observation period.

The Value at Risk methodology is complemented with scenario analysis and stress testing, in order to estimate the potential size of losses that could arise from the trading portfolio for hypothetical as well as historical extreme movements of market parameters (stress-testing).

Within the scope of market risk control, open position, maximum loss (stop loss) and value at risk limits have been set acrosstrading positions.

In particular, limits have been set for the following risks:

- Foreign currency risk regarding spot and forward positions and FX options
- Interest rate risk regarding positions in bonds, Interest Rate Swaps, Interest Futures, Interest Options
- Price risk regarding positions in shares, index Futures and options, Commodity Futures and Swaps
- Credit risk regarding interbank transactions and bonds

Positions held in these products are monitored on a daily basis and are examined for the corresponding limit percentage cover and for any limit excess.

ii. The financial risks of the banking portfolio

The financial risks of the banking portfolio derive from the structure of assets and liabilities and primarily from the portfolio of loans and deposits of the Group. The financial risks of the banking portfolio concern foreign exchange risk, interest rate risk and liquidity risk.

* Relates to the total Value at Risk within the year.

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a. Foreign currency risk

The Bank takes on the risk arising from the fluctuations in foreign exchange rates.

The management of foreign currency position is centralized.

The policy of the Bank is the positions to be closed immediately using spot transactions or currency derivatives. In case that positions are still open, they are daily monitored by the competent department and they are subject to limits. The total position arises from the net balance sheet position and derivatives forward position as presented in the tables below.

					31.12.2017				
	USD	**GBP**	**CHF**	**JPY**	**RON**	**RSD**	**Other FC**	**Euro**	**Total**
ASSETS									
Cash and balances with Central Banks	6,579	4,191	704	48	154,455		15,175	1,412,698	1,593,850
Due from banks	126,815	25,600	40,679	2,935	26,133	76	12,098	1,481,313	1,715,649
Trading securities	1							8,684	8,685
Derivative financial assets								622,536	622,536
Loans and advances to customers	1,541,568	374,695	1,363,084	23,529	924,211		104,225	38,986,881	43,318,193
Investment securities									
- Available for sale	146,440	17,037			265,756		93,808	5,350,727	5,873,768
- Held to maturity							1,544	9,326	10,870
- Loans and receivables									
Investments in associates and joint ventures								18,886	18,886
Investment property					107,681		83,442	385,989	577,112
Property, plant and equipment		3,374			26,267		6,075	699,534	735,250
Goodwill and other intangible assets		158			3,823		394	385,434	389,809
Deferred tax assets					994		317	4,329,291	4,330,602
Other assets	1,716	685	7,477	2	19,794		12,691	1,286,473	1,328,838
Assets held for sale	12,190				13,516	498		262,773	288,977
Total Assets	**1,835,309**	**425,740**	**1,411,944**	**26,514**	**1,542,630**	**574**	**329,769**	**55,240,545**	**60,813,025**
LIABILITIES									
Due to banks and customers	1,653,227	242,462	22,210	2,171	1,044,092		401,156	44,666,649	48,031,967
Derivative financial liabilities								1,029,421	1,029,421
Debt securities in issue and other borrowed funds	319,001							336,566	655,567
Liabilities for current income tax and other taxes		1,129			10,798		570	30,264	42,761
Deferred tax liabilities					4,039		255	20,703	24,997
Employee defined benefit obligations								92,038	92,038
Other liabilities and liabilities related to Assets held for sale	3,499	1,131	7,952	508	8,944		2,524	843,785	868,343
Provisions	60	2	1	0	2,987		1,975	436,215	441,240
Total liabilities	**1,975,787**	**244,724**	**30,163**	**2,679**	**1,070,860**	**-**	**406,480**	**47,455,641**	**51,186,334**
Net balance sheet position	(140,478)	181,016	1,381,781	23,835	471,770	574	(76,711)	7,784,904	9,626,691
Derivatives forward foreign exchange position	181,260	(181,116)	(1,381,295)	(23,390)	(360,071)		184,153	1,641,037	60,578
Total Foreign exchange position	**40,782**	**(100)**	**486**	**445**	**111,699**	**574**	**107,442**	**9,425,941**	**9,687,269**
Undrawn loan agreements and credit limits that can not be recalled (committed)	107,346				41,447			253,331	402,124

The amounts are presented in thousands of Euro unless otherwise indicated

	31.12.2016								
	USD	**GBP**	**CHF**	**JPY**	**RON**	**RSD**	**Other FC**	**Euro**	**Total**
ASSETS									
Cash and balances with Central Banks	10,203	19,677	504	23	137,060		17,506	1,329,634	1,514,607
Due from banks	192,636	2,764	21,687	6,796	20,999	16,657	12,229	1,695,513	1,969,281
Trading securities	1							4,700	4,701
Derivative financial assets								634,323	634,323
Loans and advances to customers	1,796,851	395,932	1,681,322	30,864	761,657	7,358	101,171	39,633,605	44,408,760
Investment securities									
- Available for sale	148,572	17,521			244,825		82,034	4,724,101	5,217,053
- Held to maturity					6,991		6,338	31,670	44,999
- Loans and receivables								2,682,655	2,682,655
Investments in associates and joint ventures								21,792	21,792
Investment property					144,208		52,113	417,771	614,092
Property, plant and equipment		1,640			25,472	3,640	6,712	756,504	793,968
Goodwill and other intangible assets		281			1,618		167	369,248	371,314
Deferred tax assets					926		722	4,517,398	4,519,046
Other assets	7,094	(2,989)	20,570	2	12,316	1,622	7,246	1,404,598	1,450,459
Assets held for sale	13,869				2,431	557,521		51,395	625,216
Total Assets	**2,169,226**	**434,826**	**1,724,083**	**37,685**	**1,358,503**	**586,798**	**286,238**	**58,274,907**	**64,872,266**
LIABILITIES									
Due to banks and customers	1,763,230	243,494	42,787	1,347	969,440	141	395,815	48,635,439	52,051,693
Derivative financial liabilities								1,336,227	1,336,227
Debt securities in issue and other borrowed funds	254,456							362,409	616,865
Liabilities for current income tax and other taxes		392			5,117	7	461	27,801	33,778
Deferred tax liabilities		102			4,470	110	579	15,958	21,219
Employee defined benefit obligations								91,828	91,828
Other liabilities and liabilities related to Assets held for sale	7,558	(2,332)	5,952	556	2,774	408,762	3,514	858,755	1,285,539
Provisions	98	2	1		2,853		1,729	317,021	321,704
Total liabilities	**2,025,342**	**241,658**	**48,740**	**1,903**	**984,654**	**409,020**	**402,098**	**51,645,438**	**55,758,853**
Net balance sheet position	143,884	193,168	1,675,343	35,782	373,849	177,778	(115,860)	6,629,469	9,113,413
Derivatives forward foreign exchange position	(118,002)	(195,742)	(1,673,390)	(35,214)	(239,078)	(1,006)	196,100	1,980,992	(85,340)
Total Foreign exchange position	**25,882**	**(2,574)**	**1,953**	**568**	**134,771**	**176,772**	**80,240**	**8,610,461**	**9,028,073**
Undrawn loan agreements and credit limits that can not be recalled (committed)	133,553				47,307	11,656		302,218	494,734

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The net foreign exchange position as at 31.12.2017 presents the following sensitivity analysis:

Currency	Exchange rate variation scenario against Euro (%	Impact on net income before tax	Impact on Equity
USD	5% Depreciation EUR against USD	2,146	
	5% Appreciation EUR against USD	(1,942)	
GBP	5% Depreciation EUR against GBP	(5)	
	5% Appreciation EUR against GBP	5	
CHF	5% Depreciation EUR against CHF	26	
	5% Appreciation EUR against CHF	(23)	
JPY	5% Depreciation EUR against JPY	23	
	5% Appreciation EUR against JPY	(21)	
AUD	5% Depreciation EUR against AUD	29	
	5% Appreciation EUR against AUD	(26)	
RON	5% Depreciation EUR against RON		5,879
	5% Appreciation EUR against RON		(5,319)
RSD	5% Depreciation EUR against RSD	30	
	5% Appreciation EUR against RSD	(27)	
ALL	5% Depreciation EUR against ALL		(407)
	5% Appreciation EUR against ALL		368

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b. Interest rate risk

Banking book interest rate risk relates to the volatility of Equity Value and interest income due to the mismatch between the non-negotiable Assets-Liabilities and the available for sale portfolio. The interest rate risk management framework is determined in accordance with the Asset Liability Risk Management Policy. Based on this background, the risk analysis of the Banking Portfolio is analyzed through the Interest Rate Gap Analysis. Particularly, assets and liabilities are classified in Gaps depending on their reprise date for floating-rate items, or when they expire for fixed rate items.

Interest rate risk management is carried out by ALCO, following proposals by Group Market and Operational Risk Division, Financial Markets Division and Asset Liability Management Division. Stress interest rate scenarios are carried out on a monthly basis and their impact on the interest income change through EAR (Earnings at Risk) and Equity Value through EVE (Economic Value of Equity) is calculated. Corresponding limits have been set for both measures (EaR & EVE) which are monitored and presented to ALCO and BRC on a regular basis.

The following table presents the Interest Rate Repricing Analysis of Assets Liabilities.

	31.12.2017							
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Non-interest bearing	Total
ASSETS								
Cash and balances with Central Banks	966,263						627,587	1,593,850
Due from Banks	1,177,555	315,143	9,338	14,919	15,753	182,941		1,715,649
Securities held for trading					2,317	3,652	2,716	8,685
Derivative financial assets	622,536							622,536
Loans and advances to customers	20,877,227	8,020,758	1,808,472	1,317,351	7,643,744	3,650,641		43,318,193
Investment securities								-
- Available for sale	606,759	822,847	615,041	84,186	1,193,187	2,435,918	115,830	5,873,768
- Held to maturity	319	766	9,008		777			10,870
- Loans and receivables								-
Investments in associates and joint ventures							18,886	18,886
Investment property							577,112	577,112
Property, plant and equipment							735,250	735,250
Goodwill and other intangible assets							389,809	389,809
Deferred tax assets							4,330,602	4,330,602
Other assets							1,328,838	1,328,838
Non-current assets held for sale	288,977							288,977
Total Assets	**24,539,636**	**9,159,514**	**2,441,859**	**1,416,456**	**8,855,778**	**6,273,152**	**8,126,630**	**60,813,025**
LIABILITIES								
Due to banks	9,234,372	765,462	43,626		3,098,071			13,141,531
Derivative financial liabilities	1,029,421							1,029,421
Due to customers	7,360,232	4,285,499	7,053,784	3,799,126	7,578,650	4,809,649	3,496	34,890,436
Debt securities in issue held by institutional investors and other borrowed funds	621,475	29,814	4,278					655,567
Liabilities for current income tax and other taxes							42,761	42,761
Deferred tax liabilities							24,997	24,997
Employee defined benefit obligations							92,038	92,038
Other liabilities							867,921	867,921
Provisions							441,240	441,240
Liabilities related to assets held for sale	422							422
Total Liabilities	**18,245,922**	**5,080,775**	**7,101,688**	**3,799,126**	**10,676,721**	**4,809,649**	**1,472,453**	**51,186,334**
EQUITY								
Share capital							463,110	463,110
Share premium							10,801,029	10,801,029
Reserves							808,951	808,951
Retained earnings							(2,490,040)	(2,490,040)
Non-controlling interests							28,534	28,534
Hybrid securities							15,107	15,107
Total Equity							**9,626,691**	**9,626,691**
Total Liabilities and Equity	**18,245,922**	**5,080,775**	**7,101,688**	**3,799,126**	**10,676,721**	**4,809,649**	**11,099,144**	**60,813,025**
Open exposure	**6,293,714**	**4,078,739**	**(4,659,829)**	**(2,382,670)**	**(1,820,943)**	**1,463,503**	**(2,972,514)**	
Cumulative exposure	**6,293,714**	**10,372,453**	**5,712,624**	**3,329,954**	**1,509,011**	**2,972,514**		

 The amounts are presented in thousands of Euro unless otherwise indicated

	31.12.2016							
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Non-interest bearing	Total
ASSETS								
Cash and balances with Central Banks	858,659						655,948	1,514,607
Due from Banks	1,412,045	375,067	21,334		1,930	158,905		1,969,281
Securities held for trading				222	518	1,516	2,445	4,701
Derivative financial assets	634,323							634,323
Loans and advances to customers	23,533,657	6,547,771	2,541,640	1,365,640	6,520,234	3,899,818		44,408,760
Investment securities								-
- Available for sale	346,599	663,162	1,012,010	277,939	1,215,539	1,568,485	133,319	5,217,053
- Held to maturity	319	1,884	12,244	1,525	9,777	19,250		44,999
- Loans and receivables			1,964,564		171,048	547,043		2,682,655
Investments in associates and joint ventures							21,792	21,792
Investment property							614,092	614,092
Property, plant and equipment							793,968	793,968
Goodwill and other intangible assets							371,314	371,314
Deferred tax assets							4,519,046	4,519,046
Other assets							1,450,459	1,450,459
Non-current assets held for sale			524,080				101,136	625,216
Total Assets	**26,785,602**	**7,587,884**	**6,075,872**	**1,645,326**	**7,919,046**	**6,195,017**	**8,663,519**	**64,872,266**
LIABILITIES								
Due to banks	17,242,163	312,898	52,273		1,498,243			19,105,577
Derivative financial liabilities	1,336,227							1,336,227
Due to customers	6,786,681	4,650,913	6,524,205	2,884,014	7,596,146	4,500,130	4,027	32,946,116
Debt securities in issue held by institutional investors and other borrowed funds	227,486	376,521	12,858					616,865
Liabilities for current income tax and other taxes							33,778	33,778
Deferred tax liabilities							21,219	21,219
Employee defined benefit obligations							91,828	91,828
Other liabilities							879,185	879,185
Provisions							321,704	321,704
Liabilities related to assets held for sale			402,002				4,352	406,354
Total Liabilities	**25,592,557**	**5,340,332**	**6,991,338**	**2,884,014**	**9,094,389**	**4,500,130**	**1,356,093**	**55,758,853**
EQUITY								
Share capital							461,064	461,064
Share premium							10,790,870	10,790,870
Reserves							332,061	332,061
Retained earnings							(2,506,711)	(2,506,711)
Non-controlling interests							20,997	20,997
Hybrid securities							15,132	15,132
Total Equity							**9,113,413**	**9,113,413**
Total Liabilities and Equity	**25,592,557**	**5,340,332**	**6,991,338**	**2,884,014**	**9,094,389**	**4,500,130**	**10,469,506**	**64,872,266**
Open exposure	**1,193,045**	**2,247,552**	**(915,466)**	**(1,238,688)**	**(1,175,343)**	**1,694,887**	**(1,805,987)**	
Cumulative exposure	**1,193,045**	**3,440,597**	**2,525,131**	**1,286,443**	**111,100**	**1,805,987**		

From the Interest Rate Gap Analysis and from the application of alternative scenarios regarding the changes in the market interest rates or changes in the base interest rates of the Bank and the companies of the Group, the Group is able to calculate the immediate changes in the net interest income and equity relating to available for sale securities and the respective hedging instruments. In the Interest Rate Gap Analysis, the variance, up to the point it's feasible (interest rate equals to zero), is studied, according to the interest rate curves by currency in force.

Interest rate variation scenario (parallel fall or rise in yield curves)	Sensitivity for net interest income (annual)	Sensitivity of Equity
(200)	(71,351)	246,073
200	65,924	(227,458)

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41.3 Liquidity risk

Liquidity risk relates to Group's ability to maintain sufficient funds to cover its planned or extraordinary obligations. Liquidity Risk comprises both funding liquidity risk and asset liquidity risk though these two dimensions of liquidity risk are closely related. Funding Liquidity risk refers to the inability of a financial institution to raise the cash necessary to roll over its debt, fulfill the cash, margin, or collateral requirements of counterparties; or to meet capital withdrawals. Asset – market liquidity risk, results from the Bank's failure to recognize or address changes in market conditions that affect the ability to liquidate assets quickly and with minimal loss in value.

According to Group's Liquidity Risk Management Policy, the Board Risk Management Committee assigns the overall responsibility for overseeing asset and liability management to Asset – Liability Committee (ALCo). ALCo is responsible on one hand to monitor the quantitative and qualitative aspects of liquidity risk and on the other hand to ensure that appropriate policies and procedures are in place to control and limit liquidity risk. In addition to that, ALCo is responsible for approving the guidelines, principles, risk measurement techniques and limits that have been proposed by the Group Market and Operational Risk Division, Financial Markets Division and Asset Liability Management Division.

Group's executive and senior management is informed on current liquidity risk exposures on a daily basis, ensuring that the Group's liquidity risk profile stays within approved limits. Moreover, management receives on a daily basis a liquidity report, which presents a detailed analysis of Bank's and subsidiaries funding sources and counterbalancing capacity. Briefly, the following list summarizes the main reports which are produced on a periodic basis in order to inform the Group's executive and senior management and the ALCo; Static Liquidity Gap analysis, regulatory liquidity ratios of the Group and the subsidiaries, deposit concentration report per subsidiary per currency, Group's Loans to Deposit ratio, liquidity risk indicators and triggers as defined in Recovery Plan of each subsidiary and the Group, liquidity stress testing according to scenarios that evaluate the impact of systemic and idiosyncratic stress events on each subsidiary's liquidity position.

Taking into account that liquidity risk management seeks to ensure that the respective risk of the Group is measured properly and is maintained within acceptable levels, even under adverse conditions, then the Group must have access to funds in order to cover customer needs, maturing liabilities and other capital needs, while maintaining at the same time the appropriate counterbalancing capacity to ensure the above.

More analytically, the total funding can be divided into two main categories:

A. Customer deposits

1. Customer deposits on demand for cash flow needs

Deposits that are intended to meet short term needs of customers are the savings accounts and the sight deposits. Although these deposits may be withdrawn on demand, the number of accounts and type of depositors ensure that unexpected significant fluctuations are limited. Therefore, these deposits constitute a significant factor of stability of the deposit base.

2. Customer term deposits and bonds for investment purposes

The customer term deposits and bonds for investment purposes issued by the Group companies usually consist of customer deposits for a certain period and customer repurchase agreements (repos), whereas the bonds issued by the Group companies are disposed through outright sale. Customers have the ability of early withdrawal of deposits or early liquidation of bonds which may result in potential need of finding alternative liquidity in case of extensive outflows.

For this purpose and for the general safety of customer deposits, the Bank takes care for the existence of adequate liquidity surpluses which are calculated based on stress testing exercises due to loss of liquidity or the existence of sufficient credit lines of financial instruments as shown below.

B. Wholesale funding

1. Medium-term borrowing from international capital markets

The Bank's constant aspiration is to cooperate with international investors who may offer medium term financing through purchase of securities issued by the Group companies. For this purpose, the Bank retains special financing programs appealing to international investors and provides adequate coverage of credit needs through international capital markets by planning asset level needs on an annual basis. However, the Bank acknowledges that the demand of these bonds may not be enough to fully meet the needs in specific time intervals as a result of factors which concern the credit assessment in the domestic and international economic environment.

2. Funding by Central Banks

An alternative way of Bank funding is the liquidity from financial instruments of the Central Banks- Euro system and especially from the European Central Bank (ECB). This funding regards loan granted with pledge of assets according to instructions and the eligible assets determined by the ECB. During the last years this additional source funding has become a major financial instrument by hedging the inadequate or loss of basic forms of Bank funding. Furthermore, under the period on which Greece is under the restructuring program of economy and fiscal improvement of financial figures and simultaneously servicing financing needs of the network of institutions that have the supervision of the program, the Bank can use available assets in order to increase liquidity from the Eurosystem to cover any financing gap. The Bank recognizes the short-term nature of this liquidity source and pursues gradually to release, if circumstances allow. However, for as long as the country is experiencing financial and economic crisis, the Bank ensures the smooth financing from these financial instruments which may be either conventional marginal lending from the ECB (MRO), or Emergent Liquidity Assistance from Bank of Greece (ELA). The Bank ensures the adequacy of collateral required in order to serve the financing from the above financial instruments, while recognizing both the type and the amount of financing that is under the discretion of the Eurosystem.

The borrowing from the European System of Central Banks was reduced by € 8.1 billion since 31.12.2016, amounting to € 10.2 billion on 31.12.2017, of which the € 7 billion came from ELA mechanism. It needs to be mentioned that, according to the Restoration Plan, ELA deposit is expected to be gradually reduced until its full elimination. The reduction of this source of funding will be mainly due to increase of customer deposits and interbank repo transactions along with the issuance of MTN Notes.

Based on the Liquidity Gap Analysis, the cash flows arising from balance sheet items are calculated and classified into time periods in accordance with the contractual maturity date or the estimated date based on a statistical analysis (convention). An exception to the above, are the securities portfolios, which can contribute directly to raise liquidity, and they are allocated in the first period under the condition that they have not been used to raise liquidity either by the Central Bank or through interbank repos.

	31.12.2017					
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	> 1 year	Total
ASSETS						
Cash and balances with Central Banks	1,593,850					1,593,850
Due from banks	1,191,353	313,541	6,717		204,038	1,715,649
Trading securities	8,685					8,685
Derivative financial assets	622,536					622,536
Loans and advances to customers	2,293,527	1,454,721	1,836,238	2,986,784	34,746,923	43,318,193
Investment securities						
- Available for sale	5,586,887				286,881	5,873,768
- Held to maturity					10,870	10,870
- Loans and receivables						
Investments in associates and joint ventures					18,886	18,886
Investment property					577,112	577,112
Property, plant and equipment					735,250	735,250
Goodwill and other intangible assets					389,809	389,809
Deferred tax assets					4,330,602	4,330,602
Other assets	61,974	109,011	163,516	327,032	667,305	1,328,838
Non current assets held for sale		168,700		120,277		288,977
Total Assets	**11,358,812**	**2,045,973**	**2,006,471**	**3,434,093**	**41,967,676**	**60,813,025**
LIABILITY						
Due to banks	9,120,769	444,919	790	1,286	3,573,767	13,141,531
Derivative financial liabilities	1,029,421					1,029,421
Due to customers	7,135,704	4,255,428	4,297,188	4,033,632	15,168,484	34,890,436
Debt securities in issue held by institutional investors and other borrowed funds			14,398		641,169	655,567
Liabilities for current income tax and other taxes		42,761				42,761
Deferred tax liabilities					24,997	24,997
Employee defined benefit obligations					92,038	92,038
Other liabilities	93,184				774,737	867,921
Provisions					441,240	441,240
Liabilities related to assets held for sale				422		422
Total Liabilities	**17,379,078**	**4,743,108**	**4,312,376**	**4,035,340**	**20,716,432**	**51,186,334**
EQUITY						
Share capital					463,110	463,110
Share premium					10,801,029	10,801,029
Reserves					808,951	808,951
Retained earnings					(2,490,040)	(2,490,040)
Non-controlling interests					28,534	28,534
Hybrid securities					15,107	15,107
Total Equity	**-**	**-**	**-**	**-**	**9,626,691**	**9,626,691**
Total Liabilities and Equity	**17,379,078**	**4,743,108**	**4,312,376**	**4,035,340**	**30,343,123**	**60,813,025**
OPEN LIQUIDITY GAP	**(6,020,266)**	**(2,697,135)**	**(2,305,905)**	**(601,247)**	**11,624,553**	
CUMULATIVE LIQUIDITY GAP	**(6,020,266)**	**(8,717,401)**	**(11,023,306)**	**(11,624,553)**		

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	31.12.2016					
	< 1 month	1 to 3 months	3 to 6 months	6 to 12 months	> 1 year	Total
ASSETS						
Cash and balances with Central Banks	1,514,607					1,514,607
Due from banks	1,339,217	405,623	26,536	44	197,861	1,969,281
Trading securities	4,701					4,701
Derivative financial assets	634,323					634,323
Loans and advances to customers	3,501,282	2,178,064	1,554,192	3,857,891	33,317,331	44,408,760
Investment securities						
- Available for sale	4,964,609				252,444	5,217,053
- Held to maturity			11,496	3,403	30,100	44,999
- Loans and receivables					2,682,655	2,682,655
Investments in associates and joint ventures					21,792	21,792
Investment property					614,092	614,092
Property, plant and equipment					793,968	793,968
Goodwill and other intangible assets					371,314	371,314
Deferred tax assets					4,519,046	4,519,046
Other assets	59,924	121,660	179,773	362,893	726,209	1,450,459
Non current assets held for sale			517,847	107,369		625,216
Total Assets	**12,018,663**	**2,705,347**	**2,289,844**	**4,331,600**	**43,526,812**	**64,872,266**
LIABILITY						
Due to banks	17,227,822	89,838	1,075	2,673	1,784,169	19,105,577
Derivative financial liabilities	1,336,227					1,336,227
Due to customers	6,368,861	4,571,701	3,798,701	3,115,974	15,090,879	32,946,116
Debt securities in issue held by institutional investors and other borrowed funds		18,831	7,238		590,796	616,865
Liabilities for current income tax and other taxes			33,778			33,778
Deferred tax liabilities					21,219	21,219
Employee defined benefit obligations					91,828	91,828
Other liabilities	144,107				735,078	879,185
Provisions					321,704	321,704
Liabilities related to assets held for sale			406,058	296		406,354
Total Liabilities	**25,077,017**	**4,680,370**	**4,246,850**	**3,118,943**	**18,635,673**	**55,758,853**
EQUITY						
Share capital					461,064	461,064
Share premium					10,790,870	10,790,870
Reserves					332,061	332,061
Retained earnings					(2,506,711)	(2,506,711)
Non-controlling interests					20,997	20,997
Hybrid securities					15,132	15,132
Total Equity					**9,113,413**	**9,113,413**
Total Liabilities and Equity	**25,077,017**	**4,680,370**	**4,246,850**	**3,118,943**	**27,749,086**	**64,872,266**
OPEN LIQUIDITY GAP	**(13,058,354)**	**(1,975,023)**	**(1,957,006)**	**1,212,657**	**15,777,726**	**-**
CUMULATIVE LIQUIDITY GAP	**(13,058,354)**	**(15,033,377)**	**(16,990,383)**	**(15,777,726)**	**-**	**-**

 The amounts are presented in thousands of Euro unless otherwise indicated

Held for trading and available for sale portfolios are listed based on their liquidation potential and not according to their maturity.

Cash flows arising from financial liabilities including derivative financial liabilities, are allocated into time bands according to their maturity date. Estimated interest payments are also included. Liabilities in foreign currency have been converted into Euro. Outflows and inflows relating to derivatives are estimated according to their contractual terms.

31.12.2017							
	Total Balance Sheet	Nominal inflows / (outflows)					TOTAL
		to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	
Liabilities- non-derivative							
Due to banks	13,141,531	(9,141,649)	(462,283)	(36,054)	(72,000)	(3,889,973)	(13,601,959)
Due to customers	34,890,436	(7,143,802)	(4,279,980)	(4,330,660)	(4,103,888)	(15,431,594)	(35,289,924)
Debt securities in issue held by institutional investors and other borrowed funds	655,567	(1,778)	(3,637)	(20,122)	(11,988)	(691,599)	(729,124)
Other liabilities	867,921	(93,184)				(774,737)	(867,921)
Derivative held for assets fair value hedge	777						-
- Outflows		(23,759)		(771)	(18)	(17)	(24,565)
- Inflows		23,725				76	23,801
Derivatives held for liabilities fair value hedge	377,955						-
- Outflows		(180)	(169)	(27,557)		(523,660)	(551,566)
- Inflows			2,141	7,045	14,072	502,458	525,716
Derivatives held for trading	650,689						
- Outflows		(700,291)	(255,647)	(50,067)	(65,285)	(1,225,805)	(2,297,095)
- Inflows		679,401	228,484	40,999	56,440	1,031,712	2,037,036
Total	**50,584,876**	**(16,401,517)**	**(4,771,091)**	**(4,417,187)**	**(4,182,667)**	**(21,003,139)**	**(50,775,601)**
Off balance sheet items							
Undrawn loan agreements and credit limits that can not be recalled (committed)		(402,124)					(402,124)
Financial guarantees		(132,096)	(143,641)	(131,481)	(250,184)	(2,249,477)	(2,906,879)
Total off Balance sheet items	**-**	**(534,220)**	**(143,641)**	**(131,481)**	**(250,184)**	**(2,249,477)**	**(3,309,003)**

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	31.12.2016*						
	Total Balance Sheet	Nominal inflows / (outflows)					TOTAL
		to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	
Liabilities - non-derivative							
Due to banks	19,105,577	(17,256,804)	(121,577)	(53,408)	(107,383)	(2,227,240)	(19,766,412)
Due to customers	32,946,116	(6,392,878)	(4,953,031)	(3,799,259)	(3,137,464)	(15,015,201)	(33,297,833)
Debt securities in issue held by institutional investors and other borrowed funds	616,865	(1,869)	(22,655)	(13,793)	(13,854)	(651,692)	(703,863)
Other liabilities	879,185	(144,107)				(735,078)	(879,185)
Derivative held for assets fair value hedge	1,480						
- Outflows		(13)		(720)		(660)	(1,393)
- Inflows					576	638	1,214
Derivatives held for liabilities fair value hedge	629,067						
- Outflows		(272)	(471)	(40,102)		(802,151)	(842,996)
- Inflows				10,158	20,213	768,282	798,653
Derivatives held for trading	705,680						
- Outflows		(404,407)	(98,618)	(64,086)	(250,934)	(1,967,831)	(2,785,876)
- Inflows		397,355	71,048	48,048	204,624	1,619,511	2,340,586
Total	**54,883,970**	**(23,802,995)**	**(5,125,304)**	**(3,913,162)**	**(3,284,222)**	**(19,011,422)**	**(55,137,105)**
Off balance sheet items							
Undrawn loan agreements and credit limits that can not be recalled (committed)		(494,734)					(494,734)
Financial guarantees		(164,789)	(138,396)	(180,186)	(205,077)	(2,406,473)	(3,094,921)
Total off Balance sheet items		**(659,523)**	**(138,396)**	**(180,186)**	**(205,077)**	**(2,406,473)**	**(3,589,655)**

41.4 Fair value of financial assets and liabilities

Hierarchy of financial instruments not measured at fair value

	31.12.2017				
	Level 1	Level 2	Level 3	Total Fair value	Total Carrying amount
Financial Assets					
Loans and advances to customers			42,921,009	42,921,009	43,318,193
Investment securities					
- Held to maturity	9,136	1,642	97	10,875	10,870
- Loans and receivables					
Financial liabilities					
Due to customers			34,866,888	34,866,888	34,890,436
Debt securities in issue**		9,246	640,424	649,670	655,567

* Several figures of the previous year have been restated in order to be comparable.

** On 31.12.2016 Debt securities in issue do not include the convertible bond loan issued by the Bank in the context of the agreement with Credit Agricole S.A. regarding the acquisition of Emporiki Bank since this security is measured at fair value. The convertible bond matured on 1.2.2017.

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	31.12.2016				
	Level 1	Level 2	Level 3	Total Fair value	Total Carrying amount
Financial Assets					
Loans and advances to customers			44,102,220	44,102,220	44,408,760
Investment securities					
- Held to maturity	25,165	6,649	10,045	41,859	44,999
- Loans and receivables		2,743,600		2,743,600	2,682,655
Financial liabilities					
Due to customers			32,913,723	32,913,723	32,946,116
Debt securities in issue*		19,912	579,831	599,743	602,870

The tables above present the fair value as well as the carrying amount of financial instruments measured at amortized cost, classified by fair value hierarchy.

The fair value of loans is estimated based on the interbank market yield curves by adding a liquidity premium and spread per loan category and business unit for the expected loss. The fair value of deposits is estimated based on the interbank market yield curves by deducting customer's spread depending on the type of deposit. In both above mentioned cases, the future cash flows (floating rate) are calculated based on the implied forward rates until their maturity.

The fair value of held to maturity securities and debt securities in issue is calculated using market prices, as long as the market is active. In all other cases as well as for the loans and receivables portfolio the discounted cash flows method is used and all significant variables are based either on observable market data or on a combination of observable and unobservable market data.

The fair value of other financial assets and liabilities which are valued at amortized cost does not differ materially from the respective carrying amount.

Hierarchy of financial instruments measured at fair value

	31.12.2017			
	Level 1	Level 2	Level 3	Total Fair value
Derivative Financial Assets	7,470	588,511	26,555	622,536
Trading securities				
- Bonds and Treasury bills	5,969			5,969
- Shares	2,716			2,716
Available for sale securities				
- Bonds and Treasury bills	5,292,872	416,998	27,746	5,737,616
- Shares	44,831	23,093	47,906	115,830
- Other variable yield securities	20,323			20,323
Derivative Financial Liabilities		1,029,421		1,029,421
Convertible bond				

* On 31.12.2016 Debt securities in issue do not include the convertible bond loan issued by the Bank in the context of the agreement with Credit Agricole S.A. regarding the acquisition of Emporiki Bank since this security is measured at fair value. The convertible bond matured on 1.2.2017.

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	31.12.2016			
	Level 1	Level 2	Level 3	Total
Derivative Financial Assets	4,224	624,740	5,359	634,323
Trading securities				
- Bonds and Treasury bills	2,256			2,256
- Shares	2,445			2,445
Available for sale securities				
- Bonds and Treasury bills	4,686,091	345,803	16,987	5,048,881
- Shares	68,945	18,048	46,326	133,319
- Other variable yield securities	34,853			34,853
Derivative Financial Liabilities		1,336,227		1,336,227
Convertible bond			13,995	13,995

The tables above present the fair value hierarchy of financial instruments which are measured at fair value based on the inputs used for the fair value measurement.

Securities which are traded in an active market and exchange-traded derivatives are classified into Level 1.

The derivatives and available for sale securities whose fair value is calculated based on non-binding market prices provided by dealers-brokers or on the application of the income approach methodology using interest rates and credit spreads which are observable in the market, are classified as Level 2. Level 3 classifications include derivaives and securities whose fair value is estimated using significant unobservable inputs.

Securities whose fair value is calculated are classified to Level 2 or Level 3, depending on the extent of the contribution of unobservable data to calculate final fair value. The fair value of non listed shares, as well as shares not traded in an active market is determined either with the multiple valuation or with the estimations made by the Group which relate to the future profitability of the issuer taking into account the expected growth rate of its operations, as well as the weighted average rate of capital return which is used as discount rate.

For the valuation of over the counter derivatives income approach methodologies are used: discounted cash flow models, option-pricing models or other widely accepted valuation models. Valuations are checked on a daily basis with the respective prices of the counterparty banks in the context of the daily process of provision of collaterals and settlement of derivatives. If the non observable inputs are significant, the fair value that arises is classified as Level 3 or otherwise as Level 2.

Additionally, the Group estimates a Credit Valuation Adjustment by taking into account counterparty credit risk for Derivative Financial Instruments trading in OTC. More specifically, taking into consideration the credit risk, the Group estimates bilateral credit valuation adjustments (BCVA) for the OTC derivatives held on a counterparty level according to netting and collateral agreements in force. BCVA is calculated across all counterparties with a material effect on the respective derivative fair values taking into consideration the default probability of both the counterparty and Alpha Group, the impact of first to default, the expected OTC derivative exposure and loss given default of the counterparty and of Alpha Group and the specific characteristics of netting and collateral agreements in force.

Collateral is simulated along with the derivative portfolio exposure over the life of the related instruments. Calculations performed depend largely on observable market data.

Market quoted counterparty and group CDS spreads are used in order to derive the respective probability of default, a market standard recovery rate is assumed for developed market counterparties, correlations between market data are taken into account and a series of simulations is performed to model the portfolio exposure over the life of the related instruments.
In the absence of quoted market data, counterparty and loss given default are provided by the group's internal credit and facility rating systems for the valuation of collaterals and credit worthiness.

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A breakdown of BCVA across counterparty sectors and credit quality (as defined for presentation purposes of the table "Analysis of neither past due nor impaired Loans and Advances to customers) is given below:

	31.12.2017	31.12.2016
Category of counterparty		
Enterprises	(7,184)	(7,874)
Governments	(12,538)	(71,084)

	31.12.2017	31.12.2016
Hierarchy of counterparty by credit quality		
Strong	(288)	
Satisfactory	(12,326)	(72,337)
Watch list (higher risk)	(7,108)	(6,621)

The Group used the discount cash flow method, to assess contingent sale price of Ionian Hotel Enterprises S.A., which reached the amount of €4,500 and was classified to other assets. The above method used was based to a business plan submitted by Ionian Hotel Enterprises S.A. Net present value of disounted cash flows amounted to €9,700. Taking into account that the cost for premium shares' acquisition of Ionian Hotel Enterprises S.A. amounts to €5,200, the estimated fair value of sales price as of 31.12.2017 amounted to €4,500. The above valuation is classified to Level 3 as for the estimation of fair value unobservable inputs were used.

Finally, the valuation of the convertible bond loan was based on its estimated share price at the maturity date of the bond, as reflected in the Group's business plan, which is unobservable market parameter.

The Group recognizes the transfer between fair value hierarchy Levels at the end of the reporting period.

Within the year, €52,007 of Greek corporate bonds were transferred from Level 2 to Level 1, as the liquidity margin (bid-ask spread) moved above the limit set for the characterization of market as active.

The table below presents the valuation methods used for the measurement of Level 3 fair value:

	31.12.2017			
	Total Fair Value	**Fair Value**	**Valuation Method**	**Significant Non-observable Inputs**
Derivative Financial Assets	26,555	11,629	Discounted cash flows with interest being the underlying instruments, taking into account the credit risk	The probability of default and loss given default of the counterparty (BCVA adjustment) calculated using an internal model
		14,812	Option discounting taking into account the credit risk of the counterparty	Credit spread
		114	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends
Available for sale bonds	27,746	27,746	Based on issuer price /Discounted cash flows with estimation of credit risk	Issuer price / Credit spread
Available for sale shares	47,906	47,906	Discounted cash flows – Multiples valuation method – Equity	Future profitability of the issuer

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31.12.2016				
	Total Fair Value	Fair Value	Valuation Method	Significant Non-observable Inputs
Derivative Financial Assets	5,359	5,226	Discounted cash flows with interest being the underlying instruments, taking into account the credit risk	The probability of default and loss given default of the counterparty (BCVA adjustment) calculated using an internal model
		133	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends
Available for sale bonds	16,987	16,987	Based on issuer price /Discounted cash flows with estimation of credit risk	Issuer price / Credit spread
Available for sale shares	46,326	46,326	Discounted cash flows – Multiples valuation method – Equity	Future profitability of the issuer
Convertible bond loan	13,995	13,995	Discounted cash flows – Multiples valuation method	Assessment of issuers market price

Material unobservable inputs that were used for the valuation of Ionian Hotel Enterprises S.A. sale price, which amounted to €4,500, is the cost of equity for both Ionian Hotel Enterprises S.A. and the Bank.

A reconciliation for the movement of financial instruments measured at fair value in Level 3 is depicted below.

	31.12.2017			
	Assets		Liabilities	
	Available for sale securities	Derivative financial assets	Derivative financial liabilities	Convertible bond loan
Opening balance 1.1.2017	**63,313**	**5,359**		**(13,995)**
Total gain or loss recognized in Income Statement	9,287	17,254		1,790
Total gain or loss recognized in Equity	161			
Purchases/ Issues	31,347			
Sales/ Repayments/ Settlements	(50,304)	(4,155)		12,205
Transfers in Level 3 from Level 1				
Transfers in Level 3 from Level 2	22,971	8,732		
Transfers out Level 3 to Level 1	(1,113)	(635)		
Transfers out Level 3 to Level 2	(10)			
Balance 31.12.2017	**75,652**	**26,555**	**-**	**-**
Amounts included in the Income Statement for financial instruments held at the year end 1.1 - 31.12.2017	(2,450)	17,254		

During the year, a bond was transferred from Level 2 to Level 3 amounting to € 22,971, since non observable parameters were used for valuation purposes. In addition, during the year, a bond was transferred from Level 3 to Level 2 amounting to €10, since observable parameters were used for valuation purposes.

In addition, during the year, listed shares were transferred from Level 3 to Level 1 amounting to € 1,113, due to their valuation on the stock exchange value.

Finally, in the context of the debt restructuring of acertain borrower, the Group acquired the option to purchase a stake in its share capital for a symbolic price. This option was recognized as a derivative with a fair value as of 31.12.2017 of € 14,812.

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	31.12.2016			
	Assets		Liabilities	
	Available for sale securities	Derivative financial assets	Derivative financial liabilities	Convertible bond loan
Opening balance 1.1.2016	**62,797**	**3,530**		**(24.600)**
Total gain or loss recognized in Income Statement	(386)	(803)	119	10,605
Total gain or loss recognized in Equity	2,904			
Purchases/ Issues	456			
Sales/ Repayments/ Settlements	(6,364)	(532)	638	
Transfers in Level 3 from Level 1	4,838			
Transfers in Level 3 from Level 2		4,524	(1,570)	
Transfers out Level 3 to Level 1	(932)			
Transfers out Level 3 to Level 2		(1,360)	813	
Balance 31.12.2016	**63,313**	**5,359**	**-**	**13,995**
Amounts included in the Income Statement for financial instruments held at the year end 1.1 - 31.12.2016	(39)	(522)	-	10,605

During 2016, € 4,838 of shares were transferred from Level 1 to Level 3 as non-observable data were used for their valuation and € 932 of shares were transferred from Level 3 to Level 1 as for their valuation observable stock market price was used.

A transfer of derivative financial assets from Level 2 to Level 3 occurred as the probability of default and loss given default of the counterparty calculated using an internal model due to the credit risk (BCVA) effected significantly the final valuation. On 31.12.2016 the above parameter did not contribute significantly in the final valuation of those derivatives resulting in getting transferred to Level 2.

Sensitivity analysis for Level 3 financial instruments as at 31.12.2017 that their valuation was based on significant non-observable data is presenting in the following table.

	Significant non-observable inputs	Significant non-observable inputs change	Total effect in income statement		Total effect in Equity	
			Favourable Variation	Unfavourable Variation	Favourable Variation	Unfavourable Variation
Derivative Financial Assets	The probability of default and the loss given default of the counterparty (BCVA adjustment) are calculated with the use of an internal model	Increase the probability of default through reduction of internal ratings by 2 scales/ Increase the loss given default by 10%		(2,107)		
	Assessment of the adequacy of reserves for the payment of hybrid securities dividends	Increase the probability of dividend payments to 100%		(109)		
	Credit spread	Increase of Credit spread		(832)		
Available for sale bonds	Issuer Price/ Credit spread	Variation +/- 10% in issuer Price, +/- 10% in adjustment due to estimated Credit Risk, +/- 10% in estimated return and +/- 10% in estimated valuation of share			1,386	(1,345)
Available for sale shares	Future profitability of the Issuer	Variation +/- 10% in P/B and EV/Sales ratios (multiples valuation method)			667	(666)
Total				**(3,048)**	**2,053**	**(2,011)**

As far as Ionian Hotel Enterprises S.A. sale price is concerned, according to the sensitivity analysis performed and fluctuation to 0.50% in cost of equity, the range in sale price is at a minimum value €4,100 and at a higher value of €4,544.

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41.5 Transfers of financial assets

The Group in its ordinary course of business, transfers financial assets. In cases that, despite the fact that the contractual right to receive cash flows has been transferred the risks and rewards remain with the Group, these assets continue to be recognized on the balance sheet.

On 31.12.2017, the financial assets that have not been derecognized despite the contractual transfer of their cash flows, are derived from the following two categories of transactions:

a) Securitizations of financial assets

The Bank has securitized corporate, consumer loans and credit cards while its subsidiary Alpha Leasing A.E. finance lease receivables, in order to absorb liquidity from the Eurosystem. In the context of these transactions, these items have been transferred to special purpose entities fully consolidated by the Group, which have proceeded to the issuance of bonds. Securitized financial assets continue to be recognized as loans and advances to customers, since the Group continues in all cases to retain the rewards and risks associated with them. This is justified by several factors which include the full consolidation of special purpose entities, the fact that the Bank owns these bonds and the entitlement bonds to the deferred consideration from the transfer. Given that bonds are owned by the Group, no liabilities actually arise from the transfer. The carrying amount of the securitized loans and credit cards on 31.12.2017 amounts to € 3,390,710 (31.12.2016: € 3,048,146).

In addition, during the current year, the Bank proceeded to shipping loans securitization transaction through the fully consolidated special purpose company Alpha Shipping Finance Ltd. These loans are recognized in the category of loans and trade receivables as the Group retains the risks and benefits of the portfolio through entitlement to deferred consideration paid. The carrying amount of the securitized shipping loans and the bonds which are issued of the SPE, which are not held, as at 31.12.2017 amounted to € 523,422 and € 317,066 respectively (31.12.2016: € 569,476 and € 252,320 respectively). The fair value of loans as at 31.12.2017 amounted to € 523,300 (31.12.2016: € 550,181) and the debt security at € 331,157 (31.12.2016: € 251,017).

Finally, the Bank securitized corporate loans to small and medium enterprises, through Alpha Proodos DAC, a fully consolidated special purpose entity. These loans continue to be recognized in loans and advances to customers considering that the Group retains the risks and rewards of these, by owning the subordinated bonds and the entitlement of deferred consideration. The carrying value of the above securitized loans and the bonds issued from the special purpose entity that are not owned amounts to € 586,679 and € 319,656 at 31.12.2017, respectively (31.12.2016: € 627,302 and € 320,053, respectively). On 31.12.2017, fair value of loans amounts to € 611,236 and € 299,392 for the bonds respectively (31.12.2016: € 570,411 and € 319,616, respectively).

b) Sale and repurchase agreements of debt securities

The Group on 31.12.2017 proceeded with the transfer of Greek Government Treasury Bills, bonds of other issuers, bonds of other countries and EFSF bonds with a repurchase agreement. These securities are still included in the Group's investment portfolio and the respective figures are presented in the following table.

	31.12.2017		
	Avalaible for sale portfolio		
	Greek Government Bonds/Treasury Bills	Bonds of other issuers	Bonds of other countries
Carrying amount of transferred securities	297,226	114,558	15,424
Carrying amount of related liability	(228,765)	(91,224)	(13,682)
Fair value of transferred securities	297,226	114,558	15,424
Fair value of related liability	(228,765)	(91,224)	(13,682)
Equity	**68,461**	**23,334**	**1,742**

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	31.12.2016			
	Avalaible for sale portfolio			Held to Maturity portfolio
	Greek Government Treasury Bills	Bonds of other issuers	Bonds of other countries	Bonds EFSF
Carrying amount of transferred securities	355,164	297,213	11,602	200,672
Carrying amount of related liability	(210,055)	(193,004)	(8,855)	(209,390)
Fair value of transferred securities	355,164	297,213	11,602	206,982
Fair value of related liability	(210,055)	(193,004)	(8,855)	(209,390)
Equity	**145,109**	**104,209**	**2,747**	**(2,408)**

The Group on 31.12.2016 proceeded with the transfer of Greek Government Treasury Bills, bonds of other issuers, bonds of other countries and EFSF bonds with a repurchase agreement. These securities are still included in the Group's investment portfolio and the respective figures are presented in the following table.

41.6. Offsetting financial assets - liabilities

The following tables present derivative transactions under contracts of the International Swaps and Derivatives Association (ISDA), which are signed with credit institutions as counterparties, along with repurchase agreements for which there is in force global master repurchase agreement. In accordance with these contracts, the Group is able to offset its assets and liabilities relating to a counterparty in case of a credit default.

Financial assets subject to offsetting

	31.12.2017					
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial assets presented in the balance sheet	Related amounts not offset		
				Financial instruments	Cash collateral received	Net amount
Derivatives	500,015		500,015	(128,447)	(67,572)	303,995
Reverse Repos	39,654		39,654	(39,650)	(4)	0

	31.12.2016					
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial assets presented in the balance sheet	Related amounts not offset		
				Financial instruments	Cash collateral received	Net amount
Derivatives	512,898		512,898	(206,892)	(22,100)	283,906

On 31.12.2016 the Group possesses a reverse repo with a book value of €50.48 million with a counterparty, with whom there is a valid global master repurchase agreement, but there is no corresponding financial liability or a cash collateral for possible offsetting.

Financial liabilities subject to offsetting

	31.12.2017					
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Related amounts not offset		
				Financial instruments	Cash collateral given	Net amount
Derivatives	1,026,362	-	1,026,362	(128,447)	(896,400)	1,515
Repos	39,650		39,650	(39,650)		

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31.12.2016						
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Related amounts not offset		
				Financial instruments	Cash collateral given	Net amount
Derivatives	1,326,826	-	1.326.826	(206.892)	(1.115.828)	4.105

Reconciliation of the net amount of financial assets and liabilities presented in the balance sheet

31.12.2017				
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivatives	16	500,015	622,536	122,522
Reverse Repos	14	39,654	39,654	

31.12.2017				
	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial liability				
Derivatives	16	1,026,362	1,029,421	3,059
Repos	25	39,650	2,306,720	2,267,070

31.12.2016				
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivatives	16	512,898	634,323	121,425

31.12.2016				
	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial liability				
Derivatives	16	1,326,826	1,336,227	9,401

In addition, it is acquainted that within the framework of the abovementioned contracts, apart from the cash, securities of nominal amount of € 300,000 have been used as collateral.

42. Estimated impact of the implementation of IFRS 9

The new accounting standard IFRS 9 will replace IAS 39 for annual periods on or after 1 January 2018, which impose fundamental changes in the way financial instruments are classified and measured. For the application of the new standard, the Group has launched an Implementation Program, which was organized around two main work streams, the classification and measurement work stream and the impairment work stream. The Committees of the Board of Directors (the Audit Committee and the Risk Management Committee) have assumed an active role including involvement in the decision making process on key assumptions and decisions related to the Implementation Program.

On the completion of the Implementation Program, new policies have been developed for the classification, measurement and impairment of financial instruments that have been approved by the Committees of the Board of Directors. New methodologies and procedures have also been implemented to support these new policies.

Key decisions taken are briefly described in the following paragraphs:

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Classification and measurement work stream

In line with the new standard, the IAS 39 classification categories of financial assets (fair value through profit or loss, available for sale, held to maturity and amortized cost) will be replaced by:

- Financial assets measured at amortized cost
- Debt securities measured at fair value through other comprehensive income, with gain or losses recycled to profit or loss on derecognition
- Equity intsruments measured at fair value through other comprehensive income, with gain or losses on derecognition not recycled to profit or loss
- Financial assets measured at fair value through profit and loss.

The criteria for classification in the above categories are presented in note 1.1.

Based on the above, the existing portfolio on 1.1.2018, has been classified as follows:

- Loans and advances to customers and due from banks will be included in business models that permit the classification of instruments at amortized cost (hold to collect), to the extent that from the assessment of their contractual terms it is concluded that their contractual cash flows meet the definition of principal and interest as defined by the new Standard (SPPI test). Upon transition, only a limited number of existing loans to customers failed the SPPI test. The main reasons which caused the SPPI test to fail include the existence of conditions under which the Bank is not entitled to claims of unpaid amounts (these terms are either expressed explicitly in the contractual agreements or implicitly arise in the case of loans to special purpose entities on which a substantial part of the asset's value is financed or the cash flows from the asset are not sufficient to repay the loan and at the same time, the entity's equity is inadequate and there are no sufficient collaterals) or the existence of shares conversion clauses into the borrower's shares.
- For bonds and in general for fixed income investments, the Group has identified the following business models:
  - business model that aims to hold the financial instruments in order to collect their contractual cash flows (hold to collect),
  - business model, that aims to both collect the contractual cash flows and sell the financial asset (hold to collect and sell)
  - trading portfolio

During the transition to the new standard, the majority of the bonds were classified into the business model, whose objective is achieved both by collecting contractual cash flows and by selling financial assets and, therefore, to the extent that their cash flows were solely principal and interest on the principal amount outstanding, were classified in the fair value through other comprehensive income category. Bonds classified in the trading portfolio as well as those whose cash flows did not represent solely of principal and interest on the principal amount outstanding were classified in the portfolio of debt securities measured at fair value through profit or loss. The Group has opted to measure at fair value through other comprehensive income, its equity instruments in the banking sector or private equity participations and long term equity holdings that meet the definition of an equity instruments. The changes in fair value as well as any gains or losses are recognized directly in equity without being recycled to profit or loss. Any dividends that will be received are recognized in profit or loss. All other investments in equity instruments, as well as in mutual funds that do not meet the definition of an equity instrument, are measured at fair value through profit or loss.

- Derivatives included in the trading portfolio have not been affected as they are measured at fair value through profit or loss both before and after the implementation of IFRS 9.
- The Group has not opted to designate at initial recognition debt securities as measured at fair value through profit or loss.
- Financial liabilities are measured at amortized cost; thus they are not affected by the implementation of IFRS 9 and there was no need to separately measure or present changes in fair value due to credit risk.

It is noted that the Group will reassess the business models at each reporting date. The reassessment of the business model has been established in order to verify whether there is a change in the inputs that determine the classification of the financial instruments. In this context, realized sales as well as expected future sales will be monitored and documented. Information on the frequency, value and cause of sales is collected for further assessment. Disposals performed due to credit risk deterioration do not affect the classification in the hold to collect business model. It is noted that the business models are determined by the Asset Liability Committee (ALCo) or the Executive Committee (ExCo) which decide on the potential identification of a new business model for both the loan and the securities portfolio.

With regards to the assessment of retail loans contractual cash flows, these will be assessed at product level due to the standardization of these loans. On the other hand, for loans in the wholesale s=portfolio, the assessment will be performed at an individual level as part of the approval process. With regard to treasury products, the assessment of the contractual cash flows is carried out by the Finance Divisions in cooperation with the Treasury Management Division. It is noted that the granting of loans or the investment in debt securities, whose cash flows are not solely principal and interest on the principal amount outstanding, require the approval of the Asset Liability Committee (ALCo).

Impairment work stream

The application of IFRS 9 significantly modifies the method of calculating the Group's impairment losses on financial instruments. IFRS 9 introduces a model of expected credit loss that replaces the current IAS 39 incurred loss model. The new requirements eliminate the IAS 39 criterion according to which credit risk losses were recognized only after the occurrence of a credit event.

In accordance with IFRS 9, the Group should recognize an allowance for expected credit losses for loans and other financial assets that are not classified in the fair value through profit and loss category, as well as for off-balance sheet exposures (Letters of Guarantee, Letters of Credit, and Undrawn Loan Commitments).

The loss allowance will be based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition.

In addition, if the financial asset falls under the definition of a purchased or originated credit-impaired (POCI) financial asset, a loss allowance equal to the lifetime expected credit loss will be recognized.

i. Loans and advances to Customers

a. Change in default definition

In the context of the transition to IFRS 9, the Group has harmonized the definition of Default for both accounting and regulatory purposes by adopting the definition of Non-Performing Exposures and satisfying in this way the regulatory requirements.
The definition of Non-Performing Exposures takes into account the definition of default in accordance with Article 178 of the European Union Regulation 575/2013 as well as the EBA Guidelines (GL / 2016/07), the full application of which is applicable from the end of 2020.

The definition of default under IFRS 9 will be consistent with the one used for internal credit risk management purposes, i.e. all exposures classified as Non-performing will be considered impaired - and will be classified as Stage 3 or as credit-impaired at initial recognition.

The definition of Non-Performing Exposures is used to develop models for estimating credit risk parameters (Probability of Default, Loss Given Default, Exposure at Default).

b. Classification of loans into stages based on credit risk (Staging)

The new standard uses a Stages approach that will reflect the changes in the credit risk of an exposure since its initial recognition. The adoption of this approach aims at: a) the timely recognition and measurement of credit losses before they incur, b) the classification of exposures depending on whether there is a deterioration in credit risk.

Credit-impaired at initial recognition include the folloiwng:

- Exposures that at the time of acquisition meet the criteria to be classified as Non-Performing Exposures.
- Exposures for which there has been a change in repayment terms, r due to financial difficulty or not, which resulted in derecognition and recognition of a new impaired asset (POCI). If the exposure before the derecognition was classified as impaired the new loan will also be classified as POCI. However, especially for Wholesale Banking exposures, in the case

where the newly recognized loan is the result of a change of borrower whose overall creditworthiness is better than the previous one, based on an assessment by the competent Credit Committee, who does not present financial difficulties and simultaneously has presented a viable Business plan, and for which no debt has been write-down, then the exposure will not be classified as POCI.

It is noted that an exposure classified as POCI remains POCI throughout its life.

For the remaining exposures not classified as POCI, Stage allocation is determined as follows:

Stage 1: At initial recognition of a loan, a loss allowance is measured based on 12 months Expected Credit Losses. Stage 1 includes exposures that do not have a significant increase in credit risk since initial recognition. Stage 1 also includes exposures for which credit risk has improved and the loan has been reclassified from Stages 2 or 3.

Stage 2: If a loan has a significant increase in credit risk since initial recognition and is not classified as Non Performing Exposure, the Bank will measure Expected Credit Losses over its lifetime.

Stage 2 also includes exposures for which credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Includes credit impaired exposures. In this stage, lifetime Expected Credit Loss are recognised.

C. Significant Increase in Credit Risk

In determining the significant increase in credit risk of an exposure since initial recognition (SICR) and the recognition of Lifetime expected Credit Losses instead of 12 months Expected Credit Losses, the Group assesses, at each reporting date, the risk of default compared to the risk of default at initial recognition for all its performing exposures including those with no delinquencies.

The assessment of the significant increase in Credit Risk is based on the following:

- Quantitative Indicators: refers to the quantitative information used and more specifically to the comparison of the probability of default (PD) between the reporting date and the date of initial recognition.
- Qualitative Indicators: refers to the qualitative information used which is not necessarily reflected in the probability of default, such as the classification of an Exposure as foreborne performing (FPL, according to EBA ITS). Additional qualitative indicators, both for Corporate and Retail portfolios are also reflected through the Early Warning indicators and depending on the underlying assessment, an Exposure can be considered to have a significant increase in credit risk or not. Especially for Corporate portfolio, additional qualitative indicators are captured through credit ratings (financials evolution, sector data)
- Backstop Indicators: in addition to the above, and in order to capture cases for which there are no triggers reflecting the increase in credit risk, based on qualitative and quantitative indicators, the 30 days past due indicator is used as a backstop.

d. Calculation of Expected Credit Loss

The Group calculates impairment losses either on a collective (collective assessment) or on an individual basis (individual assessment), taking into account the significance of an Exposure or the Borrower's limit. In addition, exposures that do not have common credit risk characteristics or for which there are no sufficient historical behavioral data, are assessed on an individual basis.

The Group will calculate the expected credit losses based on the weighted probability of three scenarios to estimate the expected cash flows, which will be discounted using the effective interest rate.

The mechanism for calculating expected credit loss is based on the following credit risk parameters:

- Probability of Default (PD): It is an estimate of the probability of a Debtor to default over a specific time horizon. A default may occur only at a specific time of the period under review, if the exposure was not prior derecognised and if it remains in the loan portfolio.
- For assessing the probability of default, the credit risk rating models assess a series of parameters that can be grouped as follows:
  - Financial Analysis: The Borrower's Financial Capacity (Liquidity Indicators, Debt to Revenue etc.)

- Competitor's analysis: the borrower's comparative position in the market in which operates, mainly in relation to its competitors (mainly applicable to debtors of Wholesale Banking)
- Current and historical debtor's behavioural data either towards the Bank or towards third parties (delinquencies, repayment behavior, etc.), and
- Qualitative characteristics of the debtor (strong and sound management, management succession, appropriate facilities and equipment, etc.).

Credit Ratings will constitute the main input in order to determine the probability of default. The Group will use statistical models in order to analyze the collected data and make estimates of the remaining probability of default over the life of the exposures and how they will evolve over time based, among other things, on macroeconomic variables (e.g. changes in GDP growth, unemployment rate and property prices etc.)

Exposure at default (EAD): Exposure at Default is an estimate of the amount of the exposure at the time of the default taking into account: (a) expected changes in the exposure after the reporting date, including principal and interest payments; (b) the expected use of credit limits and (c) accrued interest. The approved credit limits that have not been fully disbursed represent a potential credit exposure and are converted into a credit exposure equal to the approved undrawn credit limit multiplied by a Credit Conversion Factor (CCF). The Credit Conversion factor of credit exposure is calculated based on statistical models.

- Except for credit cards and other revolving exposures, the maximum period for which credit losses are calculated is the remaining contractual maturity of a financial instrument unless the Group has the legal right to recall the financial instrument earlier.
- Loss given default (LGD): Loss given default is an estimate of the loss that will occur if the default occurs at a given time. It is based on the difference between the contractual cash flows due and those expected to be received, including the liquidation of collaterals. It is usually expressed as a percentage of the exposure at default (EAD). The Group divides Corporate and Retail Banking portfolios into smaller similar portfolios, in line with the key features associated with the assessment of future cash flows. The data used are based on historically collected data and include a broad set of transactional characteristics (for example product type and type of collateral) as well as debtor's characteristics. Recent data and possible future scenarios are also used to determine the IFRS 9 Loss Given Default (LGD) for each group of financial instruments.

In determining the expected credit losses, the Group will take into account 3 scenarios, a Base Scenario, an Upside Scenario and a Downside Scenario, as well as the cumulative probabilities of their occurrence

Each of these scenarios is linked to different Probabilities of Default and / or different Losses Given Defaults (LGD).

e. Undrawn commitments

Undrawn loan commitments and letters of credit / letters of guarantee were measured in accordance with IAS 39 at the higher value between the amount of the provision (determined in accordance with IAS 37) when the outflow was considered probable and a reliable estimate was available ; and the amount initially recognized less accumulated amortization. According to IFRS 9, these contracts fall within the scope for expected credit losses recognition.

In estimating the expected credit losses over the life of an undrawn loan commitment, the Group will assess the expected part of the loan commitment that will be used throughout its expected life.

Credit cards and revolving exposures include both a loan and an undrawn commitment, for which the expected credit losses will be calculated together with the loan. However, for undrawn loan commitments and letters of credit / letters of guarantee, the expected credit losses will be recognized in Provisions.

g. Information on future conditions

The Economic Research Division produces forecasts for the possible evolution of macroeconomic variables that affect the level of expected credit losses of loan portfolios under a baseline and under alternative macroeconomic scenarios and also generates the cumulative probabilities associated with these scenarios.

The macroeconomic variables affecting the level of expected credit losses are the Gross Domestic product (GDP), the unemployment rate and forward looking prices of residential and commercial real estates

The production of the baseline scenario, supported by a consistent economic description, will represent the starting point and will constitute the most likely scenario according to the current economic conditions and the Bank's basic assessment of the course of the economy.

The cumulative probabilities of the macroeconomic scenarios for the Greek economy will indicate that the economy performs better or worse than forecasts based on the baseline scenario and the alternative scenarios, i.e. the upside and downside scenario.

h. Governance

The Credit Risk Committee is responsible for approving the Expected Credit Losses as well as the methodologies developed by the Group for calculating the expected credit loss (ECL Methodology) for loan portfolio.

ii. Impairment on Treasury products

For debt treasury instruments that are measured at amortized cost or at fair value through other comprehensive income under IFRS 9, the impairment loss will be based on the expected credit losses associated with the probability of default within the next twelve months, unless there has been a significant increase in credit risk since initial recognition in which case the impairment loss recognized will be equal to the lifetime expected credit loss.

- **Significant Increase in Credit Risk**

  The Group defines as low credit risk all investment grade securities, which will be classified in Stage 1 provided that they remain in this grade. The Group will apply specific methodology and criteria to determine whether significant increase in credit risk has occurred since initial recognition for all non-investment grade debt securities.

  The classification into stages for the purpose of Expected loss computation. s is based on the credit rating of rating agencies or, for corporate securities issued by Greek issuers which are also included in loan portfolio, on the issuer's internal rating.

  Determining the significant credit risk increase for non-investment grade securities is based on the following two conditions:

  - Downgrade in the issuer / counterparty's credit rating on the reporting dates compared to the credit rating on the date of the initial recognition.
  - Increase in the probability of default of the issuer / counterparty for the 12-month period compared to the corresponding probability of default at initial recognition.

  Additionally, the Group will monitor the change in the credit spread since the initial recognition date.

  A change in the credit spread at the reporting date that exceeds a specific threshold compared to the credit margin prevailing at the date of initial recognition is a trigger for reviewing the securities classification stage. Based on the result of the above review, the security remains in Stage 1 or is transferred to Stage 2, regardless of whether the original Stage 2 criteria have been met or not.

- **Calculation of Expected Credit Loss**

  For the calculation of the expected credit loss, the following parameters will be used:

  - Probability of default (PD): the probability of default over the next 12 months will be used to calculate the expected credit loss for 12 months, and the probability of default over the life of the instrument will be used to calculate the lifetime expected credit losses.
  - Exposure at default (EAD): In the case of securities, the Group estimates the future unamortized cost in order to calculate the EAD. In particular, for each period, EAD is the maximum loss that would result from issuer / counterparty potential default.
  - Loss given default (LGD) is the percentage of the total exposure that the Group estimates as unlikely to recover at the time of the default. The Group distinguishes sovereigns from non-sovereign issuers / counterparties as regards to the

LGD estimation. In case, the Group has also granted a loan to the issuer / counterparty of the security, the estimated LGD should be in line with the corresponding estimate for the loan portfolio (taking into account any potential collaterals the loan portfolio is likely to have against the unsecured debt securities).

A debt security will be recognized as purchased or originated credit-impaired (POCI) in the following cases:

- The debt instrument (or the issuer) has an external rating that corresponds to default at the time of acquisition.
- Corporate bonds resulting from debt restructuring will be classified as credit impaired on initial recognition, based on the guidelines applicable to the loan portfolio.

When a debt security has been purchased at a large discount and does not fall into any of the categories mentioned above, the Group examines the transaction in detail (transaction price, recovery rate, issuer's financial condition at the time of purchase, etc.) in order to determine whether it should be recognised as a purchased or originated credit-impaired security (POCI). Classification in this category requires documentation and approval by the relevant committees of the Bank.

Capital and money market financial instruments are considered impaired when their rating is equivalent to default. In the case, a debt security corporate issuer / counterparty has also been granted a loan which has been classified as impaired, then the classification of the debt secturity is aligned to the classification of the loan exposure.

Hedge Accounting

With respect to hedge accounting, the Group hasopted , as a policy permitted by IFRS 9, to continue to apply the provisions of IAS 39.

Transition

The Group will not restate the comparative information for 2017 for financial instruments that are within the scope of IFRS 9 and the differences arising from the adoption of IFRS 9 will be recognized directly in equity as at 1 January 2018.

Estimated Impact from the implementation of IFRS 9

The following table includes the reconciliation of the transition from IAS 39 to IFRS 9 as of 1 January 2018.

	Balance at 31.12.2017	Reclassification	Valuation Impact	Balance under IFRS 9 at 1.1.2018
ASSETS				
Cash and balances with central banks	1,593,850			1.593.850
Due from banks	1,715,649		(274)	1.715.375
Trading securities	8,685	6,495		15.180
Derivative financial assets	622,536			622.536
Loans and advances to customers, at amortized cost	43,318,193	(380,072)	(1,370,203)	41.567.918
Loans and advances to customers, at fair value through profit and loss		380,072	1,669	381.741
Investment securities				
- Available for sale	5,873,768	(5,873,768)		
- Held to maturity	10,870	(10,870)		
- Loans and receivables				
- Fair value through other comprehensive income		5,840,445		5.840.445
- Fair Value through Profit and Loss		37,933	(224)	37.709
LIABILITIES				
Due to banks	13,141,531			13.141.531
Derivative financial liabilities	1,029,421			1.029.421
Due to customers	34,890,436			34.890.436
Debt securities in issue and other borrowed funds	655,567			655.567
Provisions	441,240		84,602	525.842

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The following table presents the estimated impact after tax, of the transition to IFRS 9 on reserves and retained earnings.

Reserve of AFS portfolio balance (IAS 39) Balance at 31.12.2017	**472,616**
Reclassification of investment portfolio bonds to fair value through profit and loss	(1,882)
Reclassification of investment portfolio shares to fair value through other comprehensive income recognized directly in equity	(25,980)
Reclassification of other securities of investment portfolio at fair value through profit and loss	(2,360)
Expected credit loss in accordance with IFRS 9 for bonds at fair value through other comprehensive income	87,411
Income tax	(20,244)
Balance at 1.1.2018 in accordance with IFRS 9	**509,561**
Retained earnings IAS 39 Balance at 31.12.2017	**(2,490,040)**
Reclassification in accordance with IFRS 9 equity investment shares to fair value through other comprehensive income	25,980
Reclassification in accordance with IFRS 9 of other investment return securities at fair value through profit and loss	2,360
Reclassification in accordance with IFRS 9 investment portfolio bonds at fair value through profit and loss	1,882
Expected credit loss in accordance with IFRS 9	(1,541,410)
Income tax	388,236
Balance at 1.1.2018 in accordance with IFRS 9	**(3,612,992)**

The following table presents loans and advances to customers measured at amortised cost by IFRS 9 stage as reported after the estimated impact of IFRS 9:

	Stage 1		Stage 2		Stage 3		Loans impaired at initial recognition		Total loans and advances to customers at amortized cost		
	Gross amount	Expected Credit Losses	Gross amount	Expected Credit Losses	Gross amount	Expected Credit Losses	Gross amount	Expected Credit Losses	Gross amount	Expected Credit Losses	Net Value after impairment
Retail lending	7,889,648	(21,562)	5,013,492	(419,891)	12,933,281	(5,436,443)	6,134,967	(2,439,098)	31,971,388	(8,316,994)	23,654,394
Corporate lending	9,098,018	(94,787)	2,926,480	(164,447)	9,052,093	(4,604,795)	1,660,890	(1,047,004)	22,737,481	(5,911,033)	16,826,448
Public sector	641,633	(3,617)	467,193	(28,463)	10,735	(7,296)	30,736	(23,845)	1,150,297	(63,221)	1,087,076
Total	**17,629,299**	**(119,966)**	**8,407,165**	**(612,801)**	**21,996,109**	**(10,048,534)**	**7,826,593**	**(3,509,947)**	**55,859,166**	**(14,291,248)**	**41,567,918**

In addition to the estimated Expected credit losses presented in the above table, a provision for Expected credit losses of off-balance sheet items has been accounted for amounting to €85,389. As a result, total estimated provision for Expected credit losses amounts to €14,376,637.

"Loans impaired at initial recognition" include loans amounting to €871,492 which as at 1.1.2018 are not credit impaired/ Non Performing Exposures.

The following table shows investment securities at Fair value through Other Comprehensive Income by IFRS 9 stage as reported after the estimated impact of IFRS 9.

	Investment securities at fair value through other comprehensive income				
	Stage 1	Stage 2	Stage 3	Loans impaired at initial recognition	Total
Balance at 1.1.2018 in accordance with IFRS 9	5,695,774	28,832			5,724,606
Expected Credit Losses	(84,312)	(3,099)			(87,411)

However, the Group is continuing to assess, test and refine the new accounting processes, internal controls and governance framework necessitated by the adoption of IFRS 9. The new accounting policies, assumptions, judgments and estimations remain subject to change until the Group finalizes its audited financial statements as at 31.12.2018. Therefore, the impact disclosed in these financial statements may be amended during 2018.

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Supervisory impact of the implementation of IFRS 9

On October 25, 2017 a political agreement was reached between the European Parliament, the European Council and the European Commission on the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 575/2013 regarding the transition period to mitigate the impact of the introduction of IFRS 9 on regulatory capital. The regulation (2395/2017) was adopted by the European Parliament and the Council and was published in the Official Gazzete of the European Union on 12 December 2017.

In accordance with the transitional provisions, it is allowed that banks may, from the first date of application of IFRS 9 and for a period of five years, add to the CET1 ratio the post-tax amount of the difference in provisions that will result from the transition to the new IFRS 9 in relation to the provisions that would have been recognized at 31.12.2017 in accordance with IAS 39 ("Static" amount). The amount of the difference in provisions to be added to CET1 ratio will decrease annually on a weighting basis so that the amount of provisions added to the CET1 ratio gradually decreases, until the full impact of IFRS 9 is absorbed by the end of the five-year period (phase-in). The weighting factors were set per year at 0.95 in the first year, 0.85 in 2nd, 0.7 in 3rd, 0.5 in 4th and 0.25 in the last year.

In addition, for a period of five years from the first application of IFRS 9, banks may add/restore to the CET1 ratio the amount, weighted annually with the aforementioned weighting factors, of the post-tax provisions of the impairment categories 1 & 2 at the date of the annual financial statements, to the extent that it exceeds the amount of the corresponding provisions at the date of initial application of IFRS 9 (1.1.2018). Impairment categories 1 and 2 are respectively defined as the expected impairment losses based on the 12 month expected credit losses and the lifetime expected credit losses, excluding credit-impaired financial instruments.

Alpha Bank has decided to make use of Article 473a of the above Regulation and will apply the transitional provisions for the calculation of Capital Adequacy on both a standalone and consolidated basis. Based on the above, the Common Equity Tier 1 (CET 1) ratio is estimated to be affected by approximately 0.1% and will stand at 18.25% for the first year, while the impact from the full implementation is estimated at approximately 2.5% and the ratio will stand at 15.9% as at 31.12.2017, for the Group. The Bank is adequately capitalized to meet the needs arising from the application of the new standard as the Group Common Equity Tier 1 (CET 1) ratio stood at 18,33% as at 31.12.2017.

43. Capital adequacy

The Group's policy is to maintain a robust capital base to safeguard the Bank's development and retain the trust of depositors, shareholders, markets and business partners.

Share capital increases are performed after Shareholders' General Meeting or Board of Directors' decisions in accordance with the articles of association or the relevant laws.

For the period that the Hellenic Financial Stability Fund (HFSF) participates in the Share Capital of the Bank, the purchase of own shares is not allowed without its approval, according to the Relationship Framework Agreement (RFA) which has been signed between the Bank and the HFSF.

The capital adequacy is supervised by Single Supervising Mechanism of ECB, to which reports are submitted every quarter. The minimum requirements regarding Tier I ratio and the capital adequacy ratio of the Group are stipulated by Bank of Greece Governor's Acts.

The capital adequacy ratio compares regulatory capital with the risks assumed by the Group (risk-weighted assets). Regulatory capital includes Tier I capital (share capital, reserves and non-controlling interests), additional Tier I capital (hybrid securities) and Tier II capital (subordinated debt). Risk-weighted assets include the credit risk of the investment portfolio, the market risk of the trading portfolio and operational risk.

Alpha Bank, as a systemic bank, falls within the Single Supervisory Mechanism (SSM) since November 2014 of European Central Bank (ECB), to which reports are submitted every quarter.

The supervision operates along with the European Regulation 575/2013 (CRR) and the relevant European Directive 2013/36

(CRD IV), which was incorporated into the Greek Justice System through the law 4261/2014. The framework is well known as Basel III.

According to the above regulatory framework, for the calculation of capital adequacy ratio the effective transitional arrangements are followed.

Moreover:

- besides the 8% capital adequacy limit, there are limits of 4.5% for Common Equity ratio and 6% for Tier I ratio, and
- is required the maintenance of capital buffers additional to the Common Equity Capital, from 1.1.2016 and gradually until 31.12.2019.

In particular:

- from 1.1.2017 a capital buffer of 1.25% exists which will gradually rise to 2.5% on 31.12.2019.
- The Bank of Greece through the acts issued by the Executive Committee settled the following capital buffers:
  - Countercyclical capital buffer rate for the year 2017, "zero percent".
  - Other systemically important institutions (O-SII) buffer for 2016 "zero percent".

These limits should be met both on a standalone and on a consolidated basis.

	31.12.2017 (estimation)	31.12.2016
Common Equity Tier I	18.3%	17.1%
Tier I	18.3%	17.1%
Capital Adequacy Ratio	**18.4%**	**17.1%**

Data concerning the disclosure of information supervisory nature regarding capital adequacy risk management, (Pilar III – Regulation 575/2013) will be published on the Bank's website.

On 8 December 2017, the ECB informed Alpha Bank that for 2018 the minimum limit for the Overall Capital Requirement (OCR) is 12.875%, increased by 0.625%, due to the gradual increase of capital conservation buffers. The OCR is composed by the minimum own fund requirements (8%), according to article 92(1) of the CRR, the additional own fund requirements (P2R), according to article 16(2) (a) of the Regulation 1024/2013/EU, and the combined buffer requirements (CBR), according to article 128(6) of the Directive 2013/36/EU. The above minimum ratio should be maintained on a phase-in basis under applicable transitional rules under CRR/CRD IV, at all times.

The ECB will run a stress-testing exercise in 2018. This will be conducted by EBA for the largest European banks and by ECB for the banks which are not included in the first group, following the same methodology which was finalized on 17.11.2017 as published by EBA. The results of the stress testing exercise will be factored into the overall assessment within the 2018 Supervisory Review and Evaluation Process (SREP). Alpha Bank has been selected to participate in the stress test exercise of ECB, which is expected to be launched at the beginning of 2018 while results are to be announced in May 2018.

44. Related party transactions

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

a. The outstanding balances of the Group's transactions with key management personnel, consisting of members of the Bank's Board of Directors and Executive Committee, their close family members and the entities controlled by them, as well as, the results related to these transactions are as follows:

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	31.12.2017	31.12.2016*
Assets		
Loans and advances to customers	1,339	1,320
Liabilities		
Due to customers	10,438	12,302
Employee defined benefit obligations	244	260
Total	**10,682**	**12,562**
Letters of guarantee and approved limits	**2,244**	**2,315**

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016*
Income		
Interest and similar income	47	96
Fee and commission income	3	76
Total	**50**	**172**
Expenses		
Interest expense and similar charges	15	47
Key management and close family members income	3,581	3,647
Total	**3,596**	**3,694**

b. The outstanding balances with the Group's subsidiaries, associates and joint ventures as well as the results related to these transactions are as follows:

	31.12.2017	31.12.2016
Assets		
Loans and advances to customers	149,358	229,559
Other Assets	1,531	229
Total	**150,889**	**229,788**
Liabilities		
Due to customers	19,172	22,642
Other Liabilities	1,270	
Total	**20,442**	**22,642**

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Income		
Interest and similar income	3,539	6,359
Fee and commission income	19	4
Other income	255	233
Total	**3,813**	**6,596**
Expenses		
Interest expense and similar charges	67	142
Other expenses	5,555	2,236
Total	**5,622**	**2,378**

c. The Employees Supplementary Fund maintains deposits with the Bank amounting to €7 (31.12.2016: €296). Years' interest expenses relating to deposits amount to €1 (31.12.2016:18).

* Several figures of the previous year have been restated in order to be comparable.

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d. The Hellenic Financial Stability Fund (HFSF) exercises significant influence on the Bank. In particular, according to Law 3864/2010 and the Relationship Framework Agreement ("RFA") as of 23.11.2015, which replaced the previous of 2013, HFSF has representation in the Board of Directors and in other significant Committees of the Bank. Therefore, according to IAS 24, HFSF and its related entities are considered related parties for the Bank.

The outstanding balances of the transactions as well as the results related to these transactions are analyzed as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Income		
Fee and commission income	10	10

45. Auditors' fees

During 2017, the total fees of "Deloitte Certified Public Accountants S.A.", statutory auditor of the Bank, are analyzed below, as stated in paragraphs 2 and 32, article 29 of Law 4308/2014.

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Fees for statutory audit *	1,556	1,502
Fees for the issuance of tax certificate	258	334
Fees for other non-audit services	155	151
Total	**1,969**	**1,987**

46. Disclosures of Law 4151/2013

According to Article 6 of Law 4151/2013, the capitals from dormant deposit accounts will be used by the Greek State to cover government needs, after the write off of the rights of depositors or their legal heirs.

According to Law 3601/2007, dormant deposit account to credit Institution is an account on which no transaction by depositors has been recorded for a period of 20 years from the day following the last transaction. The crediting or capitalizing of interest to an account will not constitute a transaction and do not interrupt the prescription.

Following the expiry of the 20-year period, the credit institutions operating in Greece are obliged to: a) transfer to the State the aggregate balance of dormant deposit accounts, including any interest, by the end of April of each year by depositing the relevant amount in a special account in the Bank of Greece b) notify the General Accounting Office (GAO) and the General Directorate of Public Property to fulfill the obligations arising from the Law 4151/2013, and c) to provide information to beneficiaries and heirs after the lapse of twenty years for the transfer of the respective amounts, if asked. The abovementioned amounts will be recorded as income in the Annual State Budget.

The auditors in the notes to the published annual financial statements of credit institutions will confirm whether or not the credit institutiions complied with the provisions of the law on dormant deposits indicating the amount that was transferred to the State.

Based on the ratified by the Law 4350/2015 from 18/7/2015 PNP (B' 84/18.07.2015 combined with A' 90/31.7.2015), from 20.07.2017 (commencement of Restrictive Measures) the suspension of the deadline of Articles 7 and 8 of the Law 4151/2013 about dormant deposit accounts started.

* Fees for statutory audit of the annual accounts, include other expenses as a percentage of 2% of the approved fees.

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The Bank returned, at the end of April 2016, the balances of the dormant deposit accounts for which the 20-year period until Friday the 17th of July 2015 has been completed, after which date as mentioned before, the 20- year deadline of Articles 7 and 8 of that Law N. 4151/2013 suspended, while, during the abovementioned suspension, the Bank did not return principal of the dormant deposit accounts for the fiscal year 2016.

Given the power of the abovementioned suspension of Articles 7 & 8 of Law 4151/2013 until 13.11.2017, combined with the provisions of article 257 of the Civil Code, about the calculation of the write off time after suspension, the Bank will not transfer, until the end of April 2018, the balances of the dormant deposit accounts for the fiscal year 2017, because of the 20-year period has not elapsed.

47. Assets held for sale and discontinued operations

	31.12.2017	31.12.2016
APE Fixed Assets A.E., APE Commercial Property A.E., APE Investment Property A.E.	98,280	107,369
Alpha Bank Srbija AD		512,403
Alpha Investment Property Attikis II A.E.	21,996	
Loans and receivables Alpha Bank A.E.	108,501	
Loans and receivables Alpha Bank Romania	55,158	
Other	5,042	5,444
Total	**288,977**	**625,216**

The Bank, under the approved by the European Committee Restructuring Plan (note 42 of the consolidated financial statements 31.12.2016) and the fulfillment of the relevant commitment relating to the deleveraging of part of the assets of its international activities, proceeded to the sale of the operations of the Bulgaria Branch, to the sale of Alpha Bank A.D. Skopje, Alpha Bank Srbija A.D and Ionian Hotel Enterprises S.A., while it also began the process for the sale of APE Fixed Assets A.E., APE Commercial Property A.E. and APE Investment Property A.E.

In the same context, the Bank began the process for the sale of retail and wholesale loan portfolio in Romania.

In addition, the Bank began the process for the sale of subsidiary Alpha Investment Property Attikis II A.E., as well part of the retail and wholesale loan portfolio in Greece.

Bank's branch in Bulgaria

On 17.7.2015, the Bank and Eurobank, with a joint statement, announced their agreement, in main terms, for the transfer of operations of the Bank's Branch in Bulgaria to Eurobank's subsidiary in Bulgaria (PostBank). On 6.11.2015 the Bank and Postbank signed the relevant contract, finalizing the terms of the transfer which provided for a transfer price of Euro 1 and the partial undertaking of the Branch's debt obligations by the buyer.

From 30.6.2015 the assets of Bulgaria Branch, and directly related liabilities, meet the requirements to be classified as "Held for sale" in accordance with IFRS 5, as at that date the management had decided to sell the unit and was already in the process of negotiations with the prospective buyer. At the same time, Bulgaria Branch is a distinct geographical area of operations for the Group which is included in the Southeast Europe segment for operating segment disclosure purposes. After the classification of the Bulgaria Branch, which is the only company in the banking sector through which the Group operates in Bulgaria, as an asset held for sale, its activities are classified as "discontinued operations" for the Group.

Therefore, in 31.12.2015, the Group, in the preparation of financial statements, valued the assets and liabilities of the Bulgaria Branch at the lowest price between the book value and fair value less costs to sell recognizing the difference which amounted to €89,007 as "Loss after income tax from discontinued operations" in the Income Statement.

On 1.3.2016 the transfer was completed and the Group adjusted the loss from the sale of Bulgaria branch based on the net assets on the day of the transfer.

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Income Statement and Statement of Total Comprehensive Income

The following table presents the results of Bulgaria Branch for the period from 1.1.2016 up to the disposal date.

The results and cash flows arising from Bulgaria Branch are presented as "discontinued operations" in the Income Statement and in the Statement of Cash Flows.

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Interest and similar income		3,123
Interest expense and similar charges		(556)
Net interest income		2,567
Fee and commission income		842
Commission expense		(74)
Net fee and commission income		768
Gains less losses on financial transactions		64
Other income		79
Total income		**3,478**
Staff costs		(1,575)
General administrative expenses		(2,042)
Depreciation and amortization		(397)
Other expenses		(30)
Total expenses		**(4,044)**
Impairment losses and provisions to cover credit risk		1,563
Profit/(loss) before income tax		**997**
Income tax		
Profit/(loss) after income tax		**997**
Result from the disposal, after income tax		(748)
Profit/(loss) after income tax from discontinued operations		**249**

The amount of cash and cash equivalent of the Bulgaria Branch, which was transferred at disposal, amounted to € 9,942.

Alpha Bank AD Skopje

The Bank, during the fourth quarter of 2015, began the process of selling its subsidiary Alpha Bank Skopje (ABS). ABS is the smallest Group subsidiary in the Balkans and it has a small presence in the local market in Skopje (market share<2%). As part of this process, investors, which were shortlisted from a broader investor list, were invited to submit their bids on the acquisition of the 100% of ABS shares and on the 100% of the hybrid instrument (subordinated loan) which was granted to ABS from the parent company (both of them combined the "Perimeter Transaction").

Based on the above, on 31.12.2015 ABS assets and the related liabilities satisfy the conditions for classification as "held for sale" in accordance with IFRS 5, while its operations, which constitute a distinct geographical area for the Group, included in the Southeast Europe segment for operating segment disclosure purposes, have been classified as “discontinued operations”.

The disposal was completed on 10.5.2016 for a total amount of €3.2 million.

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Income Statement and Statement of Total Comprehensive Income

The results and cash flows arising from Alpha Bank AD Skopje are presented as "discontinued operations" in the Income Statement and in the Cash Flow Statement.

The following table analyzes the amounts presented in the Statement of Total Comprehensive Income.

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Interest and similar income		1,525
Interest expense and similar charges		(382)
Net interest income		**1,143**
Fee and commission income		404
Commission expense		(183)
Net fee and commission income		**221**
Gains less losses on financial transactions		132
Other income		40
Total income		**1,536**
Staff costs		(907)
General administrative expenses		(691)
Depreciation and amortization		(134)
Other expenses		(80)
Total expenses		**(1,812)**
Impairment losses and provisions to cover credit risk		(482)
Profit/(loss) before income tax		**(758)**
Income tax		21
Profit/(loss) after income tax		**(737)**
Gain from the disposal after income tax		1,535
Profit/(loss) after income tax, from discontinued operations		**798**
Exchange differences on translating and hedging the net investment in foreign operations		(40)
Amounts that may be reclassified in the Income Statement from discontinued operations		**(40)**
Total Comprehensive Income after income tax		**758**

The amount of cash and cash equivalent of Alpha Bank Skopje, which was transferred at disposal, amounted to €10,973.

Ionian Hotel Enterprises A.E.

On 27.10.2016, the Group, following the announcement on 17.2.2016 for its intention to sell Ionian Hotel Enterprises A.E. through an Invitation for Expressions of Interest, signed the final sale agreement for the subsidiary. The sale was completed on 16.12.2016. The final price of the transaction, including the refinancing of the existing debt of the subsidiary (€67.2 million), amounted to €143.3 million.

In addition, with the signature of the transfer agreement, the Group acquired the right to invest €5.2 million and take preference shares issued by the subsidiary or shares of the company that will emerge after the merger of the subsidiary with the buyer. The issuance of preference shares will be accompanied by sale/purchase option contracts between the Group and the buyer's shareholders. This mechanism enables the Group to collect an additional amount depending on how the value of the company will develop and therefore represents a contingent consideration. This right was recognised in other assets at fair value which was €4.5 million as at 31.12.2016.

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The total result from the sale of Ionian Hotel Enterprises SA was a loss of €38,273 and was recorded in gains and losses from financial transactions for the fiscal year 2016.

From the above, an amount of €37,916 had already been recorded as a loss during the first nine month period of the year as the Group valued its assets and related liabilities at the lower of carrying amount and fair value less cost to sell, under IFRS 5, due to their classification as "Held for sale" on 31.12.2015. Because the company is not a separate material business segment for the Group, the requirements in order to be classified as discontinued operation are not met. The company is included in "Other" for operating segment disclosure purposes. The amount of cash and cash equivalents of Ionian Hotel Enterprises S.A which was transferred at disposal amounted to €67.8.

Alpha Bank Srbija A.D.

In the fourth quarter of 2016, the Bank initiated the procedures in order to sell its subsidiary Alpha Bank Srbija A.D. In this context, on 30.1.2017, the Bank agreed with a potential buyer, to sell all the shares owned. The contract was signed on 23.2.2017 whilst on 11.4.2017 the transaction was completed for a total price of € 53 million following the necessary regulatory approvals. In addition to the transfer of all shares of the subsidiary, the agreement included the assignment of a subordinated debt contract, which amounts to €27.11 million and was granted to the subsidiary by the Bank.

Based on the above, on 31.12.2016 the total assets of Alpha Bank Srbija A.D. and the related liabilities met the criteria set under IFRS 5 to be classified as assets held for sale, while its business activities, which constitute a distinct geographical area of operation for the Group and are included in South East Europe segment for operating segment disclosure purposes, have been characterized as discontinued operations.

Consequently, for the purpose of the preparation of financial statements on 31.12.2016, the Group valued the subsidiary's assets and liabilities at the lower of carrying amount and fair value less cost to sell , recognizing a loss of of €72,722 in Profit/(Loss) after tax from discontinued operations. After the above valuation, the assets of Alpha Bank Srbija A.D. on 31.12.2016 amounted to € 512,403 and its liabilities to € 406,058.

Taking into account the classification of subsidiary as held for sale and the tax laws (note 11), at this caption was also recorded a deferred tax income of amount €84,441 which was calculated as the difference between the carrying amount of assets and liabilities and their tax base, resulting in a profit after tax which amounts to €11,719.

The loss recognized directly in equity up to the date of the completion of the disposal , amounted to € 69,275 and was recycled in the results of the first semester of 2017 and is presented in the caption "Profit/(Loss) after income tax from discontinued operations" in the Income Statement. The respective loss recognized directly in Equity as at 31.12.2016 amounted to € 68,457.

Income Statement and Statement of Total Comprehensive Income

The results and cash flows arising from Alpha Bank Srbija AD presented as "discontinued operations" in the Income Statement, the Statement of Total Comprehensive Income and in the Cash Flow Statement .

The following table analyzes the amounts presented in the Statement of Total Comprehensive Income.

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Interest and similar income	6,943	30,607
Interest expense and similar charges	(1,374)	(4,905)
Net interest income	5,569	25,702
Fee and commission income	1,860	7,799
Commission expense	(476)	(1,707)
Net fee and commission income	1,384	6,092
Gains less losses on financial transactions	991	551
Other income	156	705
Total income	**8,100**	**33,050**
Staff costs	(3,069)	(11,620)
General administrative expenses	(3,749)	(13,700)
Depreciation and amortization		(2,059)
Other expenses	(19)	(90)
Total expenses	**(6,837)**	**(27,469)**
Impairment losses and provisions to cover credit risk	1,111	4,443
Profit/(loss) before income tax	**2,374**	**10,024**
Income tax	0	(24)
Profit/(loss) after income tax	**2,374**	**10,000**
Difference due to valuation at fair value		11,719
Loss from disposal after income tax	(70,831)	
Profit/(loss) after income tax, from discontinued operations	**(68,457)**	**21,719**
Net reserve change of available for sale securities	(1,559)	(113)
Exchange differences on translating and hedging the net investment in foreign operations	70,016	(1,307)
Income tax		2
Amounts that may be reclassified in the Income Statement from discontinued operations	**68,457**	**(1,418)**
Total Comprehensive Income after income tax	**-**	**20,301**

 The amounts are presented in thousands of Euro unless otherwise indicated

Balance Sheet

	31.12.2017	31.12.2016
ASSETS		
Cash and balances with Central Banks		74,172
Due from banks		39,041
Loans and advances to customers		344,244
Investment securities		
- Available for sale		93,225
Investment property		5,593
Property, plant and equipment		19,721
Goodwill and other intangible assets		1,366
Deferred tax assets		3,555
Other assets		3,758
		584,675
Valuation at fair value		(72,272)
Assets held for sale	-	**512,403**
LIABILITIES		
Due to banks		16,635
Due to customers (including debt securities in issue)		385,367
Liabilities for current income tax and other taxes		579
Defined benefit obligations to employees		222
Other liabilities		2,332
Provisions		923
Liabilities related to assets held for sale		**406,058**
Amounts recognized directly in Equity related to assets held for sale	-	**(68,457)**

The amount of cash and cash equivalent of Alpha Bank Srbija A.D., which was transferred at disposal, amounted to €89,265.

APE Fixed Assets A.E., APE Commercial Property A.E., APE Investment Property A.E.

In June 2016 consultants were engaged and the liquidation process of the Bank's participations in APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE began. APE Fixed Assets AE is a Bank's subsidiary, while APE Commercial Property AE and APE Investment Property AE are joint ventures, where the control is exercised jointly by the Bank and the other shareholder.

The companies are classified as held for sale according to IFRS 5. As regards to the subsidiaries APE Fixed Assets AE and APE Investment Property, the Group is negotiating with potential investors who expressed their interest for the purchase of these participations, and estimates that the transaction process will be completed in the near future.

As far as it concerned APE Commercial Property is concerned, it should be noted that the process of the disposal of its participation in EL.P.ET Balkaniki A.E. during the fourth quarter of 2017, which constituted (except for deposits in banks) the only asset of the company was completed and share capital refund took place amounting to € 9.4 million. The Bank jointly with the other shareholder intends to proceed with the liquidation of APE Commercial Property during 2018, since the company does not have other business operations.

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According to IFRS 5 the assets held for sale or disposal groups are valued at the lower of book and fair value less cost to sell and they are presented in the balance sheet separately from other assets and liabilities. As regards to the subsidiary APE Fixed Assets AE the Group proceeded to the measurement of the fair value of the assets and liabilities which it consolidates, while with regards to the joint ventures APE Commercial Property AE and APE Investment Property AE., valuated with the equity method, the Group measured the fair value of its participation and of the loans and receivables of these companies which constitute part of the net investment in them. From the aforementioned measurement during the period gains amounting to € 0.3 million (2016: losses amounting to € 19.3 million) arose and were recorded in the caption " financial transactions" in the Income Statement.

Taking into account that these companies are not a separate major line of business of the Group, the criteria to be classified as "discontinued operations" are not met. The companies are included in "Other" for operating segment disclosure purposes. In the table below is presented an analysis of the discrete assets and liabilities of APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE which are classified in the Balance Sheet as assets held for sale.

Balance Sheet

	31.12.2017	31.12.2016
ASSETS		
Loans and advances to customers	47,570	47,570
Investments in associates and joint ventures	29,845	39,244
Investment property	39,872	39,872
	117,287	126,686
Valuation at fair value	(19,007)	(19,317)
Assets held for sale	**98,280**	**107,369**
LIABILITIES		
Deferred tax liabilities	286	296
Other Liabilities	6	
Total liabilities related to assets hed for sale	**292**	**296**
Amounts recognized directly in Equity related to assets held for sale	**(122)**	**(122)**
Non-controlling interest related to assets held for sale	**10,947**	**10,953**

Alpha Investment Property Attikis II A.E.

During 2017, the Bank and its subsidiary Alpha Group Investments Ltd signed with an interested investor memorandum of understanding, for the disposal of Alpha Investment Property Attikis II and proceeded to negotiate the details of the terms of sale. The main terms of transferring of 100% of the share capital of Alpha Investment Property Attikis II were agreed with the investor in the fourth quarter and it is estimated that the disposal will be comlpeted within the next financial year.

Based on the above, Alpha Investment Property Attikis II is classified as Held for sale as at 31.12.2017. The Group valued the assets and liabilities of the subsidiary at the lowest amount between the carrying amount and the fair value less cost to sell, recognizing the difference which amounted of €391 million as a loss in the gains/losses of financial transactions.

Given the fact that Alpha Investment Property Attikis II is not a separate and important part of Group's business operations, the criteria to be classified as discontinued operations are not met. The company is included in "Other" for operating segment reporting purposes.

In the table below, the analysis of assets and liabilities with regards to Alpha Investment Property Attikis II that are classified as Assets held for sale in the balance sheet, is followed:

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Balance Sheet

	31.12.2017
ASSETS	
Loans and advances to customers	751
Investments property	21,467
Other assets	169
	22,387
Valuation at fair value	(391)
Assets held for sale	**21,996**
LIABILITIES	
Liabilities for current income tax and other taxes	60
Other Liabilities	70
Total liabilities related to assets hed for sale	**130**

Loans and Receivables:

During 2017, the Bank in cooperation with Alpha Bank Romania S.A. proceeded to the sale of Non-performing retail loans which included receivables from consumer loans, credit cards and small-business loans, along with wholesale loans.

On 31.12.2017 the abovementioned loans met the criteria to be classified as Held for sale according to IFRS 5.

For the purpose of preparing the financial statements as at 31.12.2017 loans and receivables balance was impaired to their recoverable value, where its calculation was based on the estimated selling price less cost to sell, recognizing the difference as a loss in the caption “Impairment losses and provisions to cover the credit risk” of the Income Statement. As at 31.12.2017, the carrying amount of Bank’s loans and receivables amount to € 108,501 and for Alpha Bank Romania amount to € 55,158.

During the first quarter of 2018, for the retail and part of the wholesale portfolio the Bank entered into a definitive sale agreement, while for the rest of the wholesale portfolio the sale transaction was completed. With the abovementioned transactions, and the sale of a portfolio of Non-performing retail loans of Alpha Bank Romania in the third quarter of 2017, the Group’s proceeds for the sale of a significant part of non-performing loans in Romania have been completed.

Other assets held for sale

Assets held for sale include also other fixed assets held for sale of the Group of an amount of € 5,042 (31.12.2016: €5,444).

In addition, the Bank has classified its participation in Selonda Aquaculture A.E.G.E. and Nireus Aquaculture A.E. as Assets held for sale since its intention is to dispose them in the near future. The estimated fair value of the companies is one Euro.

Finally, following the capitalization of Unisoft’s loan, the corresponding share is included in “Assets held for sale” with a fair value of one Euro.

The Group assesses at each reporting date of the financial statements, the actions undertaken within the context of the restructuring plan’s implementation in order, where criteria of IFRS 5 are met (listed in note 1.17 of financial statements on 31.12.2017) the assets and liabilities that are directly associated with them, to be classified as held for sale.

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48. Restructuring Plan

The Bank continues the implementation of the Restructuring Plan, the revised version of which was approved by the DG Comp on 26 November 2015. The final date for the completion of the Restructuring Plan is 31 December 2018.

Some of the main commitments of the Restructuring Plan that had final date of completion the 31 December 2017, are presented below:

- Reduction of the number of branches in Greece up to a maximum of 563.
- Limitation of the number of employees in Greece, in banking and non-banking activities, up to a maximum of 9,504.
- Reduction of the total costs of the Bank in Greece (Greek banking and non-banking activities) up to a maximum amount of € 933 million with the exemption of separation scheme costs and costs related to the Bank's contribution in favor of deposit guarantee funds or resolution funds.
- Apply a maximum limit of annual remuneration packages that the Bank pays to any employee or manager.
- Reduction of the Bank's venture portfolio to € 40 million.

Alpha Bank has undertaken significant restructuring activities in order to restore its sustainability, in accordance to the European Commission's regulation for financial institutions that have receive government support. As a result of the relevant activities, the Bank has succeeded the full compliance with the abovementioned commitments.

The following commitments are still in force:

- Reduction of the cost of funding through the decrease of cost of deposits collected in Greece, taking into account the macroeconomic factors at each time.
- To further strengthen of Bank's balance sheet through compliance to net loans to deposits ratio, up to a maximum of 119% on 31 December 2018, as regards to Greek banking activities.
- Reduction of the total size of the portfolio of foreign assets by 30 June 2018.
- Restriction on providing additional capital to foreign subsidiaries.
- Divestment of listed and unlisted companies' securities portfolio (except for specific cases).
- Restriction on the purchase of non-investment grade securities.
- Adoption of guidelines regarding Group credit policy, and the corporate governance framework, as well as, other commitments, which include restrictions on Bank's ability to proceed to specific acquisitions.

The Bank continues to meet the above commitments and has, to a large extent, covered the necessary adaptation to achieve the relevant objectives.

It is noted that in the Restructuring Plan there are no longer restrictions on the distribution of dividends over securities included in equity or subordinated securities. Also there are no restrictions on repurchases or the exercise of prepayment options for securities included in equity or subordinated securities.

The macroeconomic estimates and assumptions on which the provisions of the revised Restructuring Plan were based, are listed below:

	2014	2015	2016	2017	2018
Nominal GDP (%)	(1.8)	(3.2)	(0.7)	3.4	4.1
Real GDP (%)	0.8	(2.3)	(1.3)	2.7	3.1
Unemployment rate(%)	26.5	26.9	27.1	25.7	24.2
Inflation rate (%)	(1.4)	(0.4)	1.5	0.9	1.0

The Bank's progress towards the full compliance with the commitments included in the Restructuring Plan is monitored and reported to the European Commission on a quarterly basis by Mazars LLP, who has been designated as the Monitoring Trustee of the Restructuring Plan.

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49. Corporate events

a. On 5.1.2017 the Bank's subsidiary Alpha Group Investments Ltd disposed the 45.84% of the shares of the Group subsidiary Alpha Investment Property Kefalariou S.A. for an amount of €11.

b. On 16.1.2017 the Bank participated in the share capital increase of its subsidiary, Alphalife A.A.E.Z with the amount of € 25,000.

c. On 24.1.2017 the Group's joint venture Aktua Hellas Holding A.E., was renamed to Cepal Holdings S.A.

d. On 25.1.2017 the company Aktua Hellas Financial Solutions A.E., a subsidiary of Cepal Holdings S.A. was renamed to Cepal Hellas Financial Services Societe Anonyme for the Management of Receivables from Loans and Credits.

e. On 30.1.2017 the Bank reached an agreement with the Serbian MK Group for the whole disposal of shares (100%) of its investment in the share capital of Alpha Bank Srbija A.D.

f. On 3.2.2017 the Bank's subsidiary, Alpha Group Investments Ltd participated in the share capital increase of its subsidiary Alpha Investment Property Kefalariou A.E. with the amount of € 9,750.

g. On 23.2.2017 following the exercise of the option of conversion from the total bondholders, the Bank participated in the capital increase due to the conversion of the convertible bond issue of 1.2.2013, in the context of the agreement with Credit Agricole S.A. for the acquisition of former Emporiki Bank. From the conversion, 6,818,181 common shares issued corresponding to the 0.44% of total shares.

h. On 3.3.2017, following the Group's subsidiary AGI-Cypre Ermis Ltd loan capitalization, the Bank participated in the share capital increase of the subsidiary, acquiring the 75% of its share capital.

i. On 7.3.2017 following the restructuring plan, the Bank acquired the 47.04% of the share capital of Famar S.A.

j. On 29.3.2017 the Group's subsidiary Alpha Ventures S.A. participated in the joint venture Panarae Saturn S.A. with the amount of € 964.

k. On 6.4.2017 the Group subsidiaries Alpha Investment Property Amarousion I A.E., Alpha Investment Property Amarousion II A.E., Alpha Investment Property Chalandriou A.E., Alpha Investment Property N. Kifisias A.E. and Alpha Investment Property Chanion A.E. increased their share capital by € 2,100, € 430, € 16,500, € 500 and € 60 respectively.

l. On 10.4.2017, the Bank's subsidiary Alpha Group Investments Ltd founded the company Alpha Investment Property Spaton A.E. for an amount of € 24.

m. On 11.4.2017 the disposal of all shares of the Bank's subsidiary, Alpha Bank Srbija A.D. was completed.

n. On 4.5.2017, the Bank proceeded to the sale of 1% Cepal Holdings S.A. shares, and participated in its share capital increase with an amount of € 8,333. On 18.5.2017 the Bank proceeded in an additional sale of 1.23% Cepal Holdings S.A. shares.

o. On 4.5.2017 the company Cepal Holdings S.A. completed the acquisition of the entity, Kaican Services Ltd, established in United Kingdom, paying an amount of € 3,658.

p. On 9.5.2017, a capital repayment of € 28,652 of Bank's subsidiary, Emporiki Development and Real Estate Management A.E., was completed.

q. On 18.5.2017, the sale of all shares of Group's subsidiary, AGI BRE Participations 1 EOOD was completed.

r. On 26.5.2017, the deregistration of Group's subsidiaries, AGI-RRE Athena Srl and AGI-RRE Venus Srl, from Romanian Company Register was completed.

s. On 20.6.2017, the sale of all shares of Group's subsidiary, AGI-SRE Ariadni DOO was completed.

t. On 27.6.2017, the Group's subsidiary, AGI-RRE Cleopatra Srl, acquired 97.5% of TH Top Hotels Srl shares for an amount of € 86.

u. On 10.7.2017, the Group's subsidiary Alpha Investment Property Chanion A.E. proceeded to its share capital increase by an amount of € 2,000.

v. On 17.7.2017 the Bank's subsidiary Alpha Group Investments Ltd founded the company Alpha Investment Property Kallithea A.E. for an amount of € 24.

w. On 18.7.2017, following Cepal Holdings S.A. share capital increase with the issue of 138,367 ordinary shares, the Bank's participation was formed at 42.48% of Cepal Holdings S.A. share capital.

x. On 28.7.2017, a capital repayment of € 9.5 million of Bank's subsidiary, Ionian Equity Participations Ltd, was completed.

y. On 1.8.2017, the Bank proceeded to the coverage of its participation to the joint venture, Alpha TANEO AKES, by increasing the joint venture's share capital with an amount of € 83.

z. On 11.9.2017, the sale of all shares of the Bank's subsidiary, Ionian Equity Participation Ltd, to Alpha Ventures A.E., was completed for an amount of € 27,416.

aa. On 11.9.2017 the Bank's subsidiary Alpha Bank Romania completed the disposal of a Non-Performing Retail portfolio amounting to €50,000 to a company of the Norwegian group B2Holding.

ab On 13.9.2017, the Bank proceeded to the coverage of its participation to its subsidiary, APE Fixed Assets A.E., by increasing the subsidiary's share capital with an amount of € 94.

ac. On 30.10.2017 the subsidiaries of the Group. Alpha Investment Property Livadias A.E. and Alpha Investment Property N. Erythraias proceeded to share capital increase amounting to €600 and €1,300 respectively.

ad. On 31.10.2017, and due to share capital increase with cash payments and capitalization of debt facilities of the joint venture APE Investment Property A.E., the Bank's participation on the share capital was formed in 71.08%.

ae. On 9.11.2017 the subsidiary of the Group, AGI-BRE Participations 1 Ltd founded the company Beroe Real Estate EOOD for an amount of €1.

af. On 24.11.2017 the joint venture APE Commercial Property A.E. proceeded to the disposal of the shares of the company EL.P.ET. Balkaniki A.E.

ag. On 28.11.2017 the subsidiary Alpha Astika Akinita A.E. proceeded to the sale of all shares «Alpha Real Estate D.O.O. Beograd», for an amount of €8,400.

ah. On 11.12.2017 the disposal of all shares of Bank's subsidiary EVISAK A.E. was completed, for a consideration of €2,136.

ai. On 14.12.2017 the subsidiary AEP Chanion A.E. proceeded to share capital increase by €13,600.

ak. On 15.12.2017 the return of share capital of the joint veture APE Commercial Property was completed, amounting to €9,399.

al. On 20.12.2017 due to the mergers of the Group's Companies, Alpha Investment Property Amarousion II A.E., Alpha Investment Property Chalandri A.E. and Oceanos ATOEE, by their absorption by Alpha Investment Property Amarousion I A.E., a new associate of the Bank was formed under the name of Alpha Investment Property I A.E.

am. On 20.12.2017 the Bank participated in the share capital increase of its subsidiary Alpha Group Investments Ltd for an amount of €310,654.

an. On 22.12.2017 the Group's subsidiaries, Alpha Investment Properties Attikis A.E. and Alpha Investment Properties Attikis II A.E., increased their share capital, by capitalizing Bank's debt facilities amounting to € 6,630 and € 38,900 respectively.

ao. In the fourth quarter of the year, the subsidiary of the Group AGI-BRE Participations EOOD acquired 100% of the shares of the entities House Properties Investments EOOD and Residence Properties Investments EOOD. In addition, the subsidiary of the Group AGI-BRE Participations 4 EOOD acquired 100% of the shares of the entity Kestrel Enterprise EOOD.

50. Restatement of financial statements

The Group during 2017 modified the presentation of bond's income in the cash flow statement and transferred € 241,467 from net cash flows from continuing operating activities to net cash flows from continuing investing activities.

	Published amounts	Restatement	Restated amounts
	31.12.2016		**31.12.2016**
Net cash flows from continuing operating activities	(2,508,259)	(241,467)	(2,749,726)
Net cash flows from continuing investing activities	2,004,615	241,467	2,246,082
Net cash flows from continuing financing activities	203,655		203,655
Net increase/(decrease) in cash flows from continuing activities	(331,465)		(331,465)
Net increase/(decrease) in cash flows from discontinued activities	(21,780)		(21,780)
Cash and cash equivalents at the beginning of the year	1,328,133		1,328,133
Cash and cash equivalents at the end of the year	974,888		974,888

51. Events after the balance sheet date

a. On 25.1.2018, the Bank issued a Euro 500 million covered bond, with a 5-year tenor and 2.75% yield to maturity as part of its Euro 8 billion direct issuance Covered Bond Programme I. The bond is listed on the Luxembourg Stock Exchange and is rated B3 and B by Moody's and Fitch respectively.

Athens, 20 March 2018

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE GENERAL MANAGER AND CHIEF FINANCIAL OFFICER	THE ACCOUNTING AND TAX MANAGER
VASILEIOS T. RAPANOS ID No AI 666242	DEMETRIOS P. MANTZOUNIS ID No I 166670	VASILEIOS E. PSALTIS ID No AI 666591	MARIANNA D. ANTONIOU ID No X 694507

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Bank Financial Statements as at 31.12.2017

ALPHA BANK

Income Statement

(Amounts in thousands of Euro)

		FROM 1 JANUARY TO	
	Note	31.12.2017	31.12.2016
Interest and similar income	2	2,225,606	2,372,840
Interest expense and similar charges	2	(531,351)	(706,293)
Net interest income	2	1,694,255	1,666,547
Fee and commission income		342,344	320,636
Commission expense		(64,245)	(49,987)
Net fee and commission income	3	278,099	270,649
Dividend income	4	35,638	448,975
Gains less losses on financial transactions	5	(85,772)	(170,029)
Other income	6	16,249	11,494
		(33,885)	290,440
Total income		**1,938,469**	**2,227,636**
Staff costs	7	(375,800)	(400,921)
Provision for separation scheme	7	(92,719)	
General administrative expenses	8	(460,959)	(417,397)
Depreciation and amortization	20, 21, 22	(74,210)	(71,048)
Other expenses	9	(30,920)	(30,281)
Total expenses before impairment losses and provisions to cover credit risk		**(1,034,608)**	**(919,647)**
Impairment losses and provisions to cover credit risk	10	(798,036)	(1,170,200)
Profit/(loss) before income tax		**105,825**	**137,789**
Income tax	11	(61,930)	123,155
Profit/(loss) after income tax, from continuing operations		**43,895**	**260,944**
Profit/(loss) after income tax, from discontinued operations			(326)
Profit/(loss) after income tax		**43,895**	**260,618**
Earnings/(losses) per share:			
Basic and diluted(€ per share)	12	0.0285	0.1696
Basic and diluted from continuing operations (€ per share)	12	0.0285	0.1698
Basic and diluted from discontinued operations (€ per share)	12	-	(0.0002)

The attached notes (pages 248-397) form an integral part of the financial statements

Balance Sheet

(Amounts in thousands of Euro)

	Note	31.12.2017	31.12.2016
ASSETS			
Cash and balances with central banks	13	774,882	674,439
Due from banks	14	2,227,791	2,912,313
Trading securities	15	6,544	2,865
Derivative financial assets	16	628,133	644,436
Loans and advances to customers	17	38,521,136	40,261,524
Investment securities			
- Available for sale	18a	4,887,356	4,360,047
- Held to maturity	18b	319	9,342
- Loans and receivables	18c		2,682,655
Investments in subsidiares, associates and joint ventures	19	2,048,931	1,815,255
Investment property	20	26,379	27,836
Property, plant and equipment	21	628,956	675,870
Goodwill and other intangible assets	22	350,783	333,926
Deferred tax assets	23	4,282,208	4,477,144
Other assets	24	1,253,995	1,378,290
		55,637,413	60,255,942
Assets held for sale	44	217,285	146,631
Total Assets		**55,854,698**	**60,402,573**
LIABILITIES			
Due to banks	25	13,751,850	19,433,001
Derivative financial liabilities	16	1,037,174	1,337,559
Due to customers	26	30,255,030	29,009,979
Debt securities in issue and other borrowed funds	27	557,949	598,759
Liabilities of current income tax and other taxes	28	17,920	19,419
Employee defined benefit obligations	29	89,441	89,126
Other liabilities	30	824,340	806,500
Provisions	31	175,307	383,188
Total Liabilities		**46,709,011**	**51,677,531**
EQUITY			
Share capital	32	463,110	461,064
Share premium	33	10,801,029	10,790,870
Reserves	34	572,832	208,187
Retained earnings	35	(2,691,284)	(2,735,079)
Total Equity		**9,145,687**	**8,725,042**
Total Liabilities and Equity		**55,854,698**	**60,402,573**

The attached notes (pages 248-397) form an integral part of the financial statements

Statement of Comprehensive Income

(Amounts in thousands of Euro)

	Note	FROM 1 JANUARY TO	
		31.12.2017	31.12.2016
Profit/(loss), after income tax, recognized in the Income Statement		**43,895**	**260,618**
Other comprehensive income recognized directly in Equity:			
Amounts that may be reclassified to the Income Statement			
Net change in available for sale securities' reserve	11	459,969	133,659
Net change in cash flow hedge reserve	11	53,361	(57,273)
Income tax	11	(148,685)	(21,830)
Total amounts that may be reclassified to the Income Statement	11	**364,645**	**54,556**
Amounts that will not be reclassified to the Income Statement			
Net change in actuarial gains/(losses) of defined benefit obligations	11	133	(10,529)
Income tax	11	(39)	3,052
Total amounts that will not be reclassified to the Income Statement		**94**	**(7,477)**
Total of other comprehensive income recognized directly in Equity, after income tax	11	**364,739**	**47,079**
Total comprehensive income for the year, after income tax		**408,634**	**307,697**
Total comprehensive income for the year after income tax attributable to:			
Equity owners of the Bank			
- from continuing operations		408,634	308,023
- from discontinued operations			(326)

The attached notes (pages 248-397) form an integral part of the financial statements

Statement of Changes in Equity

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total
Balance 1.1.2016		**461,064**	**10,790,870**	**153,631**	**(2,987,532)**	**8,418,033**
Changes for the period 1.1 - 31.12.2016						
Profit for the year, after income tax					260,618	260,618
Other comprehensive income recognized directly in Equity, after income tax	11			54,556	(7,477)	47,079
Total comprehensive income for the year, after income tax		**-**	**-**	**54,556**	**253,141**	**307,697**
Share capital increase expenses, after income tax					(688)	(688)
Balance 31.12.2016		**461,064**	**10,790,870**	**208,187**	**(2,735,079)**	**8,725,042**

(Amounts in thousands of Euro)

	Note	Share capital	Share premium	Reserves	Retained earnings	Total
Balance 1.1.2017		**461,064**	**10,790,870**	**208,187**	**(2,735,079)**	**8,725,042**
Changes for the period 1.1 - 31.12.2017						
Profit for the year, after income tax					43,895	43,895
Other comprehensive income recognized directly in Equity, after income tax	11			364,645	94	364,739
Total comprehensive income for the year, after income tax		**-**	**-**	**364,645**	**43,989**	**408,634**
Conversion of the convertible bond loan to shares		2,046	10,159			12,205
Share capital increase expenses, after income tax					(194)	(194)
Balance 31.12.2017		**463,110**	**10,801,029**	**572,832**	**(2,691,284)**	**9,145,687**

The attached notes (pages 248-397) form an integral part of the financial statements

Statement of Cash Flows

(Amounts in thousands of Euro)

	Note	FROM 1 JANUARY TO 31.12.2017	31.12.2016*
Cash flows from continuing operating activities			
Profit/(loss) before income tax		105,825	137,789
Adjustments for gain/(losses) before income tax for:			
Depreciation/impairment of fixed assets	20, 21, 24	71,139	46,833
Amortization of intangible assets	22	43,749	39,282
Impairment losses from loans, provisions and staff leaving indemnity		902,574	1,129,237
Impairment of investments		242,418	307,280
(Gains)/losses from investing activities		(315,829)	(727,257)
(Gains)/losses from financing activities		(12,187)	47,433
		1,037,689	**980,597**
Net (increase)/decrease in assets relating to continuing operating activities:			
Due from banks		566,056	535,954
Trading securities and derivative financial assets		12,624	149,058
Loans and advances to customers		(15,370)	138,353
Other assets		175,375	19,759
Net increase/(decrease) in liabilities relating to continuing operating activities:			
Due to banks		(5,681,151)	(5,740,787)
Derivative financial liabilities		(247,024)	(276,269)
Due to customers		1,227,331	1,272,982
Other liabilities		(35,656)	(18,578)
Net cash flows from continuing operating activities before taxes		**(2,960,126)**	**(2,938,931)**
Income taxes and other taxes paid		(1,499)	(1,688)
Net cash flows from continuing operating activities		**(2,961,625)**	**(2,940,619)**
Net cash flows from discontinued operating activities			**(17,434)**
Cash flows from continuing investing activities			
Investments in subsidiaries, associates and joint ventures		38,235	(182,528)
Disposals of subsidiaries, associates and joint ventures		55,817	77,008
Dividends received		20,188	448,975
Acquisitions of tangible and intangible assets	21, 22	(79,029)	(98,405)
Disposals of tangible and intangible assets		207	1,285
Purchases of Greek State treasury bills		(3,393,016)	(4,787,895)
Disposals/maturities of Greek State treasury bills		3,725,963	5,468,998
Purchases of investment securities (excluding Greek State treasury bills)		(1,890,799)	(798,059)
Disposals/maturities of investment securities (excluding Greek State treasury bills)		4,464,217	2,539,129
Net cash flows from continuing investing activities		**2,941,783**	**2,681,508**
Net cash flows from discontinued investing activities			**(9,906)**
Cash flows from continuing financing activities			
Share capital increase expenses		(273)	(970)
Receipts of debt securities in issue and other borrowed funds	27	258,589	
Repayments of debt securities in issue and other borrowed funds	27	(257,288)	168,969
Net cash flows from continuing financing activities		**1,028**	**167,999**
Effect of exchange rate differences on cash and cash equivalents		794	1,295
Net increase/(decrease) in cash flows from continuing activities		**(18,020)**	**(89,817)**
Net increase/(decrease) in cash flows from discontinued activities			**(27,340)**
Cash and cash equivalents at the beginning of the year		**648,091**	**765,248**
Cash and cash equivalents at the end of the year	13	**630,071**	**648,091**

* The figures of the Statement of Cash Flows of the comparative year have been restated for comparison purposes (note 47).

The attached notes (pages 248-397) form an integral part of the financial statements

Notes to the Financial Statements

GENERAL INFORMATION

The Bank operates under the brand name of Alpha Bank A.E. using the sign of ALPHA BANK. The Bank's registered office is 40 Stadiou Street, Athens and is listed in the General Commercial Register with registration number 223701000 (ex societe anonyme registration number 6066/06/B/86/05). The Bank's duration is until 2100 but may be extended by the General Meeting of Shareholders.

In accordance with article 4 of the Articles of Incorporation, the Bank's objective is to engage, on its own account or on behalf of third parties, in Greece and abroad, independently or collectively, including joint ventures with third parties, in any and all (main and secondary) operations, activities, transactions and services allowed to credit institutions, in conformity with whatever rules and regulations (domestic, community, foreign) may be in force each time. In order to serve this objective, the Bank may perform any kind of action, operation or transaction which, directly or indirectly, is pertinent, complementary or auxiliary to the purposes mentioned above.

The tenure of the Board of Directors which was elected by the Ordinary General Meeting of Shareholders on 27.6.2014 expires in 2018.

The Board of Directors as at December 31, 2017, consists of:

CHAIRMAN (Non Executive Member)
Vasileios T. Rapanos

EXECUTIVE MEMBERS

MANAGING DIRECTOR
Demetrios P. Mantzounis

DEPUTY MANAGING DIRECTORS
Spyros N. Filaretos (COO)
Artemios Ch.Theodoridis
George C. Aronis

NON-EXECUTIVE MEMBERS
Efthimios O. Vidalis **/****

NON-EXECUTIVE INDEPENDENT MEMBERS
Ibrahim S. Dabdoub **/****
Carolyn Adele G. Dittmeier */***
Richard R. Gildea **/***
Shahzad A. Shahbaz ***/****
Jan Oscar A. Vanhevel */***

NON-EXECUTIVE MEMBER
(in accordance with the requirements of Law 3864/2010)
Spyridon - Stavros A. Mavrogalos - Fotis */**/***/****

SECRETARY
George P. Triantafyllides

On 29.6.2017, the Board of Directors of the Bank has concluded that the Bank is not subject to the provisions of Law 3723/2008, and as a result Greek Government's right and requirement to appoint a representative to the Bank's Board of Directors, arising from the aforementioned Law, is ceased.

On 28.9.2017 the Non-Executive Independent Member of the Board of Directors, Mr. Evangelos J. Kaloussis, notified his resignation, which came into effect immediately, from any post and office held at the Board of Directors and its Committees.

On 30.6.2017, the Ordinary General Meeting of Shareholders, has appointed the audit firm "Deloitte Certified Public Accountants S.A." for the statutory audit of the year 2017.

* Member of the Audit Committee

** Member of the Remuneration Committee

*** Member of the Risk Management Committee

**** Member of Corporate Governance and Nominations Committee

The Bank’s shares are listed in the Athens Stock Exchange since 1925 and are constantly included among the companies with the higher market capitalization. Additionally, the Bank's share is included in a series of international indices, such as MSCI Emerging Markets Index, the FTSE All World and FTSE Med 100 and the FTSE4Good Emerging Index.

Apart from the Greek listing, the shares of the Bank are traded over the counter in New York (ADRs).

Total ordinary shares in issue as at 31 December 2017 were 1,543,699,381. In Athens Stock Exchange are traded 1,374,525,214 ordinary shares of the Bank, while the Hellenic Financial Stability Fund (“HFSF”) possesses the remaining 169,174,167 ordinary, registered, voting, paperless shares or percentage equal to 10.96% on the total of ordinary shares issued by the Bank. The exercise of the voting rights for the shares of HFSF is subject to restrictions according to the article 7a of Law 3864/2010.

In addition, upon 7.12.2017, in the Athens Stock Exchange, 1,141,734,167 warrants were traded incorporating the right of the holder to purchase 0.148173663047785 new shares owned by the HFSF. Non-exercise of warrants up to and including 11.12.2017, have automatically ceased to be valid and have been cancelled by the HFSF on 14.12.2017.

During the period of 2017, the average volume of shares trade stood at €10,633,710 and for warrants at €3,817.

The credit rating of the Bank performed by three international credit rating agencies is as follows:

- Moody’s: Caa3
- Fitch Ratings: RD
- Standard & Poor’s: CCC+

According to the Law 4403/7.7.2016, article 135 of the Codified Law 2190/1920 was amended and the obligation to publish Data and Information which are derived from the annual financial statements, was abolished.

These financial statements have been approved by the Board of Directors on 20th of March 2018.

ACCOUNTING POLICIES APPLIED

1.1 Basis of presentation

These financial statements relate to the fiscal year 1.1 – 31.12.2017 and they have been prepared:

a) in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in accordance with Regulation 1606/2002 of the European Parliament and the Council of the European Union on 19 July 2002 and

b) on the historical cost basis. As an exception, some assets and liabilities are measured at fair value. Those assets are mainly the following:

- Trading securities
- Derivative financial instruments
- Available-for-sale securities
- The convertible bond issued by the Bank which, until its conversion into shares that took place in the first quarter of this year, was included in "Debt securities in issue and other borrowed funds".

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

The accounting policies for the preparation of the financial statements have been consistently applied by the Bank to the years 2016 and 2017, after taking into account the following amendments to standards which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2017:

► **Amendment to International Accounting Standard 7** "Statement of Cash Flows": Disclosure Initiative (Regulation 2017/1990/6.11.2017).

On 29.1.2016 the International Accounting Standards Board issued an amendment to IAS 7 according to which an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities for which cash flows are classified in the statement of cash flows as cash flows from financing activities. The changes that shall be disclosed, which may arise both from cash flows and non-cash changes, include:

- changes from financing cash flows,
- changes arising from obtaining or losing control of subsidiaries or other businesses,
- the effect of changes in foreign exchange rates,
- changes in fair values and
- other changes.

As a result of the above amendment, the aforementioned disclosure has been added to the note 27 Debt securities in issue and other borrowed funds.

► **Amendment to International Accounting Standard 12** "Income Taxes": Recognition of Deferred Tax Assets for Unrealised Losses (Regulation 2017/1989/6.11.2017)

On 19.1.2016 the International Accounting Standards Board issued an amendment to IAS 12 with which the following were clarified:

- Unrealised losses on debt instruments measured at fair value for accounting purposes and at cost for tax purposes may give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the asset by sale or by use.
- The recoverability of a deferred tax asset is assessed in combination with other deferred tax assets. However, if tax law offsets specific types of losses only against a particular type of income, the relative deferred tax asset shall be assessed in combination with other deferred tax assets of the same type.
- During the deferred tax asset recoverability assessment, an entity compares the deductible temporary differences with

future taxable profit that excludes tax deductions resulting from the reversal of those deductible temporary differences.

- The estimate of probable future taxable profit may include the recovery of some of an entity's assets for more than their carrying amount if there is sufficient evidence that it is probable that the entity will achieve this.

The adoption of the above amendment by the Bank had no impact on its financial statements.

▸ **Annual Improvements to IFRS Standards** cycle-2014-2016 (Regulation 2018/182/7.2.2018)

As part of the annual improvements project, the International Accounting Standards Board issued, on 8.12.2016, amendments to IFRS 12 with which it clarified that entities are not exempt from all of the disclosure requirements in IFRS 12 with respect to interests in entries classified as held for sale (or included in a disposal group) or as discontinued operations but only from specific disclosures.

The adoption of the above amendment by the Bank had no impact on its financial statements.

Except for the standards mentioned above, the European Union has adopted the following new standards and amendments to standards which are effective for annual periods beginning after 1.1.2017 and have not been early adopted by the Bank.

▸ **Amendment to International Financial Reporting Standard 2** "Share-based Payment": Classification and Measurement of Share-based Payment Transactions (Regulation 2018/289/26.2.2018). Effective for annual periods beginning on or after 1.1.2018

On 20.6.2016 the International Accounting Standards Board issued an amendment to IFRS 2 with which the following were clarified:

- in estimating the fair value of a cash-settled share-based payment, the accounting for the effects of vesting and non-vesting conditions shall follow the same approach as for equity-settled share-based payments,
- where tax law requires an entity to withhold a specified amount of tax (that constitutes a tax obligation of the employee) that relates to share-based payments and shall be remitted to the tax authority, such an arrangement shall be classified as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature,
- if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification.

The above amendment is not expected to have any impact on the financial statements of the Bank.

▸ **Amendment to International Financial Reporting Standard 4** "Insurance Contracts": applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Regulation 2017/1988/3.11.2017). Effective for annual periods beginning on or after 1.1.2018

On 12.9.2016 the International Accounting Standards Board issued an amendment to IFRS 4 with which:

- It provides insurers, whose activities are predominantly connected with insurance, with a temporary exemption from application of IFRS 9 until 1.1.2021 and
- following full adoption of IFRS 9 and until applying IFRS 17, it gives all entities with insurance contracts the option to present changes in fair value on qualifying designated financial assets in other comprehensive income instead of profit or loss.

The above amendment does not apply to the financial statements of the Bank.

▸ **International Financial Reporting Standard 9** "Financial Instruments" (Regulation 2016/2067/22.11.2016). Effective for annual periods beginning on or after 1.1.2018

On 24.7.2014, the International Accounting Standards Board completed the issuance of the final text of IFRS 9: Financial Instruments, which replaces the existing IAS 39. The new standard provides for significant differentiations in the classification and measurement of financial instruments as well as in hedge accounting. An indication of the new requirements is presented below:

Classification and measurement

Financial instruments shall be classified, at initial recognition, at either amortized cost or at fair value. The criteria that should be considered for the initial classification of the financial assets are the following:

i. The entity's business model for managing the financial assets. Three categories of Business Models are defined:
   - Hold to collect contractual cash flows
   - Hold to collect and sell
   - Other

and

ii. The contractual cash flow characteristics of the financial assets.

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the instrument is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

If an instrument meets the above criteria but is held with the objective of both selling and collecting contractual cash flows it shall be classified as measured at fair value through other comprehensive income.

Financial assets that are not included in any of the above two categories are mandatorily measured at fair value though profit or loss.

In addition, IFRS 9 permits, at initial recognition, equity instruments to be classified at fair value through other comprehensive income. The option precludes equity instruments held for trading. Moreover, with regards to embedded derivatives, if the hybrid contact contains a host that is within the scope of IFRS 9, the embedded derivative shall not be separated and the accounting treatment of the hybrid contact should be based on the above requirements for the classification of the financial instruments.

With regards to the financial liabilities, the main difference is that the change in the fair value of a financial liability initially designated at fair value through profit or loss shall be recognised in profit or loss with the exception of the effect of change in the liability's credit risk which shall be recognised directly in other comprehensive income.

Impairment

Contrary to the existing IAS 39, under which an entity recognizes only incurred credit losses, the new standard requires the recognition of expected credit losses. In particular, on initial recognition of an asset, 12-month expected credit losses are recognized. However, in case the credit risk of the issuers has increased significantly since initial recognition as well as in cases of purchased or originated credit impaired assets lifetime expected credit losses are recognized.

Hedging

The new requirements for hedge accounting are more aligned with the entity's risk management. The main changes in relation to the current requirements of IAS 39 are summarized below:

- more items become eligible for participating in a hedging relationship either as hedging instruments or as hedged items,
- the requirement for hedge effectiveness tests to be within the range of 80%-125% is removed. Hedge effectiveness test is performed progressively only and under certain circumstances a qualitative assessment is considered adequate,
- in case that a hedging relationship ceases to be effective but the objective of risk management regarding the hedging relationship remains the same, the entity shall rebalance the hedging relationship in order to satisfy the hedge effectiveness criteria.

It is noted that the new requirements for hedge accounting do not include those that relate to macro hedging, since they have not been finalized yet.

Except for the aforementioned modifications, the issuance of IFRS 9 has resulted in the amendment to other standards and mainly to IFRS 7 where new disclosures were added.

The impact from the application of IFRS 9 to the financial statements of the Bank is presented in note 39.

▸ **International Financial Reporting Standard 15** “Revenue from Contracts with Customers” (Regulation 2016/1905/22.9.2016). Effective for annual periods beginning on or after 1.1.2018

IFRS 15 “Revenue from Contracts with Customers” was issued on 28.5.2014 by the International Accounting Standards Board. The new standard is the outcome of a joint project by the IASB and the Financial Accounting Standards Board (FASB) to develop common requirements as far as the revenue recognition principles are concerned.

The new standard shall be applied to all contracts with customers, except those that are in scope of other standards, such as financial leases, insurance contracts and financial instruments.

According to the new standard, an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A new revenue recognition model is introduced, by applying the following five steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The performance obligation notion is new and in effect represents a promise in a contract with a customer to transfer to the customer either: (a) a good or service (or a bundle of goods or services) that is distinct; or (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The new IFRS 15 supersedes:

(a) IAS 11 “Construction Contracts”;

(b) IAS 18 “Revenue”;

(c) IFRIC 13 “Customer Loyalty Programmes”;

(d) IFRIC 15 “Agreements for the Construction of Real Estate”;

(e) IFRIC 18 “Transfers of Assets from Customers”;and

(f) SIC-31 “Revenue—Barter Transactions Involving Advertising Services”.

Impact from the application of IFRS 15

The Bank will apply the new standard from 1.1.2018 without reforming comparative information for 2017. The differences that will arise from the adoption of IFRS 15 will be recognized directly in equity as at 1.1.2018.

It is noted that the main part of the Bank’s income is net interest income which will not be affected by the application of IFRS 15. In the Bank, the contracts most affected by the new standard relate to the provision of banking services, asset management services or services relating to coordinating and arranging syndicated loan transactions.

For services provided over time, such as management fee income earned for the provision of asset management services (i.e. performance fee income for management of asset portfolio), income is recognised as the service is being provided to the customer.

If a performance obligation is not satisfied over time, it is satisfied at a point in time. For services such as executing transactions (e.g. currency exhange transactions, customers’ trading in securities) and coordinating and arranging syndicated loan transactions, the execution and completion of the transaction requested by the customer signals the point in time, in which the service is transferred to the customer.

The review of the accounting treatment currently applied to recognise revenue from these contracts is in the process of completion; however, given that Bank's current accounting practices are broadly in line with the requirements of the new standard, the Bank does not expect that the application of the new standard will have a significant impact on its financial statements.

▸ **Amendment to International Financial Reporting Standard 15** "Revenue from Contracts with Customers": Clarifications to IFRS 15 Revenue from Contracts with Customers (Regulation 2017/1987/31.10.2017). Effective for annual periods beginning on or after 1.1.2018

On 12.4.2016 the International Accounting Standards Board issued an amendment to IFRS 15 with which it clarified mainly the following:

- when a promised good or service is separately identifiable from other promises in a contract, which is part of an entity's assessment of whether a promised good or service is a performance obligation,
- how to apply the principal versus agent application guidance to determine whether the nature of an entity's promise is to provide a promised good or service itself (i.e., the entity is a principal) or to arrange for goods or services to be provided by another party (i.e., the entity is an agent),
- for a licence of intellectual property, which is a factor in determining whether the entity recognises revenue over time or at a point in time.

Finally, two practical expedients to the transition requirements of IFRS 15 were added for completed contracts under full retrospective transition approach as well as for contract modifications at transition.

The impact from the application of IFRS 15 to the financial statements of the Bank is mentioned above.

▸ **International Financial Reporting Standard 16** "Leases" (Regulation 2017/1986/31.10.2017). Effective for annual periods beginning on or after 1.1.2019.

On 13.1.2016 the International Accounting Standards Board issued IFRS 16 "Leases" which supersedes:

- IAS 17 " Leases"
- IFRIC 4 "Determining whether an arrangement contains a lease"
- SIC 15 "Operating Leases – Incentives" and
- SIC 27 "Evaluating the substance of transactions involving the legal form of a lease".

The new standard significantly differentiates the accounting of leases for lessees while essentially maintaining the existing requirements of IAS 17 for the lessors. In particular, under the new requirements, the classification of leases as either operating or finance is eliminated. A lessee is required to recognize, for all leases with term of more than 12 months, the right-of-use asset as well as the corresponding obligation to pay the lease payments. The above treatment is not required when the asset is of low value.

The Bank is examining the impact from the adoption of the above standard on its financial statements.

▸ **Amendment to International Accounting Standard 40** "Investment Property": Transfers of Investment Property (Regulation 2018/400/14.3.2018). Effective for annual periods beginning on or after 1.1.2018.

On 8.12.2016 the International Accounting Standards Board issued an amendment to IAS 40 with which it clarified that an entity shall transfer a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. In isolation, a change in management's intentions for the use of a property does not provide evidence of a change in use. In addition, the examples of evidence of a change in use were expanded to include assets under construction and not only transfers of completed properties.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

▸ **Improvements to International Accounting Standards –** cycle 2014-2016 (Regulation 2018/182/7.2.2018). Effective for annual periods beginning on or after 1.1.2018.

As part of the annual improvements project, the International Accounting Standards Board issued, on 8.12.2016, non-urgent but necessary amendments to IFRS 1 and IAS 28.

The above amendments are not expected to have any impact on the financial statements of the Bank.

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards as well as IFRIC 22 and IFRIC 23 which have not yet been adopted by the European Union and they have not been early applied by the Bank.

▸ **Amendment to International Financial Reporting Standard 9** "Financial Instruments"**:** Prepayment Features with Negative Compensation. Effective for annual periods beginning on or after 1.1.2019

On 12.10.2017 the International Accounting Standards Board issued an amendment to IFRS 9 that permits some prepayable financial assets with negative compensation features, that would otherwise been measured at fair value through profit or loss, to be measured at amortised cost or at fair value through oci. The amendment to IFRS 9 clarifies that a financial asset passes the SPPI criterion regardless of the event or circumstance that cause the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

▸ **Amendment to International Financial Reporting Standard 10** "Consolidated Financial Statements" and to **International Accounting Standard 28** "Investments in Associates and Joint Ventures": Sale or contribution of assets between an investor and its associate or joint venture. Effective date: To be determined.

On 11.9.2014 the International Accounting Standards Board issued an amendment to IFRS 10 and IAS 28 in order to clarify the accounting treatment of a transaction of sale or contribution of assets between an investor and its associate or joint venture. In particular, IFRS 10 was amended in order to be clarified that in case that as a result of a transaction with an associate or joint venture, a parent loses control of a subsidiary, which does not contain a business, as defined in IFRS 3, it shall recognise to profit or loss only the part of the gain or loss which is related to the unrelated investor's interests in that associate or joint venture. The remaining part of the gain from the transaction shall be eliminated against the carrying amount of the investment in that associate or joint venture. In addition, in case the investor retains an investment in the former subsidiary and the former subsidiary is now an associate or joint venture, it recognises the part of the gain or loss resulting from the remeasurement at fair value of the investment retained in that former subsidiary in its profit or loss only to the extent of the unrelated investor's interests in the new associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment retained in the former subsidiary.

In IAS 28, respectively, it was clarified that the partial recognition of the gains or losses shall be applied only when the involved assets do not constitute a business. Otherwise, the total of the gain or loss shall be recognised.

On 17.12.2015, the International Accounting Standards Board deferred the effective date for the application of the amendment that had been initially determined. The new effective date will be determined by the International Accounting Standards Board at a future date after taking into account the results of its project relating to the equity method.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

▸ **International Financial Reporting Standard 14** "Regulatory deferral accounts". Effective for annual periods beginning on or after 1.1.2016

On 30.1.2014 the International Accounting Standards Board issued IFRS 14. The new standard, which is limited-scope, addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognized regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate-regulated entities would recognize as expense.

It is noted that European Union has decided not to launch the endorsement of this standard and to wait for the final standard.

The above standard does not apply to the financial statements of the Bank.

▸ **International Financial Reporting Standard 17** “Insurance Contracts”. Effective for annual periods beginning on or after 1.1.2021.

On 18.5.2017 the International Accounting Standards Board issued IFRS 17 which replaces IFRS 4 “Insurance Contracts”. In contrast to IFRS 4, the new standard introduces a consistent methodology for the measurement of insurance contracts. The key principles in IFRS 17 are the following:

An entity:

- identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder;
- separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
- divides the contracts into groups that it will recognise and measure;
- recognises and measures groups of insurance contracts at:
  i. a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all of the available information about the fulfilment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)
  ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);
- recognises the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognises the loss immediately;
- presents separately insurance revenue, insurance service expenses and insurance finance income or expenses; and
- discloses information to enable users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows of an entity.

The above standard does not apply to the financial statements of the Bank.

▸ **Amendments to IAS 19** “Employee Benefits”:- Plan Amendment, Curtailment or Settlement. Effective for annual periods beginning on or after 1.1.2019

On 7.2.2018 the International Accounting Standards Board issued an amendment to IAS 19 with which it specified how companies determine pension expenses when changes to a defined benefit pension plan occur. In case that an amendment, curtailment or settlement takes place IAS 19 requires a company to remeasure its net defined benefit liability or asset. The amendments to IAS 19 require specifically a company to use the updated assumptions from this remeasurement to determine current service cost and net interest for the remainder of the reporting period after the change to the plan. In addition, the amendment to IAS 19 clarifies the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.

The Bank is examining the impact from the adoption of the above amendment on its financial statements.

▸ **Amendment to International Accounting Standard 28** “Investments in Associates”: Long-term Interests in Associates and Joint Ventures. Effective for annual periods beginning on or after 1.1.2019

On 12.10.2017 the International Accounting Standards Board issued an amendment to IAS 28 to clarify that long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture —to which the equity method is not applied—should be accounted using IFRS 9, including its impairment requirements. In applying IFRS 9, the entity does not take account of any adjustments to the carrying amount of long-term interests that arise from applying IAS 28.

The above amendment does not apply to the financial statements of the Bank.

▸ **Improvements to International Accounting Standards –** cycle 2015-2017. Effective for annual periods beginning on or after 1.1.2019.

As part of the annual improvements project, the International Accounting Standards Board issued, on 12.12.2017, non-urgent but necessary amendments to various standards.

The Bank is examining the impact from the adoption of the above amendments on its financial statements.

▸ **IFRIC Interpretation 22** "Foreign Currency Transactions and Advance Consideration". Effective for annual periods beginning on or after 1.1.2018.

On 8.12.2016 the International Accounting Standards Board issued IFRIC 22. The Interpretation covers foreign currency transactions when an entity recognizes a non monetary asset or liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income. The Interpretation clarified that the date of the transaction, for the purpose of determination of exchange rate to use on initial recognition of the asset, the income or expense, is the date of initial recognition of the non monetary asset or liability (i.e. advance consideration). Additionally, if there are multiple payments or receipts in advance, the entity shall determine a date of the transaction for each payment or receipt of advance consideration.

The Bank is examining the impact from the adoption of the above Interpretation on its financial statements.

▸ **IFRIC Interpretation 23** "Uncertainty over Income Tax Treatments". Effective for annual periods beginning on or after 1.1.2019.

On 7.6.2017 the International Accounting Standards Board issued IFRIC 23. The Interpretation clarifies application of recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. The Interpretation specifically clarifies the following:

- An entity shall determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments based on which approach better predicts the resolution of the uncertainty.
- The estimations for the examination by taxation authorities shall be based on the fact that a taxation authority will examine amounts it has a righ to examine and have full knowledge of all related information when making those examinations.
- For the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, an entity shall consider whether it is probable that a taxation authority will accept an uncertain tax treatment.
- An entity shall reassess an estimate if the facts and circumstances change or as a result of new information.

The Bank is examining the impact from the adoption of the above Interpretation on its financial statements.

1.2 Operating Segments

Operating segments are determined and measured based on the information provided to the Executive Committee of the Bank, which is the body responsible for the allocation of resourses between the Bank's operating segments and the assessment of their performance.

Based on the above, as well as the Bank's administrative structure and activities, the following operating segments have been determined:

- Retail Banking
- Corporate Banking
- Asset Management and Insurance
- Investment Banking and Treasury
- South Eastern Europe
- Other

Since the Bank operates in various geographical areas, apart from the operating segments identified above, the financial statements contain information based on the below distinction:

- Greece
- Other Countries

It is noted that the methods used to measure operating segments for the purpose of reporting to the Executive Committee are not different from those required by the International Financial Reporting Standards.

Detailed information relating to operating segments is provided in note 37.

1.3 Transactions in foreign currency and translation of foreign operations

a. Transactions in foreign currency

The financial statements are presented in Euro, which is the functional currency and the currency of the Bank's country of incorporation.

Items included in the financial statements of each of the foreign branches are measured at the functional currency which is the currency of the country of incorporation in which the branch operates or the currency used in the majority of the transactions held.

Transactions in foreign currencies are translated into the functional currency at the closing exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the functional currency at the closing exchange rate at that date. Foreign exchange differences arising on translation are recognized in the income statement.

Non-monetary assets and liabilities are recognized at the exchange rate ruling at initial recognition, except for non-monetary items denominated in foreign currencies that are measured at fair value.

The exchange differences relating to these items are part of the change in fair value and they are recognized in the income statement or recorded directly in equity depending on the classification of the non-monetary item.

b. Translation of foreign operations

The results and financial position of all foreign branches that have a functional currency that is different from the presentation currency of the Bank's financial statements are translated as follows:

i. Assets and liabilities are translated to Euro at the closing rate applicable on the balance sheet date. The comparative figures presented are translated to Euro at the closing rates at the respective date of the comparative balance sheet.

ii. Income and expense items are translated to Euro at average exchange rates applicable for each period presented.

The resulting exchange differences from the above translation and those arising from other monetary items designated as a part of the net investment in a foreign entity are recorded in equity. These translation differences are reclassified to the income statement when a foreign branch is sold.

1.4 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents consists of:

a. Cash on hand

b. Non-restricted placements with Central Banks and

c. Short-term balances due from banks and Reverse Repo agreements

Short-term balances due from banks are amounts that mature within three months of the balance sheet date.

1.5 Classification and measurement of financial instruments

Initial recognition

The Bank recognises financial assets or financial liabilities in its statement of financial position when it becomes a party to the contractual provisions of the instrument.

Upon initial recognition the Bank measures financial assets and liabilities at fair values. Financial instruments not measured at fair value through profit or loss are initially recognised at fair value plus transaction costs and minus income or fees that are directly attributable to the acquisition or issue of the financial instrument.

It is noted that loans and bonds are recognized in the balance sheet at the settlement date. For bonds that are measured at fair value, the change in fair value during the period between the trade date and the settlement date is recognized in profit or loss or in other comprehensive income based on the bond's classification category.

Subsequent measurement of financial assets

The Bank classifies its financial assets as:

- Loans and receivables
- Held-to-maturity investments
- Financial assets at fair value through profit or loss
- Available-for-sale financial assets

For each of the above categories the following apply:

a) Loans and receivables

Non derivative financial assets, with fixed or determinable payments, that are not quoted in an active market and for which the Bank does not expect not to recover substantially its investment, other than because of credit deterioration of the issuer, can be classified as loans and receivables. The Bank has classified the following as loans and receivables:

i. loans to customers,

ii. amounts paid to acquire a portion or the total of series of bonds that are not quoted in an active market,

iii. all receivables from customers, banks etc.,

iv. bonds with fixed or determinable payments that are not quoted in an active market.

This category is measured at amortized cost using the effective interest rate method and is periodically tested for impairment based on the procedures described in note 1.13.

The effective interest rate method is a method of calculating the amortised cost of a financial instrument and of allocating the interest income or expense during the relative period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the contractual life of a financial instrument or the next repricing date.

b) Held-to-maturity investments

Non derivative financial assets with fixed or determinable payments and fixed maturity that the Bank has the positive intention and ability to hold until maturity can be classified as Held to maturity investments.

The Bank has classified bonds and other debt securities in this category.

Held to maturity investments are measured at amortized cost using the effective interest rate method and are tested for impairment at each reporting date. In cases when objective evidence exists that an impairment loss has occurred, the carrying amount of the financial asset is reduced to the recoverable amount, and the difference is recognised in profit and loss.

c) Financial assets at fair value through profit or loss

Financial assets included in this category are:

i. Financial assets which are acquired principally for the purpose of selling in the near term to obtain short term profit (held for trading).

   The Bank has included in this category bonds, treasury bills and a limited number of shares.

ii. Financial assets the Bank designated, at initial recognition, as at fair value through profit and loss.

This classification is used in the following circumstances:

- When management monitors and manages the financial instruments on a fair value basis in accordance with a documented risk management or investment strategy.
- When the designation eliminates an accounting mismatch which would otherwise arise from measuring financial assets and liabilities on a different basis (i.e. amortized cost) in relation to another financial asset or liability (i.e. derivatives which are measured at fair value through the profit or loss).
- When a financial instrument contains an embedded derivative that significantly modifies the cash flows, or the separation of these derivatives from the main financial instruments is not prohibited.

As at the reporting date, the Bank had not designated, at initial recognition, any financial assets as at fair value through profit and loss.

d) Available-for-sale investments

Available-for-sale financial assets are financial assets that have not been classified in any of the previous categories.

The Bank has included in this category bonds, treasury bills, debt securities, shares and mutual fund units.

This category is measured at fair value. Changes in fair value are recognized directly in equity until the financial asset is sold, where upon, the cumulative gains and losses previously recognized in equity are recognized in profit or loss.

The financial assets included in this category are reviewed at each balance sheet date to determine whether there is any indication of impairment. For investments in shares, in particular, a significant or prolonged decline in their fair value below their acquisition cost is considered as an objective evidence of impairment. The Bank considers as “significant” a decrease of over 20% compared to the cost of the investment. Respectively, “prolonged” is a decrease in the fair value below amortised cost for a continuous period exceeding one year. The above criteria are assessed in conjunction with the general market conditions.

In case of impairment, the cumulative loss already recognised in equity is reclassified in profit and loss. When a subsequent event causes the amount of impairment loss recognised on an available-for-sale bond or debt security to decrease, the impairment loss is reversed through profit or loss, if it can objectively be related to an event occurring after the impairment loss was recognized. However, impairment losses recognised for investments in shares and mutual funds are not reversed through profit and loss.

The measurement principles noted above are not applicable when a specific financial asset is the hedged item in a hedging relationship, in which case the principles set out in note 1.6 apply.

Reclassification of financial assets

Reclassification of non-derivative financial assets is permitted as follows:

i. Reclassification out of the “held-for-trading” category to the “loans and receivables” category, “investments held to maturity” category or “available-for-sale” category is permitted only when there are rare circumstances and the financial assets are no longer held for sale in the foreseeable future.

ii. Reclassification out of the “held-for-trading” category to either “loans and receivables”, or “available-for-sale” is permitted, even when there are no rare circumstances, only if the financial assets meet the definition of loans and receivables and there is the intention to hold them for the foreseeable future or until maturity.

iii. Reclassification out of the “available-for-sale” category to the “loans and receivables” category is permitted for financial assets that would have met the definition of loans and receivables and the entity has the ability and intent to hold the financial asset for the foreseeable future or until maturity.

iv. Reclassification out of the “available-for-sale” category to the “held to maturity” category is permitted for financial assets that meet the relevant characteristics and the entity has the intent and ability to hold them until maturity.

v. Reclassification out of the “held-to-maturity” category to the “available-for-sale” category occurs when the entity has no longer the intention or the ability to hold these instruments until maturity.It is noted that in case of a sale or reclassification of a significant amount of held-to-maturity investments, the remaining investments in this category are mandatorily transferred to the available-for-sale category. This would prohibit the classification of any securities as held-for-maturity for the current and the following two financial years. Exceptions apply in cases of sales and reclassifications of investments that:

i. are so close to maturity or the financial asset’s call date that changes in the market rate of interest would not have a significant effect on the financial asset’s fair value;

ii. occur after the Bank has collected substantially all of the financial asset’s original principal through scheduled payments or prepayments; or

iii. are attributable to an isolated, nonrecurring event that is beyond the Bank’s control.

Derecognition of financial assets

The Bank derecognizes financial assets when:

- the cash flows from the financial assets expire,
- the contractual right to receive the cash flows of the financial assets is transferred and at the same time both risks and rewards of ownership are transferred,
- loans or investments in securities are no longer recoverable and consequently are written off.

In case of transactions, where despite the transfer of the contractual right to recover the cash flows from financial assets both the risk and rewards remain with the Bank, no derecognition of these financial assets occurs. The amount received by the transfer is recognized as a financial liability. The accounting practices followed by the Bank in such transactions are analysed further in notes 1.20 and 1.21.

In case of transactions whereby the Bank neither retains or transfers risks and rewards of the financial assets, but retains control over them, the financial assets are recognized to the extent of the Bank’s continuing involvement. If the Bank does not retain control of the assets then they are derecognised, and in their position the Bank recognizes, distinctively, the assets and liabilities which are created or retained during the transfer. No such transactions occurred upon balance sheet date.

Subsequent measurement of financial liabilities

The Bank classifies financial liabilities in the following categories for measurement purposes:

a) Financial liabilities measured at fair value through profit or loss

i. This category includes financial liabilities held for trading, that is:

  - financial liabilities acquired or incurred principally with the intention of selling or repurchasing in the near term for short term profit, or
  - derivatives not used for hedging purposes. Liabilities arising from either derivatives held for trading or derivatives used for hedging purposes are presented as “derivative financial liabilities” and are measurement according to the principles set out in note 1.6.

ii. this category also includes financial liabilities which are designated by the Bank as at fair value through profit or loss upon initial recognition, according to the principles set out above for financial assets (point cii).

In the context of the acquisition of Emporiki Bank, the Bank issued a bond which was classified in the above mentioned category.

b) Financial liabilities carried at amortized cost

The liabilities classified in this category are measured at amortized cost using the effective interest rate method.

Liabilities to credit institutions and customers, debt securities issued by the Bank and other loan liabilities are classified in this category.

In cases when financial liabilities included in this category are designated as the hedged item in a hedge relationship, the accounting principles applied are those set out in note 1.6.

c) Liabilities arising from financial guarantees and commitments to provide loans at a below market interest rate

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment.

The financial guarantee contracts and the commitments to provide loans at a below market interest rate are initially recognized at fair value, and measured subsequently at the higher of:

- the amount of the provision (determined in accordance with IAS 37) when an outflow of resources is considered probable and a reliable estimate of this outflow is possible,
- the amount initially recognised less cumulative amortization.

Derecognition of financial liabilities

The Bank derecognizes a financial liability (or part thereof) when its contractual obligations are discharged or cancelled or expire.

In cases that a financial liability is exchanged with another one with substantially different terms, the exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new one. The same applies in cases of a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor). The terms are considered substantially different if the discounted present value of the cash flows under the new terms (including any fees paid net of any fees received), discounted using the original effective interest rate, is at least 10% different from the present value of the remaining cash flows of the original financial liability.

In cases of derecognition, the difference between the carrying amount of the financial liability (or part of the financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is presented in the balance sheet, only in cases when the Bank has both the legal right and the intention to settle them on a net basis, or to realize the asset and settle the liability simultaneously.

1.6 Derivative financial instruments and hedge accounting

Derivative financial instruments

Derivatives are financial instruments that upon inception have a minimal or zero value that subsequently changes in accordance with a particular underlying instrument (foreign exchange, interest rate, index or other variable).

All derivatives are recognized as assets when their fair value is positive and as liabilities when their fair value is negative.

Derivatives are entered into for either hedging or trading purposes and they are measured at fair value irrespective of the purpose for which they have been transacted.

In the cases when derivatives are embedded in other financial instruments, such as bonds, loans, deposits, borrowed funds etc. and the host contract is not itself carried at fair value through profit or loss, then they are accounted for as separate derivatives when the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract. These embedded derivatives are measured at fair value and are recognized as derivative assets or liabilities.

In the cases where derivatives are embedded in financial instruments that are measured at fair value through profit or loss, the changes in the fair value of the derivative are included in the fair value change of the combined instrument and recognized in gains less losses on financial transactions.

The Bank uses derivatives as a means of exercising asset-liability management within the guidelines established by the Asset-Liability Committee (ALCO).

In addition the Bank uses derivatives for trading purposes to exploit short-term market fluctuations, within the Bank risk level set by the Asset-Liability Committee (ALCO).

Valuation differences arising from these derivatives are recognized in gains less losses on financial transactions.

When the Bank uses derivatives for hedging purposes it ensures that appropriate documentation exists on inception of the transaction. The effectiveness of the hedge is monitored on inception and on an ongoing basis at each balance sheet date.

We emphasize the following:

a. Synthetic Swaps

The Bank, in order to increase the return on deposits to selected customers, uses synthetic swaps.

This involves the conversion of a Euro deposit to JPY or other currency with a simultaneous forward purchase of the related currency to cover the foreign exchange exposure.

The result arising from the forward transaction is recognized as interest expense, which is included in deposits' interest expense, foreign exchange differences and other gains less losses on financial transactions.

b. FX Swaps

These types of swaps are entered into primarily to economically hedge the exposures arising from customer loans and deposits.

Fot those cases for which no hedge accounting is applied, swaps are accounted for as trading instruments.

The result arising from these derivatives is recognized as interest and foreign exchange differences, in order to match with the interest element and foreign exchange differences resulting from the deposits and loans, and as other gains less losses on financial transactions.

Hedge accounting

Hedge accounting establishes the valuation rules to offset the gain or loss of the fair value of a hedging instrument and a hedged item which would not have been possible if the normal measurement principles were applied.

Documentation of the hedging relationship upon inception and of the effectiveness of the hedge on an on-going basis are the basic requirements for the adoption of hedge accounting.

The hedging relationship is documented upon inception and the hedge effectiveness test is carried out upon inception and is repeated at each reporting date.

a. Fair value hedges

A fair value hedge of a financial instrument offsets the change in the fair value of the hedged item in respect of the risks being hedged.

Changes in the fair value of both the hedging instrument and the hedged item, in respect of the specific risk being hedged, are recognized in the income statement.

When the hedging relationship no longer exists, the hedged items continue to be measured based on the classification and valuation principles set out in note 1.5. Specifically any adjustment, due to the fair value change of a hedged item for which the effective interest rate method is used up to the point that the hedging relationship ceases to be effective, is amortized to interest income or expense based on a recalculated effective interest rate, over its remaining life.

The Bank uses interest rate swaps (IRS's) to hedge risks relating to borrowings and loans. It also uses foreign exchange derivatives to hedge the foreign exchange risk of investments in subsidiaries.

b. Cash flow hedge

A cash flow hedge changes the cash flows of a financial instrument from a variable rate to a fixed rate.

The effective portion of the gain or loss on the hedging instrument is recognized directly in equity, whereas the ineffective portion is recognized in profit or loss. The accounting treatment of the hedged item does not change.

When the hedging relationship is discontinued, the amount recognized in equity remains there separately until the cash flows or the future transaction occur. When the cash flows or the future transaction occur the following apply:

- If the result is the recognition of a financial asset or a financial liability, the amount is reclassified to profit or loss in the same periods during which the hedged forecast cash flows affect profit or loss.
- If the result is the recognition of a non-financial asset or a non-financial liability or a firm commitment for which fair value hedge accounting is applied, the amount recognized in equity either is reclassified to profit or loss in the same periods during which the asset or the liability affect profit or loss or adjusts the carrying amount of the asset or the liability.

If the expected cash flows or the transaction are no longer expected to occur, the amount is reclassified to profit or loss.

The Bank applies cash flow hedge accounting for specific groups of term deposits. The amount that has been recognized in equity, as a result of revoked cash flow hedging relationships for term deposits, is linearly amortized in the periods during which the hedged cash flows from the aforementioned term deposits affect profit or loss.

c. Hedges of net investment in a foreign operation

Hedge accounting of net investment in a foreign operation is similar to cash flow hedge accounting. The cumulative gain or loss recognized in equity is reversed and recognized in profit or loss, at the time that the disposal of the foreign operation takes place.

1.7 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The Bank measures the fair value of assets and liabilities traded in active markets based on available quoted market prices. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Especially, for the measurement of securities, the Bank uses a particular range of prices, within the bid-ask spread, in order to characterize the prices as prices of an active market (the difference between bid and ask prices quoted should not exceed 1.5/100 nominal value). Furthermore, if quoted market prices are not available on the measurement date, but they are available during the three last working days of the reporting period and there are quoted prices for 15 working days during the last month of the reporting period and the criteria of the bid-ask spread is met, then the market is considered to be active.

The fair value of financial instruments that are not traded in an active market is determined by the use of valuation techniques, appropriate in the circumstances, and for which sufficient data to measure fair value are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. If observable inputs are not available, other model inputs are used which are based on estimations and assumptions such as the determination of expected future cash flows, discount rates, probability of counterparty default and prepayments. In all cases, the Bank uses the assumptions that 'market participants' would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Assets and liabilities which are measured at fair value or for which - fair value is disclosed-, are categorized according to the inputs used to measure their fair value as follows:

- Level 1 inputs: quoted market prices (unadjusted) in active markets,
- Level 2 inputs: directly or indirectly observable inputs,
- Level 3 inputs: unobservable inputs used by the Bank, to the extent that relevant observable inputs are not available.

In particular, the Bank applies the following:

Financial instruments

For financial instruments the best evidence of fair value at initial recognition is the transaction price, unless the fair value can be derived by other observable market transactions relating to the same instrument, or by a valuation technique using mainly observable inputs. In these cases, if the fair value differs from the transaction price, the difference is recognized in the statement of comprehensive income. In all other cases, fair value is adjusted to defer the difference with the transaction price. After initial recognition, the deferred difference is recognized as a gain or loss only to the extent that it arises from a change in a factor that market participants would take into account when pricing the instrument.

When measuring fair value, the Bank takes into consideration the effect of credit risk. Specifically, for derivative contracts, the Bank estimates the credit risk of both counterparties (bilateral credit valuation adjustments).

The Bank measures fair value for all assets and liabilities separately. Regarding derivative exposures, however, that the Bank manages as a group on a counterparty basis and for which it provides information to the key management personnel, the fair value measurement for credit risk is performed based on the net risk exposure per counterparty. Credit valuation adjustments arising from the aforementioned process are allocated to either assets or liabilities, depending on whether the net exposure to the counterparty is long or short respectively.

Furthermore, the fair value of deposit accounts with a demand feature (such as saving deposits) is no less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The principal inputs to the valuation techniques used by the Bank are:

- Bond prices - quoted prices available for government bonds and certain corporate securities.
- Credit spreads - these are derived from active market prices, prices of credit default swaps or other credit based instruments, such as debt. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Interest rates - these are principally benchmark interest rates such as the LIBOR, OIS and other quoted interest rates in the swap, bond and futures markets. Values between and beyond available data points are obtained by interpolation and extrapolation.
- Foreign currency exchange rates - observable markets both for spot and forward contracts and futures.
- Equity and equity index prices - quoted prices are generally readily available for equity shares listed on stock exchanges and for major indices on such shares.
- Price volatilities and correlations - Volatility and correlation values are obtained from pricing services or derived from option prices.
- Unlisted equities - financial information specific to the company or industry sector comparables.
- Mutual Funds- for open-ended investments funds listed on a stock exchange the published daily quotations of their net asset values (NAVs).
- Loans and Deposits – market data and Bank/customer specific parameters.

Non financial assets and liabilities

The most important category of non financial assets for which fair value is estimated is real estate property.

The process, mainly, followed for the determination of the fair value is summarized below:

- Assignment to the engineer- valuer
- Case study- Setting of additional data
- Autopsy - Inspection
- Data processing - Calculations
- Preparation of the valuation report

To derive the fair value of the real estate property, the valuer chooses among the three following valuation techniques:

- Market approach (or sales comparison approach), which measures the fair value by comparing the property to other identical ones for which information on transactions is available.
- Income approach, which capitalizes future cash flows arising from the property using an appropriate discount rate.
- Cost approach, which reflects the amount that would be required currently to replace the asset with another asset with similar specifications, after taking into account the required adjustment for impairment.

Examples of inputs used to determine the fair value of properties and which are analysed to the individual valuations, are the following:

- **Commercial property**: price per square meter, rent growth per annum, long-term vacancy rate, discount rate, expense rate of return, lease term, rate of non leased properties/units for rent.
- **Residential property**: Net return, reversionary yield, net rental per square meter, rate of continually non leased properties/units, expected rent value per square meter, discount rate, expense rate of return, lease term etc.
- **General assumptions such as** the age of the building, residual useful life, square meter per building etc. are also included in the analysis of the individual valuation assessments.

It is noted that the fair value measurement of a property takes into account a market's participant ability to generate economic benefits by using the asset in it's highest and best use or by selling it to another market participant that would use the asset in it's highest and best use.

1.8 Investments in subsidiaries, associates and joint ventures

This caption includes Bank's investments in subsidiaries, associates and joint ventures.

Investments in subsidiaries, associates and joint ventures are carried at cost, plus any expenses directly attributable to their acquisition less impairment losses.

Dividends received by the Bank from the above investments are recognised in the income statement when the dividend distribution is approved by the appropriate body of the company that the Bank has invested in.

In case of absorption of a subsidiary, the Bank applies the provisions of IFRS 3 for business combinations, as described in more detail in note 1.2 of the consolidated financial statements as at 31.12.2017.

1.9 Property, plant and equipment

This caption includes: land, buildings used by the branches or for administrative purposes, additions and improvements of leased property and equipment.

Property, plant and equipment are initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit.

Expenditure on repairs and maintenance is recognized in profit or loss as an expense as incurred.

Depreciation is charged on a straight line basis over the estimated useful lives of property, plant and equipment and it is calculated on the asset's cost minus residual value.

The estimated useful lives are as follows:

- Buildings: up to 40 years.
- Additions to leased fixed assets and improvements: duration of the lease.
- Equipment and vehicles: 5 to 33 years.

Land is not depreciated but it tested for impairment.

The residual value of property and equipment and their useful lives are periodically reviewed and adjusted if necessary at each reporting date.

Property, plant and equipment are reviewed at each reporting date to determine whether there is an indication of impairment and if they are impaired the carrying amount is adjusted to its recoverable amount with the difference recorded in profit or loss.

Gains and losses from the sale of property and equipment are recognized in profit or loss.

1.10 Investment property

The Bank includes in this category buildings or portions of buildings together with their respective portion of land that are held to earn rental income.

Investment property is initially recognised at cost which includes any expenditure directly attributable to the acquisition of the asset.

Subsequently, investment property is measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases future economic benefit.

All costs for repairs and maintenance are recognized in profit or loss as incurred.

The estimated useful lives over which depreciation is calculated using the straight line method are the same as those applied to property, plant and equipment.

In case of a change in the Bank's intention regarding the use of property, reclassifications to or from the "Investment Property" category occur. In particular, property is reclassified to "Property, plant and equipment" if the Bank's intention is to use the asset in its own business operations, whereas in case the Bank decides to sell the property, it is reclassified to the "Assets held-for-sale" category, provided that all conditions mentioned in paragraph 1.16 are met. Conversely, property not classified as "Investment Property" is transferred to this category in case a decision for its lease is made.

1.11 Goodwill and other intangible assets

The Bank has included in this caption:

a) Intangible assets which are recognized from business combinations in accordance with IFRS 3 or which were individually acquired. The intangible assets are carried at cost less accumulated amortization and impairment losses.

Intangible assets include the value attributed to the acquired customer relationships as well as to the acquired deposit bases. Their useful life has been determined from 2 to 9 years

b) Software, which is measured at cost less accumulated amortization and impairment losses. The cost of separately acquired software comprises of its purchase price and any directly attributable cost of preparing the software for its intended use, including employee benefits or professional fees. The cost of internally generated software comprises of expenditure incurred during the development phase, including employee benefits arising from the generation of the software. Amortization is charged over the estimated useful life of the software, which the Bank has estimated up to 15 years. Expenditure incurred to maintain software programs is recognized in the income statement as incurred. Software that is considered to be an integral part of hardware (hardware cannot operate without the use of the specific software) is classified in property, plant and equipment.

c) Brand names and banking rights which are measured at cost less accumulated amortization and impairment losses. Amortization is charged over the estimated useful life.

Intangible assets are amortised using the straight line method, excluding those with indefinite useful life, which are not amortized. All intangible assets are tested for impairment.

No residual value is estimated for intangible assets.

1.12 Leases

The Bank enters into leases either as a lessee or as a lessor.

When the risks and rewards incident to ownership of an asset are transferred to the lessee they are classified as finance leases.

All other lease agreements are classified as operating leases.

The accounting treatment followed depends on the classification of the lease, which is as follows:

a) When the Bank is the lessor

i. Finance leases:

For finance leases where the Bank is the lessor the aggregate amount of lease payments is recognized as loans and advances.

The difference between the present value (net investment) of lease payments and the aggregate amount of lease payments is recognized as unearned finance income and is deducted from loans and advances.

The lease rentals received decrease the aggregate amount of lease payments and finance income is recognized on an accrual basis.

The finance lease receivables are subject to the same impairment testing as applied to customer loans and advances as described in note 1.13.

ii. Operating leases:

When the Bank is a lessor of assets under operating leases, the leased asset is recognized and depreciation is charged over its estimated useful life. Income arising from the leased asset is recognized as other income on an accrual basis.

b) When the Bank is the lessee

i. Finance leases:

For finance leases, where the Bank is the lessee, the leased asset is recognized as property, plant and equipment and a respective liability is recognized in other liabilities.

At the commencement of the lease, the leased asset and liability are recognized at amounts equal to the fair value of leased property or, if lower, the present value of the minimum lease payments.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease or, if this is not available, the Bank's borrowing rate for similar financing.

Subsequent to initial recognition the leased assets are depreciated over their useful lives unless the duration of the lease is less than the useful life of the leased asset and the Bank is not expected to obtain ownership at the end of the lease, in which case the asset is depreciated over the term of the lease.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

ii. Operating leases:

For operating leases the Bank as a lessee does not recognize the leased asset but charges in general administrative expenses the lease payments on an accrual basis.

1.13 Impairment losses on loans and advances

The Bank assess as at each balance sheet date whether there is evidence of impairment in accordance with the general principles and methodology set out in IAS 39 and the relevant implementation guidance.

Specifically, the steps performed are the following:

a. The criteria of assessment on an individual or collective basis

The Bank assesses for impairment on an individual basis the loans that it considers individually significant. Loans that are considered individually significant are mentioned in note 38.1. For the remaining loans impairment test is performed on a collective basis.

The Bank has determined the criteria that consist trigger events for the assessment of impairment.

Loans which are individually assessed for impairment and found not impaired are included in groups, based on similar credit risk characteristics, and assessed for impairment collectively.

The Bank groups the portfolio into homogenous populations, based on common risk characteristics, and has a historical statistical basis, in which it performs an analysis with which it captures and defines impairment testing, by segment population.

In addition, as part of the collective assessment, the Bank recognizes impairment for loss events that have been incurred but not reported (IBNR). The calculation of the impairment loss in these cases takes into account the period between the occurance of a specific event and the date it becomes known (Loss Identification Period).

A detailed analysis of the loans that belong to the wholesale and retail sectors, of the trigger events for impairment as well as of the characteristics used for the determination of the groups for the collective assessment is included in note 38.1.

b. Methodology in determining future cash flows from impaired loans

The Bank has accumulated a significant amount of historical data, which includes the loss given default for loans after the completion of forced recovery, or other measures taken to secure collection of loans, including the realization of collaterals.

Based on the above, the amount of the recoverable amount of each loan is determined after taking into account the time value of money. The cash flows are discounted at the loans' original effective interest rate.

An impairment loss is recognized to the extent that the recoverable amount of the loan is less than its carrying amount.

c. Interest income recognition

Interest income on impaired loans is recognized based on the carrying value of the loan net of impairment at the original effective interest rate.

d. Impairment recognition – Write-offs

Amounts of impaired loans are recognized on allowance accounts until the Bank decides to write them down/write them off.

The policy of the Bank regarding write downs/write offs is presented in detail in note 38.1.

e. Recoveries

If in a subsequent period, after the recognition of the impairment loss, events occur which require the impairment loss to be reduced, or there has been a collection of amounts from loans and advances previously written-off, the recoveries are recognized in impairment losses and provisions to cover credit risk.

1.14 Impairment losses on investments and non-financial assets

The Bank assess at each balance sheet date its investments in subsidiaries, associates and joint ventures as well as non-financial assets for impairment, particularly property, plant and equipment, investment property, goodwill and other intangible assets.

In assessing whether there is an indication that an asset may be impaired both external and internal sources of information are considered, of which the following are indicatively mentioned:

- The asset's market value has declined significantly, more than would be expected as a result of the passage of time or normal use.
- Significant changes with an adverse effect have taken place during the period or will take place in the near future, in the technological, economic or legal environment in which the entity operates or in the market to which the asset is dedicated.
- Significant unfavorable changes in foreign exchange rates.
- Market interest rates or other rates of return of investments have increased during the period, and those increases are likely to affect the discount rate used in calculating an asset's value in use.
- The carrying amount of the net assets of the entity is greater than its market capitalization.
- Evidence is available of obsolescence or physical damage of an asset.

In addition, collection of dividends from subsidiaries, associates and joint ventures is considered as a possible impairment indicator when investments are tested for impairment at each reporting date.

An impairment loss is recognized in profit or loss when the recoverable amount of an asset is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Fair value less costs to sell is the amount received from the sale of an asset (less the cost of disposal) in an orderly transaction between market participants.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash –generating unit through their use and not from their disposal.

For the valuation of property, plant and equipment, value in use incorporates the value of the asset as well as all the improvements which render the asset perfectly suitable for its use by the Bank.

1.15 Income tax

Income tax consists of current and deferred tax.

Current tax for a period includes the expected amount of income tax payable in respect of the taxable profit for the current reporting period, based on the tax rates enacted at the balance sheet date.

Deferred tax is the tax that will be paid or for which relief will be obtained in future periods due to the different period that certain items are recognized for financial reporting purposes and for taxation purposes. It is calculated based on the temporary differences between the tax base of assets and liabilities and their respective carrying amounts in the financial statements.

Deferred tax assets and liabilities are calculated using the tax rates that are expected to apply when the temporary difference reverses, based on the tax rates (and laws) enacted at the balance sheet date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Income tax, both current and deferred, is recognized in profit or loss except when it relates to items recognized directly in equity. In such cases, the respective income tax is also recognized in equity.

1.16 Non-current assets held for sale

Non-current assets or disposal groups that are expected to be recovered principally through a sale transaction, along with the related liabilities, are classified as held-for-sale.

The above classification is used if the asset is available for immediate sale in its present condition and its sale is highly probable. The sale is considered highly probable when it has been decided by Management, an active programme to locate a buyer has been initiated, the asset is actively marketed for sale at a price which is reasonable in relation to its current fair value, and the sale is expected to be completed within one year. Non-current assets that are acquired exclusively with a view to their subsequent disposal are classified as held for sale at the acquisition date when the one-year requirement is met and it is highly probable that the remaining criteria will be met within a short period following the acquisition (usually within three months).

Before their classification as held for sale, the assets are remeasured in accordance with the respective accounting standard.

Assets held for sale are initially recognised and subsequently remeasured at each balance sheet date at the lower of their carrying amount and fair value less cost to sell.

Any loss arising from the above measurement is recorded in profit or loss and can be reversed in the future. When the loss relates to a disposal group it is allocated to assets within the disposal group with the exception of specific assets that are not within the scope of IFRS 5. The impairment loss on a disposal group is first allocated to goodwill and then to the remaining assets and liabilities on a pro-rata basis.

Assets in this category are not depreciated.

Gains or losses from the sale of these assets are recognized in the income statement.

Non-current assets that are acquired through enforcement procedures but are not available for immediate sale or are not expected to be sold within a year are included in Other Assets and are measured at the lower of cost (or carrying amount) and fair value. Non-current assets held for sale, that the Bank subsequently decides either to use or to lease, are reclassified to the categories of property, plant and equipment or investment property respectively. During their reclassification, they are measured at the lower of their recoverable amount and their carrying amount before they were classified as held for sale, adjusted for any depreciation, amortization or revaluation that would have been recognized had the assets not been classified as held for sale.

1.17 Employee benefits

The Bank has both defined benefit and defined contribution plans.

A defined contribution plan is where the Bank pays fixed contributions into a separate entity and the Bank has no legal or constructive obligation to pay further contributions if the fund does not have sufficient assets to pay all employees the benefits relating to employee service in current or prior years. The contributions are recognized as employee benefit expense on an accrual basis. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement which is dependent, among others, on years of service and salary on date of retirement and it is guaranteed by the Bank.

The defined benefit obligation is calculated, separately for each plan, based on an actuarial valuation performed by independent actuaries using the projected unit credit method.

The net liability recognized in the financial statements is the present value of the defined benefit obligation (which is the expected future payments required to settle the obligation resulting from employee service in the current and prior periods) less the fair value of plan assets. The amount determined by the above comparison may be negative, an asset. The amount of the asset recognised in the financial statements cannot exceed the total of the present value of any economic benefits available to the Bank in the form of refunds from the plan or reductions in future contributions to the plan.

The present value of the defined benefit obligation is calculated based on the return of high quality corporate bonds with a corresponding maturity to that of the obligation, or based on the return of government bonds in cases when there is no deep market in corporate bonds.

Interest on the net defined benefit liability (asset), which is recognised in profit or loss, is determined by multiplying the net defined benefit liability (asset) by the discount rate used to discount post-employment benefit obligation, as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset).

Service cost, which is also recognised in profit or loss, consists of:

- Current service cost, which is the increase in the present value of the defined benefit obligation resulting from employee service in the current period;
- Past service cost, which is the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from the introduction or withdrawal of, or changes to, a defined benefit plan or a curtailment (a significant reduction by the entity in the number of employees covered by a plan) and
- Any gain or loss on settlement.

Before determining past service cost or a gain or loss on settlement, the Bank remeasures the net defined benefit liability (asset) using the current fair value of plan assets and current actuarial assumptions, reflecting the benefits offered under the plan before its amendment, curtailment or settlement.

Past service cost, in particular, is directly recognized to profit or loss at the earliest of the following dates:

- When the plan amendment or curtailment occurs; and
- When the Bank recognizes related restructuring costs (according to IAS 37) or termination benefits.

Likewise, the Bank recognises a gain or loss on the settlement when the settlement occurs.

Remeasurements of the net defined benefit liability (asset) which comprise:

- actuarial gains and losses;
- return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
- any change in the effect of the limitation in the asset recognition, excluding amounts included in net interest on the net defined benefit liability (asset),

are recognized directly in other comprehensive income and are not reclassified in profit or loss in a subsequent period.

Finally, when the Bank decides to terminate the employment before retirement or the employee accepts the Bank's offer of benefits in exchange for termination of employment, the liability and the relative expense for termination benefits are recognized at the earlier of the following dates:

- when the Bank can no longer withdraw the offer of those benefits; and
- when the Bank recognizes restructuring costs which involve the payment of termination benefits.

1.18 Share options granted to employees

The granting of share options to the employees, their exact number, the price and the exercise date are decided by the Board of Directors in accordance with Shareholders' Meeting approvals and after taking into account the current legal framework.

The fair value calculated at grant date is recognized over the period from the grant date to the exercise date and recorded as an expense in payroll and related costs with an increase of a reserve in equity respectively. The amount paid by the beneficiaries of share options on the exercise date increases the share capital of the Bank and the reserve in equity from the previously recognized fair value of the exercised options is transferred to share premium.

1.19 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are, also, recognized in cases of restructuring plans with which management attempts either to change the subject of a corporate activity or the manner in which it is conducted (e.g. close down business locations). The recognition of provision is accompanied with the relevant, authorized by the Management, program and with the suitable actions of disclosure.

The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where the effect of the time value of money is material, the amount of the provision is equal to the present value of the expenditures expected to settle the obligation.

Amounts paid for the settlement of an obligation are set against the original provisions for these obligations. Provisions are reviewed at the end of each reporting period. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Additionally, provisions are not recognized for future operating losses.

Future events that may affect the amount required to settle the obligation, for which a provision has been recognized, are taken into account when sufficient objective evidence exists that they will occur.

Reimbursements from third parties relating to a portion of or all of the estimated cash outflow are recognized as assets, only when it is virtually certain that they will be received. The amount recognized for the reimbursement does exceed the amount of the provision. The expense recognized in profit or loss relating to the provision is presented net of the amount of the reimbursement.

The Bank does not recognize in the statement of financial position contingent liabilities which relate to:

- possible obligations resulting from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank, or
- present obligations resulting from past events for which:
  - it is not probable that an outflow of resources will be required, or
  - the amount of liability cannot be measured reliably.

The Bank provides disclosures for contingent liabilities taking into consideration their materiality.

1.20 Sale and repurchase agreements and securities lending

The Bank enters into purchases of securities under agreements to resell at a certain date in the future at a fixed price (reverse repos). Securities purchased subject to commitments to resell them at future dates are not recognized in the balance sheet.

The amounts paid are recognized in loans and advances to either banks or customers. The difference between the purchase price and the resale price is recognized as interest income on an accrual basis.

Securities that are sold under agreements to repurchase (repos) are not derecognized but they continue to be measured in accordance with the accounting policy of the category that they have been classified.

The proceeds from the sale of the securities are reported as liabilities to either banks or customers. The difference between the sales price and the repurchase price is recognized on an accrual basis as interest expense.

Securities borrowed by the Bank under securities lending agreements are not recognized in the balance sheet except when they have been sold to third parties whereby the liability to deliver the security is recognized and measured at fair value.

1.21 Securitization

The Bank securitises financial assets, by transferring these assets to special purpose entities, which in turn issue bonds.

In each securitization of financial assets the Bank considers the contractual terms and the economic substance of transactions, in order to decide whether the Bank should proceed with the derecognition of the securitized assets, as referred in note 1.5.

1.22 Equity

Distinction between debt and equity

Financial instruments issued by the Bank to obtain funding are classified as equity when, based on the substance of the transaction, the Bank does not undertake a contractual obligation to deliver cash or another financial asset or to exchange financial instruments under conditions that are potentially unfavorable to the issuer.

In cases when the Bank is required to issue equity instruments in exchange for the funding obtained, the number of equity instruments must be fixed and determined on the initial contract, in order for the obligation to be classified as equity.

Incremental costs of share capital increase

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from retained earnings.

Share premium

Share premium includes the difference between the nominal value of the shares and the cost consideration received in the case of a share capital increase.

It also includes the difference between the nominal value of the shares issued and their market value, in cases of exchanges of shares as consideration for the acquisition of a business by the Bank.

Treasury shares

The cost of acquiring treasury shares is recognized as a reduction of equity. Subsequent gains or losses from the sale of treasury shares, after deducting all direct costs and taxes, are recognized directly in retained earnings.

Retained earnings

Dividends are deducted from retained earnings and recorded as a liability in the period that the dividend is approved by the Shareholders' General Meeting.

1.23 Interest income and expense

Interest income and expense is recognized in the income statement for all interest bearing financial assets and liabilities.

Interest income and expense is recognised on an accrual basis and measured using the effective interest rate method. Interest on impaired financial assets is determined on their balance after impairment using the effective interest rate.

Borrowing costs that are directly attributable to assets that require a substantial period of time to get ready for their intended use or sale are capitalized as part of the cost of the asset. Capitalisation ceases when substantially all the activities necessary to prepare the asset for its intended use are complete.

1.24 Fee and commission income

Fee and commission income is recognized in the income statement on an accrual basis when the relevant service has been provided.

Transaction revenues relating to the recognition of a financial instrument not measured at fair value through profit and loss are capitalized and amortised in the income statement using the effective interest rate method over the life of the financial instrument.

1.25 Gains less losses on financial transactions

Gains less losses on financial transactions include the fair value changes of financial assets and liabilities, gains or losses on their disposal and the exchange differences arising from the translation of financial instruments denominated in foreign currencies. Impairment losses on bonds, shares and other securities of variable return are also included in gains less losses on financial transactions.

Differences that may arise between the carrying amount of financial liabilities settled or transferred and the consideration paid are also recognised in gains less losses on financial transactions.

1.26 Discontinued operations

A discontinued operation is a component of the Bank that either has been disposed of, or has been classified as held for sale and represents:

- a major line of the Bank's business; or
- a geographical area of operations.

The assets and liabilities of discontinued operations are presented separately from other assets and liabilities in the balance sheet and are not offset.

Any cumulative income or expense recognized directly in equity relating to a discontinued operation is presented separately (as a separate line in equity).

The post tax profit or loss from discontinued operations and any losses recognized on the measurement to fair value less costs to sell of the disposal group are presented in a separate line in the face of the income statement after net profit from continuing operations.

The comparative financial statements are restated only for the income statement and the cash flow statement.

1.27 Related parties definition

According to IAS 24, a related party is a person or entity that is related to the entity that is preparing its financial statements. For the Bank, in particular, related parties are considered:

a) An entity that constitutes for the Bank:

i) a subsidiary,

ii) a joint venture,

iii) an associate and

iv) a Post-Employment Benefit Plan, in this case the Supplementary Fund of former Alpha Credit Bank's employees.

b) A person or an entity that have control, or joint control, or significant influence over the Bank.

This category includes Hellenic Financial Stability Fund and its subsidiaries, because, in the context of the L.3864/2010, the HFSF participates in the Board of Directors and in significant committees of the Bank and as a result is considered to have significant influence over it.

c) A person and his close family members, if that person is a member of the key management personnel.

The Bank considers as key management personnel all the members of the Bank's Board of Directors and of the Bank's Executive Committee while as their close family members it considers their children and spouses or domestic partners and their dependants and the dependants of their spouses or domestic partners.

Moreover, the Bank discloses all transactions and outstanding balances with entities which are controlled or jointly controlled by the above mentioned persons. This disclosure concerns participations of the above persons in entities that exceed 20%.

1.28 Comparatives

To the extent considered necessary the comparatives have been adjusted to facilitate changes in presentation of the current year amounts.

1.29 Estimates, decision making criteria and significant sources of uncertainty

The Bank, in the context of applying accounting policies and preparing financial statements in accordance with the International Financial Reporting Standards, makes estimates and assumptions that affect the amounts that are recognized as income, expenses, assets or liabilities. The use of estimates and assumptions is an integral part of recognizing amounts in the financial statements that mostly relate to the following:

Fair value of assets and liabilities

For assets and liabilities traded in active markets, the determination of their fair value is based on quoted, market prices. In all other cases the determination of fair value is based on valuation techniques that use observable market data to the greatest extent possible. In cases where there is no observable market data, the fair value is determined using data that are based on internal estimates and assumptions eg. determination of expected cash flows, discount rates, prepayment probabilities or potential counterparty default.

Impairment losses of financial assets

The Bank, when performing impairment tests on loans and advances to customers, makes estimates regarding the amount and timing of future cash flows. Given that these estimates are affected by a number of factors such as the financial position of the borrower, the net realizable value of any collateral or the historical loss ratios per portfolio, actual results may differ from those estimated. Similar estimates are used in the assessment of impairment losses of securities classified as available for sale or held to maturity.

Impairment losses of non – financial assets

The Bank, at each year end balance sheet date, assesses for impairment non – financial assets, and in particular property, plant and equipment, investment property, goodwill and other intangible assets, as well as its investments in subsidiaries, associates and joint ventures. Internal estimates are used to a significant degree to determine the recoverable amount of the assets, i.e. the higher between the fair value less costs to sell and the value in use.

Income Tax

The Bank recognizes assets and liabilities for current and deferred tax, as well as the related expenses, based on estimates concerning the amounts expected to be paid to or recovered from tax authorities in the current and future periods. Estimates are affected by factors such as the practical implementation of the relevant legislation, the expectations regarding the existence of future taxable profit and the settlement of disputes that might exist with tax authorities etc. Future tax audits, changes in tax legislation and the amount of taxable profit actually realised may result in the adjustment of the amount of assets and liabilities for current and deferred tax and in tax payments other than those recognized in the financial statements of the Bank. Any adjustments are recognized within the year that they become final.

Employee defined benefit obligations

Defined benefit obligations are estimated based on actuarial valuations that incorporate assumptions regarding discount rates, future changes in salaries and pensions, as well as the return on any plan assets. Any change in these assumptions will affect the amount of obligations recognized.

Provisions and contingent liabilities

The Bank recognises provisions when it estimates that it has a present legal or constructive obligation that can be estimated reliably and it is almost certain that an outflow of economic benefits will be required to settle the obligation. In contrast, when it is probable that an outflow of resources will be required, or when the amount of liability cannot be measured reliably, the Bank does not recognise a provision but it provides disclosures for contingent liabilities, taking into consideration their materiality. The estimation for the probability of the outflow as well as for the amount of the liability are affected by factors which are not controlled by the Bank, such as court decisions, the practical implementation of the relevant legislation and the probability of default of the counterparty, for those cases which are related to the exposure to off-balance sheet items.

The estimates and judgments applied by the Bank in making decisions and in preparing the financial statements are based on historical information and assumptions which at present are considered appropriate. The estimates and judgments are reviewed on an ongoing basis in order to take into account current conditions, and the effect of any changes is recognized in the period in which the estimates are revised.

1.29.1 Going concern principle

The Bank applied the going concern principle for the preparation of the financial statements as at 31.12.2017. For the application of this principle, the Bank takes into consideration current economic developments in order to make projections for future economic conditions of the environment in which it operates. The main factors that cause uncertainties regarding the application of this principle relate to the economic environment in Greece and abroad and to the liquidity levels of the Hellenic Republic and the banking system.

Specifically, the high degree of uncertainty that characterizes the internal economic environment in recent years, as a result of the prolonged recession of the Greek economy, led to a significant deterioration in the creditworthiness of corporate and individuals, to an increase of non performing loans and therefore to the recognition of significant impairment losses by the Bank and by the Greek banking system in general. Additionally, during the first semester of 2015, the internal economic environment was adversely affected by the uncertainties that were created during the negotiations of the Hellenic Republic with the European Commission, the European Central Bank and the International Monetary Fund for the financing of the Hellenic Republic, a fact that led to significant outflows of deposits, to the imposition of capital controls and of a bank holiday which was announced on 28.6.2015 and lasted until 19.7.2015. Capital controls remain in place until the date of approval of the financial statements, while the detailed provisions for their application are amended where appropriate by the adoption of a legislative act.

At the same time the liquidity needs of Greek banks continue to be mostly satisfied by the emergency liquidity mechanisms of the Bank of Greece.

The completion, in the third quarter of 2015, of the negotiations of the Hellenic Republic for the coverage of the financing needs of the Greek economy, led to an agreement for new financial support by the European Stability Mechanism.

As far as the course of the financial support program for the Greek economy is concerned, the first two evaluations have already been completed with the disbursement of the respective installments while according to the Eurogroup announcement of 12.3.2018, all the prerequisites for the completion of the third evaluation have been implemented. The fourth installment of the program will be disbursed in two parts. The first part, amounting to € 5.7 billion, is expected to be disbursed to cover debt servicing needs, to allow the further clearance of arrears and to support the build-up of the cash buffer of the Greek State. The disbursement of the second part, amounting to € 1 billion, is expected to take place in spring, provided that there is progress in the clearance of net arrears using own resources and that the flow of electronic auctions will continue unimpededly. In parallel, the negotiations for the fourth evaluation of the program have begun.

In addition to the above, during 2017, the Hellenic Republic successfully completed the exchange of its bonds with new bonds, aiming at aligning the terms of the bonds with market standards for sovereign securities in order to normalize the Republic's yield curve and provide the market with a limited series of benchmark securities which are expected to have significantly greater liquidity than the existing series. This combined with the successful issuance by the Greek government of a five-year bond in July 2017 and a seven-year bond in February 2018 constitute the first steps for the gradual return to the markets. The positive course of the economic support program as well as the gradual return to the markets are expected to contribute to the decrease of uncertainty and to the enhancement of business community and

investors confidence.

It is noted that at the same time the European stress testing exercise by the ECB is under way to determine any capital needs of Eurozone credit institutions.

Based on the above and taking into account the Bank's high capital adequacy, with which the estimated impact from the application of IFRS 9 is also covered (notes 39 and 40) as well as the amount of available eligible collaterals through which liquidity is obtained through the mechanisms of the eurosystem, the Bank estimates that the conditions for the application of the going concern principle for the preparation of its financial statements are met.

1.29.2 Estimation of the Bank's exposure to the Hellenic Republic

The Bank's total exposure to Greek Government securities and loans related to the Hellenic Republic is presented in note

38. The main uncertainties regarding the estimations for the recoverability of the Bank's total exposure relate to the debt service capacity of the Hellenic Republic, which, in turn, is affected by the development of the macroeconomic environment in Greece and the Eurozone as well as by the levels of liquidity of the Hellenic Republic.

As far as debt sustainability is concerned and in accordance with the relevant framework set out by the Eurogroup of 9.5.2016, in the meeting of the same body held in 24.5.2016 measures for enhancing the Greek debt sustainability were broadly described, separately for the short, the medium and the long term. In accordance with this framework, based on the baseline scenario, the gross financing needs of the Greek government should be less than the 15% of GDP after the completion of the program in the medium term while subsequently they should be less than the 20% of GDP. The Eurogroup of 15.6.2017 confirmed the above target. From the above measures of debt relief only the short-term have been specified and put in place.

Following the successful completion of the program for the financial support of the Hellenic Republic, and to the degree deemed necessary, the medium term measures for the Greek debt will be put in place. The specification of these measures will be validated at the end of the program by the Eurogroup so that debt sustainability is ensured. In a long term horizon and in the case of an unexpected unfavorable scenario additional measures for the debt could be applied.

Finally, it is noted that the Hellenic Republic is taking steps to gradually recover its access to the financial markets to cover its financing needs. In this context, it proceeded with the issuance of a five-year bond in July 2017 and a seven-year bond in February 2018 while, during 2017, it successfully completed the exchange of its bonds with new bonds, aiming at aligning the terms of the bonds with market standards for sovereign securities in order to normalize the Republic's yield curve and provide the market with a limited series of benchmark securities which are expected to have significantly greater liquidity than the existing series

Based on the above, the Bank has not recognized impairment losses on the Greek Government securities that it held as at 31.12.2017, however, it assesses the developments relating to the Greek Government debt in conjunction with the market conditions and it reviews its estimations for the recoverability of its total exposure at each reporting date.

1.29.3 Recoverability of deferred tax assets

The Bank recognizes deferred tax assets to the extent that it is probable that it will have sufficient future taxable profit available, against which, deductible temporary differences and tax losses carried forward can be utilized.

The main categories of deferred tax assets which have been recognized by the Bank relate to tax losses carried forward, to losses from the Greek government bonds exchange program (PSI) and the December 2012 Greek government bond buyback program and to deductible temporary differences arising from loans' impairment.

Deferred tax assets on tax losses carried forward relate to the years 2013-2014. Tax losses can be offset against taxable profits within five years from their formation. The Bank recognized the aforementioned assets since, according to its estimated future taxable profits, for the coming years until the expiry of the right to set-off tax losses, these are recoverable even after the deduction of the temporary differences that are expected to occur within these years. The estimation of future taxable profits was based on forecasts for the development of the accounting results, as these are formulated in accordance with the business plan of the Bank. In particular, the business plan includes actions aimed at enhancing profitability through:

- the reduction of the amount of non-performing exposures, based on the plan submitted to the Single Supervisory Mechanism (SSM),
- further reduction of operating costs,
- further reinstatement of the deposit base with a postitive impact on the cost of funding,
- interest income increase through targeted financing of business segments and
- increase in commission income from services and products offered to individuals and corporates.

In addition, for the assessment of the recoverability of the deferred tax assets on tax losses the provisions of articles 27 and 27a of L. 4172/2013 as these were amended with article 43 of L. 4465/4.4.2017 (note 11) as well as the existence of significant tax profits in the last decade, with the exception of the years from 2012 to 2014, because of the unexpected major recession of the Greek economy and the loss from the PSI, were also taken into account.

Deferred tax assets associated with tax losses incurred by the PSI and the participation of the Bank in the December 2012 Greek government bond buyback program were recognized as a “debit difference” according to Law 4046/14.2.2012, Law 4110/23.1.2013 and a respective legal opinion. According to Law 4110/23.1.2013 the “debit difference” is deductible for tax purposes, gradually in equal installments, within 30 years, a fact which, according to the Group’s estimation, provides a sufficient time period for its gradual utilization against taxable profits.

Regarding the temporary differences arising from loans’ impairment, there are no time constraints concerning their recovery, as it also applies to the other deferred tax assets categories. The Bank assessed their recoverability based on estimates for future taxable profits, as these are estimated to be formed on the basis of the aforementioned business plan, after extending the period of estimation for a limited number of years compared to the business plan.

The Bank, based on the above, estimates that the total deferred tax assets it has recognized and that has been derived both from temporary differences and from tax losses carried forward is recoverable.

In addition, and regardless of the assessment of the recoverability of deferred tax assets that it is carried out based on what is mentioned above, Law 4303/2014 provides that in case that the after tax accounting result for the period is a loss, deferred tax assets arising from the PSI debit difference and from the accumulated provisions and other general losses due to credit risk are eligible to be converted into a final and settled claim against the Greek State, as described in detail in note 11.

The main uncertainties concerning the estimations for the recoverability of the deferred tax assets relate to the achievement of the goals set in the Bank’s business plan, which is affected by the general macroeconomic environment in Greece and internationally. At each balance sheet date, the Bank reassesses its estimation regarding the recoverability of deferred tax assets in conjunction with the development of the factors that affect it.

INCOME STATEMENT

2. Net interest income

	FROM 1 JANUARY TO 31.12.2017	31.12.2016
Interest and similar income		
Due from banks	3,272	12,874
Loans and advances to customers	1,649,794	1,751,600
Securitized loans	276,222	258,880
Trading securities	304	205
Available for sale securities	190,105	216,722
Held to maturity securities	(21)	62
Loans and receivables securities	828	6,758
Derivative financial instruments	93,544	112,715
Other	11,558	13,024
Total	**2,225,606**	**2,372,840**
Interest expense and similar charges		
Due to banks	(190,519)	(276,257)
Due to customers	(138,579)	(153,950)
Debt securities in issue and other borrowed funds	(17,757)	(60,609)
Derivative financial instruments	(105,605)	(124,314)
Other	(78,891)	(91,163)
Total	**(531,351)**	**(706,293)**
Net interest income	**1,694,255**	**1,666,547**

During the fiscal year 2017 net interest income increased mainly due to the termination of the issuance of securities guaranteed by the Greek Government, according to Law 3723/2008 and the reduction of borrowing cost arising from Eurosystem which fully offset the reduction of interest income from loans' portfolio.

3. Net fee and commission income

	FROM 1 JANUARY TO 31.12.2017	31.12.2016
Net fee and commission income		
Loans	37,893	30,449
Letters of guarantee	55,891	63,086
Imports-exports	9,563	10,355
Credit cards	62,796	61,035
Fund Transfers	34,820	37,032
Mutual funds	30,304	24,712
Advisory fees and securities transaction fees	965	1,761
Foreign exchange trades	18,654	17,712
Other	27,213	24,507
Total	**278,099**	**270,649**

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Net fee and commission income during the fiscal year 2017 presents an increase which is mainly attributed to loans' commission income due to Bank's participation in project financing, which was partly offset by the decrease in commission income from letters of guarantees, following the decrease in the outstanding amount of guarantees, as well as by the increase of commission income from Mutual Funds, due to the change of portfolio structure, by enhancing investments with higher return.

4. Dividend income

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Available for sale securities	477	532
Subsidiaries and associates	35,161	448,443
Total	**35,638**	**448,975**

The Bank accounts for dividends annually upon their distribution approval by the Ordinary Shareholders General Meetings of its subsidiaries and associates.

Dividend income of fiscal year 2017, is mainly attributed to €15,777 by Alpha Group Ltd, €4,290 by Ionian Holdings A.E. and €4,426 by Alpha Asset Management AEDAK.

Dividend income of fiscal year 2016, is mainly attributed to € 325,000 by Alpha Group Ltd, € 56,034 by Ionian Holdings A.E. and € 30,000 by ABC Factors A.E.

5. Gains less losses on financial transactions

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Foreign exchange differences	19,302	20,336
Trading securities:		
- Bonds	1,098	1,122
- Shares	175	29
Investment securities:		
- Bonds	112,918	30,904
- Shares	(26,723)	54,523
- Other securities	963	(1,143)
- Loans and Receivables	3,058	36,080
Investments (note 19)	(242,140)	(314,540)
Derivative financial instruments	74,319	(6,224)
Other financial instruments	(28,742)	8,884
Total	**(85,772)**	**(170,029)**

“Gains less losses on financial transactions” of fiscal year 2017 were mainly affected by:

- Loss of €37,264 included in “Other financial instruments” arising from a fair value measurement, at the initial recognition, of the Bank’s financial assets in the context of loans and receivables restructuring.
- Gains of €112,918 included in the caption “Bonds” of investment securities and corresponds to bonds issued by the Greek Government amounted to €91,618 and other corporate bonds amounted to €21,300. The gains from bonds issued by the Greek State include an amount of €26,680 that resulted from the Bank’s participation to the Greek Government bonds swap, as presented in note 18a.
- Gains of €58,546 included in “Derivative financial instruments” corresponds to the credit valuation adjustment of transactions with the Greek Government due to the reduction of Greek Government’s credit spread and guarantee’s received.
- Impairment loss of € 24,373 included in the caption “Shares” of investment securities (note 18).

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Additionally, the caption “Investments” mainly includes impairment losses of subsidiaries and disposals/acquisitions of them as described in note 19.

Gains less losses on financial transactions of fiscal year 2016 have mainly been affected by the following:

- Loss of €139,083, included in “Investments”, relating to the impairment of subsidiary Alpha Group Investment Ltd.
- Loss of €51,211, included in “Investments”, from the valuation of participations to APE Fixed Assets A.E., APE Commercial Property A.E. and APE Investment Property A.E. due to their classification as Assets held for sale (note 43).
- Loss of €82,000, included in “Investments”, from the valuation of subsidiary Alpha Bank Srbjia due to its classification as Asset held for sale (note 43).
- Loss of €34,968, included in “Investments”, relating to the sale of the Bank’s participation in Ionian Hotel Enterprises A.E. (note 43).
- Profit of €36,080, included in “Bonds” of investment securities, which relates to the sale of bonds issued by the European Financial Stability Facility.
- Acquisition of Visa Europe shares, owned by the Bank, from Visa Inc. in the context of which, the Bank recognized in gains less losses on financial transactions from shares the amount of €44,918 which consists of cash received on the closing date of the transaction and from the recognition of the present value of the amount due from collecting the surplus amount on the third anniversary from the closing date of the transaction.

In addition, the Bank recognized the preference shares of Visa Inc. acquired in the context of the transaction. These shares, which were classified as available for sale portfolio, were recognized at fair value of €13,168 by crediting gains less losses on financial transactions.

6. Other income

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Rental income	4,756	3,775
Sale of fixed assets	210	533
Insurance indemnities	310	1,060
Preparation of business plans and financial studies	1,519	991
Other	9,454	5,135
Total	**16,249**	**11,494**

Other income of the current fiscal year includes income of € 2,000 which relates to unused provisions to cover operational risk.

The insurance indemnities of the prior fiscal year mainly relate to compensation against building destruction.

7. Staff costs

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Wages and salaries	260,698	274,713
Social security contributions	82,549	83,663
Common Insurance Fund of Bank Employees		2,650
Employee defined benefit obligation (note 29)	426	4,318
Bank’s employee indemnity provision due to retirement in accordance with Law 2112/1920 (note 29)	4,039	7,118
Other charges	28,088	28,459
Total	**375,800**	**400,921**

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The total number of the Bank's employees as at 31.12.2017 was 8,372 (31.12.2016: 8,580) out of which 8,341 (31.12.2016: 8,543) are employed in Greece and 31 (31.12.2016: 37) are employed abroad.

Defined contribution plans

All the employees of the Bank are insured for their main pension plans by the Social Insurance Fund (IKA-ETAM). The Social Insurance Fund (IKA-ETAM) as of 1.1.2017 consists part of the Single Social Security Body (E.F.K.A.), Public law entity established under the provisions of Law 4387/2016. In addition for the Bank's employees, the following also apply:

a. The supplementary pension plan for employees of the former Ionian and Popular Bank of Greece is T.A.P.I.L.T.A.T., a multi-employer plan. The Bank has obtained legal opinions that indicate that it has no obligation if this fund does not have sufficient assets to pay employee benefits. Therefore, the Bank considers that the fund is a defined contribution plan and has accounted for it as such.

b. Employees of former Ioniki and Popular Bank of Greece and former Emporiki Bank are insured for the lump sum benefit (Welfare Sector) in the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) which is a defined contribution plan with contributions paid only by employees. In accordance with article 74 of Law 4387/2016, the Care Sectors of the "Bank Employee and Companies Common Benefit Plan" (T.A.Y.T.E.K.O.) consist part of the "Joint Supplementary Insurance Fund" (E.T.E.A.) which is renamed to "Joint Supplementary Insurance Fund and Lump Sum Benefits" (E.T.E.A.E.P.).

c. All employees of the Bank receive medical benefits from the National Organization of Health Care (EOPYY). As of 1.1.2017, EOPYY consists part of E.F.K.A..

d. Employees of former Alpha Credit Bank, which were insured, for supplementary pension in T.A.P. (the Insurance Fund of employees of Alpha Credit Bank), from 1.1.2008, onwards are insured for supplementary pension in E.T.A.T according to article 10, Law 3620/2007. During the first quarter of 2017, the Bank settled its relevant obligation amounted to € 543 million, in 10 annual interest bearing installments.

According to the Law 3455/2006, the pensioners and members insured by Emporiki Bank, who were also insured for supplementary pension in T.E.A.P.E.T.E. were absorbed by I.K.A- E.T.E.A.M. and E.T.A.T on 31.12.2004. Emporiki Bank S.A. paid a total amount of specific contribution of €786.6 million for the pensioners to the insurance funds I.K.A-E.T.E.A.M and E.T.A.T. in ten annual interest bearing installments. The repayment of the total amount was completed with the payment of the last installment on January 2014. In addition, in accordance with the amendments of Law 3455/2006 for the active insured members, who were hired before 31.12.2004 in Emporiki Bank, additional social contributions are paid for the supplementary pension compared to the respective contributions which are stipulated by the Law of E.T.E.A.M.

When E.T.A.T. was absorbed by E.T.E.A. (Joint Supplementary Insurance Fund) :

a) the members of T.E.A.P.E.T.E. and T.A.P. who were insured until 31.12.1992 receive a pre-pension amount from E.T.A.T. (main and supplementary pension until the date of retirement from the Main Pension Fund and E.T.E.A.) and

b) the members of T.E.A.P.E.T.E. who were insured until 31.12.1992 receive the difference between the amount of pensions which arose from the calculation of supplementary pension in accordance with the provisions of Article of Association of E.T.E.A. (former E.T.E.A.M) and T.E.A.P.E.T.E.

Law 4387/2016 provides for the incorporation of both E.T.A.T. and the pre-retirement scheme pensioners of E.T.E.A. to E.F.K.A., as of 1.1.2017. Particularly, EFKA grants pre-pensions and other benefits to the pensioners who were insured by E.T.A.T. until 31.12.1992 and who are entitled to receive respective benefits until 12.5.2016, as well as to the pre-retirement scheme pensioners of E.T.E.A. who, as pensioners of T.E.A.P.E.T.E., joined former I.K.A.-E.T.E.A.M. and currently E.T.E.A. pursuant to Law 3455/2006. The members of E.T.E.A. insured until 31.12.1992 that are not entitled to receive a pre pension amount until 12.5.2016 and have paid higher contributions than the ones provided by E.T.E.A., will obtain an increased supplementary pension from E.T.E.A. in accordance to Law 4387/2016.

e. The Bank, in cooperation with AXA Insurance, has created a savings plan for its employees that were hired and insured for the first time on 1.1.1993 and onwards. The plan's effective date is January 1, 2011 and its aim is to provide a lump sum monetary benefit to retiring employees. The plan assets consist of investment from the fixed monthly contributions of the Bank and its employees in low risk mutual funds. After signing the Collective Labor Agreement for the 3-year period of 2016-2019, the personnel of the Bank may be included in the savings plan. For the personnel, except for a certain group that was hired by the Bank and were members of the main pension scheme for the period from 1.1.1993 until 31.12.2004 and for which is provided guarantee of the minimum benefit (Law 2084/1992), are considered as a defined contributions plan as the benefit is paid from a savings fund that was accumulated up to the date they left the plan.

f. Following the Board of Directors' decision, the Bank provides to its senior management a Savings Insurance Plan effective from 1.1.2018. The plan is defined contribution plan and aims to provide a lump-sum benefit upon retirement. The savings capital is consisted from the investment of defined monthly contributions paid by the senior management and the Bank in mutual funds.

Employee defined benefit obligations

An analysis of liabilities arising from defined benefit plans is included in note 29.

Separation Scheme

The Bank committed to further reduce its Greek Personnel (including non-financial subsidiaries) in 2015 , in accordance with the framework for implementation of the updated restructuring plan resulting in 9.504 maximum number of employees until 2017.

Following the above commitments, and relevant decisions for their implementation, on 31.12.2015 the Bank recorded provision amounted to €64,300.

During the fiscal years 2016 and 2017, provision amounted to € 35,262 and €18,457 respectively was utilized (note 31).

Additionally, in the context of the three year Restructuring Plan concerning the period 2017-2019, the Bank through the facilitation of Key Restructuring Projects intends to the optimization of both efficiency and effectiveness in respects with operational functions, reduction of operational costs, digital transformation and exploitation of new solutions and infrastructures. Due to need for reduction of personnel, as a result of the forthcoming restructuring and the necessary reallocation of roles and responsibilities, during the fourth quarter of 2017, it was decided the extension of the separation scheme and consequently a new provision was recognized amounted to € 92,719 (note 31). Provision related to the implementation of the separation scheme as at 31.12.2017 amounted to € 103,300.

8. General administrative expenses

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Rent for buildings	29,704	30,799
Rent and maintenance of EDP equipment	19,605	18,414
EDP expenses	23,271	21,987
Marketing and advertisement expenses	19,727	21,218
Telecommunications and postage	16,867	19,733
Third party fees	53,883	38,739
Third parties fees for financial information	7,360	6,522
Contribution to the Deposit guarantee fund - Investment fund and Solvency Fund	46,881	50,992
Insurance	6,611	7,600
Consumables	3,529	4,636
Electricity	7,113	8,007
Taxes (VAT, real estate etc)	74,319	66,868
Services from collection agencies	31,578	29,048
Building and equipment maintenance	4,753	5,707
Security	8,327	8,112
Cleaning fees	3,305	3,160
Commission for the amount of Deferred tax Asset guaranteed by the Greek State (note 11)	11,510	
Other	92,616	75,855
Total	**460,959**	**417,397**

General administrative expenses for the fiscal year 2017 present an increase compared to the previous fiscal year, mainly due to the increase in third party fees.

Moreover, the results of 2017 were burdened by €11,510 which relates to the annual commission attributed to the amount of deferred tax asset, guaranteed by the Greek State, according to the article 82 of Law 4472/19.5.2017 out of which €5,784 relates to the commission for the year 2016 which was accounted for during the first semester of 2017 (note 11).

According to Law 4335/2015 (Article 98), credit institutions authorized to operate in Greece, including branches operating in third countries, should make at least an annual contribution to the Resolution Fund. According to Law 4370/2016 (Article 36), in case a new credit institution is included in the Resolution Fund or if one ceases its participation during the fiscal year, the credit institution is still obliged for its annual contribution in proportion to the time of its operation. In addition to the Law 4370/2016, Directive 2014/49 / EU of the European Parliament and the Decision of the Council of 16 April 2014 were incorporated into Greek law which enacts the same rules for all Deposit Guarantee Schemes intended to provide a uniform level of protection to all EU depositors and to ensure the same level of stability as regards the DGS.

The Single Resolution Board, determined that the 2017 contribution for credit institutions may provide irrevocable payment commitments amounting up to 15% of their total obligation which for the Bank amounts to €20,267 (2016:€21,158). These irrevocable payment commitments have to be fully covered with cash collateral. On 20.05.2016 and 22.5.2017, the Bank signed a contract with the Single Resolution Board to provide irrevocable payment commitment and establish the necessary cash collateral for the 2016 and 2017 contribution, respectively.

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9. Other expenses

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Losses from write off / impairments on fixed assets	42,427	16,623
Impairment losses of other assets		3,181
Provisions	9,794	7,916
Other	(21,301)	2,561
Total	**30,920**	**30,281**

Losses from write off / impairments on fixed assets as at 31.12.2017 include an amount of €40,678 (31.12.2016: €15,067) which relates to the recognition of impairment loss of investment property, property, plant and equipment and property obtained through auctions.

Provisions relate to legal cases against the Bank (note 31).

Following the recent legislation of the Administrative Court of Justice, the caption "Other" includes an amount of € 21,301 which concerns income from unutilized provision on disputed claims against the Greek State with regards to the tax refund of withholding taxes of former Emporiki Bank that are specially taxed for the year 2008.

Impairment losses of other assets, attributed to Bank's inventory and other receivables which were recognized in the fiscal year 2016.

10. Impairment losses and provisions to cover credit risk

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Impairment losses on loans and advances to customers (note 17)	809,892	1,181,097
Impairment losses of other receivables		4,191
Provisions to cover credit risk relating to off balance sheet items (note 31)	4,424	4,135
Recoveries	(16,280)	(19,223)
Total	**798,036**	**1,170,200**

11. Income tax

In accordance with Article 1 par. 4 of Law 4334/2015 "Urgent prerequisites for the negotiation and conclusion of an agreement with the European Stability Mechanism (ESM)" the corporate income tax rate for legal entities increased from 26% to 29%. The increased rate has applied for profits arising in fiscal years commencing on or after 1 January 2015.

In accordance with article 65A of Law 4174/2013, from 2011, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (AE), are obliged to issue an Annual Tax Certificate on the compliance on tax issues. This tax certificate is submitted to the entity being audited within the first ten days of the tenth month after the end of the audited financial year, as well as, electronically to the Ministry of Finance, no later than the end of the tenth month after the end of the audited financial year. In accordance with article 56 of Law 4410/3.8.2016 for the fiscal years from 1.1.2016 and onwards, the issuance of tax certificate is optional. However, the Bank decided to continue to obtain the tax certificate.

The Bank has been audited by tax authorities up to and including the year 2010 (Note 36b). Tax audit for the year 2010 was finalized by tax authorities in October 2017. The total amount of taxes and penalties amounted to € 15,638.

For fiscal years 2011 up to 2016 the Bank has obtained the relevant tax certificate without any qualifications on the tax issues covered, while for the fiscal year 2017 the tax audit is in progress.

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The income tax is analyzed as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Tax Audit difference	15,638	
Deferred Tax	46,292	(123,155)
Total	**61,930**	**(123,155)**

Deferred tax recognized in the income statement is attributable to temporary differences, the effect of which is analyzed in the table below:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Debit difference of Law 4046/2012	44,554	44,554
Debit difference of Law 4465/2017	1,685	
Depreciation and write-offs of fixed assets	2,148	8,997
Loans portfolio	(23,454)	(136,973)
Valuation of loans due to hedging	(209)	(840)
Valuation of derivatives	29,335	(6,033)
Employee defined benefit obligations and insurance funds	19,508	26,378
Effective interest rate	1,145	190
Fair value change of liabilities to credit institutions and other borrowed funds due to fair value hedge	(39,705)	3,778
Valuation of investments	(22,290)	(116,238)
Valuation/impairment of bonds and other securities	(57,589)	18,447
Tax losses carried forward	126,148	41,391
Other temporary differences	(34,984)	(6,806)
Total	**46,292**	**(123,155)**

A reconciliation between the effective and nominal tax rate is provided below:

	FROM 1 JANUARY TO			
	31.12.2017		31.12.2016	
	%		%	
Profit/(loss) before income tax		105,825		137,789
Income tax (nominal tax rate)	29.00	30,689	29.00	39,959
Increase/(decrease) due to:				
Non taxable income	(18.30)	(19,361)	(95.63)	(131,766)
Non deductible expenses	3.02	3,201	1.85	2,545
Tax audit difference	14.78	15,638		
Tax recognition for prior periods temporary differences			(64.05)	(88,248)
Other temporary differences	30.01	31,763	39.45	54,355
Income tax	**58.52**	**61,930**	**(89.38)**	**(123,155)**

According to article 5 of Law 4303/17.10.2014 "Ratification of the Legislative Act Emergency legislation to replenish the General Secretary of Revenue upon early termination of office (A 136) and other provisions", deferred tax assets of legal entities supervised by the Bank of Greece, under article 26 paragraphs 5, 6 and 7 of Law 4172/2013 that have been or will be recognized and are due to the debit difference arising from the PSI and the accumulated provisions and other general losses due to credit risk, with respect to existing amounts up to 31.12.2014, are converted into final and settled claims against the Government , if, the accounting result for the period, after taxes, is a loss, according to the audited and approved financial statements by the Ordinary Shareholders' General Meeting.

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The inclusion in the Law is implemented by the General Meeting of Shareholders, related to tax assets from 2016 and onwards, relating to fiscal year 2015 whereas it is envisaged the end of inclusion in the Law with the same procedure and after obtaining relevant approval from the Regulatory Authority.

According to article 4 of Law 4340/1.11.2015 "Recapitalization of financial institutions and other provisions of the Ministry of Finance" the above were amended regarding the time of the application which is postponed for a year. In addition the amount of the relevant deferred tax asset which is included to the same legislation according to article 5 of Law 4303/17.10.2014 and relates to accumulated provisions and other general losses due to credit risk, is limited to the amount related to the provisions for credit risk, which were accounted until 30.6.2015.

According to article 43 of Law 4465/4.4.2017 “Integration of Directive 2014/92/EU of the European Parliament and Council held on 23.7.2014 for the comparability of charges related to payment accounts, the change of payment account and the access to payment accounts with basic characteristics and other provisions”, the articles 27 and 27A of the Income Tax Code were amended (Law 4172/2013). According to the new legislation, the debit difference, that will arise from the write-off of debtors’ debts and the loss from the sale of loans of the legal entities supervised by the Bank of Greece, is recognised as a deduction from gross income and is amortized over a period of 20 years. The deferred tax asset which will be recognized from the abovementioned debit difference as well as of any accounting write-offs of loans or credits, not converted into debit difference until the end of the year when the accounting write-off took place, are converted into a final and settled claim against the Government, based on the abovementioned terms and conditions.

The total amount of deferred tax asset from (a) the debit difference from the write-off of debtors' debts and the sale of loans, (b) the temporary differences from any accounting write-off of loans and credits and (c) the temporary differences from acccumulated provisions and other lossses due to credit risk, is limited to the total tax amount related to accumulated provisions and other losses due to credit risk, recognised until 30.6.2015.

This amendment ensures that the loan write-offs and disposals, aiming to decrease the non performing loans, will not result in the loss of regulatory capital.

The above apply from 1.1.2016.

On 31.12.2017, the amount of deferred tax assets which is estimated to be within the scope of the aforementioned Law is €3.296 million (31.12.2016: € 3.342 million).

According to article 82 of Law 4472/19.5.2017 “Public Pension Provisions and amendment of provisions of Law 4387/2016, measures for the implementation of budgetary targets and reforms, social support measures and labor regulations, Medium term Fiscal Strategy Framework 2018-2021 and other provisions” credit institutions and other entities that fall under the provisions of article 27A of Law 4172/2013, are required to pay an annual commission to the Greek Government for the amount of the guaranteed deferred tax asset that results from the diffferrence between the tax rate currently in force (29%) and the tax rate that was in force until 31.12.2014 (26%).

Commission paid by the Bank during 2016 amounted to € 5,784 (note 8).

Additionally, article 14 of the aforementioned law provides a reduction in the tax rate, from 29% currently in force, to 26%, implied to profits from business activity acquired by legal entities keeping double-entry books. This reduction refers to income earned in the tax year beginning on 1.1.2019, provided that according to the estimation of the International Monetary Fund and the European Commission there is no divergence from the medium-term budgetary targets. With explicit reference to the law, this reduction does not apply to credit institutions for which the tax rate remains 29%.

During 2016, the Bank recognized deferred tax assets of €84,441 relating to the impairment of the Bank’s investment in the subsidiary, Alpha Bank Srbija A.D. The loss from the sale of the investment in a foreign subsidiary is recognized as deductible from the gross expenses during the year upon the finalization of the disposal, in accordance with article 124 of Law 4446/22.12.2016 “Bankruptcy Code, Administration Justice, Duties-Fees, Voluntary Disclosure of Previous Years’ Taxable Income, Online Transactions, Amendments of Law 4270/2014 and other provisions”. The sale of the subsidiary was completed during the first semester of 2017 and as a consequence the abovementioned deferred tax asset was reversed.

Income tax of other comprehensive income recognized directly in equity

	FROM 1 JANUARY TO					
	31.12.2017			31.12.2016		
	Before income tax	Income tax	After income tax	Before income tax	Income tax	After income tax
Amounts that may be reclassified to the Income Statement						
Net change in available for sale securities reserve	459,969	(133,210)	326,759	133,659	(38,439)	95,220
Net change in cash flow hedge reserve	53,361	(15,475)	37,886	(57,273)	16,609	(40,664)
Total	**513,330**	**(148,685)**	**364,645**	**76,386**	**(21,830)**	**54,556**
Amounts that will not be reclassified to the Income Statement						
Net change in actuarial gains/(losses) of defined benefit obligations	133	(39)	94	(10,529)	3,052	(7,477)
Total	**513,463**	**(148,724)**	**364,739**	**65,857**	**(18,778)**	**47,079**

During 2017, "Retained earnings" includes a credit tax amount to € 80, which relates to the share capital increase which took place on 23.2 2017.

During 2016, "Retained earnings" include a credit tax amounting to €281 which derives from the share capital increase expenses which were recognized in the same account and relates to the share capital increase which took place during 2015.

12. Earnings/(losses) per share

a. Basic

Basic earnings/(losses) per share are calculated by dividing the profit/(losses) after income tax attributable to ordinary equity owners of the Bank, by the weighted average number of outstanding ordinary shares, after deducting the weighted average number of treasury shares held by the Bank, during the period.

b. Diluted

Diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding, to the presumed conversion amount of all dilutive potential ordinary shares. The Bank does not have any dilutive potential ordinary shares, consequently the basic and dilutive earnings/(losses) per share should not differ.

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Profit/(loss) attributable to Equity owners of the Bank	**43,895**	**260,618**
Weighted average number of outstanding ordinary shares	1,542,690,664	1,536,881,200
Basic and diluted earnings/(losses) per share (in €)	0.0285	0.1696

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Profit/(loss) attributable to Equity owners of the Bank	**43,895**	**260,944**
Weighted average number of outstanding ordinary shares	1,542,690,664	1,536,881,200
Basic and diluted earnings/(losses) per share (in €)	0.0285	0.1698

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	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Profit/(loss) from discontinued operations attributable to Equity owners of the Bank		**(326)**
Weighted average number of outstanding ordinary shares	1,542,690,664	1,536,881,200
Basic and diluted earnings/(losses) from discontinued operations per share (in €)		(0.0002)

On 23.2.2017, as a result of exercising the conversion right of all bondholders, the Bank increased its share capital, due to the conversion of the total convertible bond that was issued on 1.2.2013, under the agreement with Credit Agricole SA for the acquisition of former Emporiki Bank.

From the conversion, 6,818,181 new common shares were issued representing 0.44% of total shares, which were taken under consideration for the calculation of the weighted average number of outstanding ordinary shares of the period 1.1 - 31.12.2017.

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ASSETS

13. Cash and balances with Central Banks

	31.12.2017	31.12.2016
Cash	305,100	291,446
Cheques receivable	2,548	1,840
Balances with Central Banks	467,234	381,153
Total	**774,882**	**674,439**
Less: Deposits pledged to Central Banks	(312,991)	(293,775)
Balance	**461,891**	**380,664**

The Bank is required to maintain a current account with the Bank of Greece (Central Bank) in order to facilitate interbank transactions with the Central Bank and other financial institutions through the Trans European – Automated Real Time Gross Settlement Express Transfer System (TARGET).

The Bank of Greece also requires, that all financial institutions established in Greece maintain reserve deposits with the Central Bank equal to 1% of customer deposits.

These deposits are interest bearing based on the refinancing rate set by the European Central Bank which as at 31.12.2017 was 0% (31.12.2016: 0%).

Cash and cash equivalents (as presented in the Statement of Cash Flows)

	31.12.2017	31.12.2016
Cash and balances with Central Banks	461,891	380,664
Short-term placements with other banks	168,180	267,427
Total	**630,071**	**648,091**

14. Due from banks

	31.12.2017	31.12.2016
Placements with other banks	1,269,838	1,746,498
Guarantees for derivative securities coverage and repurchase agreements (note 36e)	947,939	1,148,274
Sale and repurchase agreements (Reverse Repos)	39,654	50,475
Loans to credit institutions	12,321	9,027
Less:		
Allowance for impairment losses	(41,961)	(41,961)
Total	**2,227,791**	**2,912,313**

15. Trading securities

	31.12.2017	31.12.2016
Bonds		
- Greek Government	5,969	2,256
Shares		
- Listed	575	609
Total	**6,544**	**2,865**

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16. Derivative financial instruments (assets and liabilities)

	31.12.2017		
	Contractual nominal amount	Fair value	
		Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	259,457	5,792	1,000
Foreign exchange swaps	1,657,298	4,036	12,680
Cross currency swaps	2,141,498	109,270	45,417
Currency options	73,174	1,486	723
Currency options embedded in customer products	2,950	18	180
Total non-listed	**4,134,377**	**120,602**	**60,000**
b. Interest rate derivatives			
Interest rate swaps	6,314,828	462,413	588,643
Interest rate options (caps and floors)	217,911	11,098	3,692
Total non-listed	**6,532,739**	**473,511**	**592,335**
c. Commodity derivatives			
Commodity swaps	88,143	6,523	6,022
Commodity options	715	81	81
Total non-listed	**88,858**	**6,604**	**6,103**
d. Index derivatives			
OTC options	177,265	14,815	3
Total non-listed	**177,265**	**14,815**	**3**
e. Credit derivatives			
Total return swap	59,349	4,601	
Total non-listed	**59,349**	**4,601**	**-**
f. Other derivatives			
GDP linked security	1,492,397	7,462	
Total listed	**1,492,397**	**7,462**	**-**
Derivatives for hedging purposes			
a. Foreign exchange derivatives			
Foreign exchange swaps	23,725		24
Total non-listed	**23,725**	**-**	**24**
b. Interest rate derivatives			
Interest rate swaps	1,129,225	538	378,709
Total non-listed	**1,129,225**	**538**	**378,709**
Grand total	**13,637,935**	**628,133**	**1,037,174**

As at 31.12.2017, a part of the daily settlement and providing guarantee for derivatives with credit institutions as counterparty the Bank, has pledged as collateral the net amount of €879,111 (31.12.2016: €1,124,013) out of which the amount of €6,940 (31.12.2016: €6,745) concerns transactions with subsidiaries. As at 31.12.2017, the respective net fair value of derivatives with credit institutions amounted to €828,899 (31.12.2016: €1,083,141).

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	31.12.2016		
	Contractual nominal amount	Fair value	
		Assets	Liabilities
Derivatives held for trading purposes			
a. Foreign exchange derivatives			
Foreign exchange forwards	273,850	2,411	7,083
Foreign exchange swaps	2,152,638	16,120	4,046
Cross currency swaps	2,007,165	74,107	153,821
Currency options	68,547	227	491
Currency options embedded in customer products	8,991	69	108
Total non-listed	**4,511,191**	**92,934**	**165,549**
b. Interest rate derivatives			
Interest rate swaps	7,302,153	465,907	528,853
Interest rate options (caps and floors)	240,395	15,204	4,275
Total non-listed	**7,542,548**	**481,111**	**533,128**
c. Commodity derivatives			
Commodity swaps	126,458	8,341	7,841
Commodity options	1,413	422	419
Total non-listed	**127,871**	**8,763**	**8,260**
d. Index derivatives			
OTC options	49,312	75	75
Total non-listed	**49,312**	**75**	**75**
e. Other derivatives			
GDP linked security	1,663,143	4,224	
Total listed	**1,663,143**	**4,224**	
Derivatives for hedging purposes			
a. Foreign exchange derivatives			
Foreign exchange swaps	24,826	304	
Total non-listed	**24,826**	**304**	
b. Interest rate derivatives			
Interest rate swaps	1,046,541	57,025	630,547
Total non-listed	**1,046,541**	**57,025**	**630,547**
Grand total	**14,965,432**	**644,436**	**1,337,559**

Hedging accounting

a. Fair value hedges

The Bank uses interest rate swaps to hedge the volatility in the fair value due to changes in market rates a) of fixed rate loans and b) part of the four year targeted refinancing operation from ECB (TLTRO).

On 31 December 2017, the net fair value of the above mentioned derivative financial instruments was negative, amounting to €215 and is analysed in the Balance Sheet as derivative financial liabilities of €753 and as derivative financial assets of €538. For the fiscal year of 2017, the Bank recognized in «Gains less losses on financial transactions» gain of €723 from the derivatives designated under fair value hedge on fixed rate loans. For the valuation of the respective hedged loans the Bank recorded loss of €725. In 2017, the Bank recognized in «Gains less losses on financial transactions» gain of €495 from the derivatives designated under fair value hedge on the targeted refinancing operation from ECB. For the valuation of the respective hedged refinancing the Bank recorded loss of €495.

On 31 December 2016, the fair value of the derivative financial instruments designated under fair value hedge on fixed rate loans was negative, amounting to €1,480, and was presented in the Balance Sheet as derivative financial liabilities. For the fiscal year of 2016, the Bank recognized in «Gains less losses on financial transactions» gain of €3,044 from the derivatives designated under fair value hedge on fixed rate loans. For the valuation of the respective hedged loans the Bank recorded loss of €3,033.

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b. Cash flow hedges

The Bank uses interest rate swaps to hedge the volatility attributed to funding from a group of term deposits in Euro. On 31 December 2017, the fair value of the above mentioned derivative financial instruments was negative, of €377,956, and is presented in the Balance Sheet as derivative financial liabilities. For the fiscal year of 2017, the Bank recognized in cash flow hedge reserve, from the above mentioned hedging, together with terminated hedges, the effective portion that amounted to €48,200 gain. For the fiscal year of 2017, the ineffective portion amounted to €147 loss and was recorded in «Gains less losses on financial transactions». For 2017, a loss of €5,161, attributed to the amortization of cash flow hedge reserve for terminated hedges was recognized in interest expense.

On 31 December 2016, the fair value of derivative financial instruments designated under cash flow hedge amounted to €572,042, and was presented in the Balance Sheet as derivative financial liabilities of €629,067 and as derivative financial asset of €57,025. For the fiscal year of 2016, the Bank recognized in cash flow hedge reserve, from the above mentioned hedging, together with terminated hedges, the effective portion that amounted to €61.180 loss. For the fiscal year of 2016, the ineffective portion amounted to €110 loss and was recorded in «Gains less losses on financial transactions». For 2016, a loss amounting to €3,908, attributed to the amortization of cash flow hedge reserve for terminated hedges was recognized in interest expense.

17. Loans and advances to customers

	31.12.2017	31.12.2016
Individuals		
Mortgages		
- Non-securitized	15,770,181	16,231,470
Consumer:		
- Non-securitized	2,820,532	3,546,181
- Securitized	1,450,276	1,272,572
Credit cards:		
- Non-securitized	647,220	680,502
- Securitized	548,642	540,376
Total	**21,236,851**	**22,271,101**
Companies:		
Corporate loans:		
- Non-securitized	23,144,396	25,474,333
- Securitized	2,495,437	2,514,014
Other receivables	425,084	387,432
	47,301,768	**50,646,880**
Less:		
Allowance for impairment losses *	(8,780,632)	(10,385,356)
Total	**38,521,136**	**40,261,524**

The Bank proceeded with the securitization of consumer, corporate loans and credit cards through special purpose entities controlled by the Bank.

Based on the contractual terms and structure of the above transactions (e.g. allowance of guarantees or/and credit enhancement or due to the Bank possessing the bonds issued by the special purpose entities) the Bank retained in all cases the risks and rewards deriving from securitized portfolios.

* In addition to the allowance of impairment losses regarding loans and advances to customers, a provision of € 11,712 (31.12.2016: € 299,128) has been recorded to cover credit risk relating to off-balance sheet items. The total provision recorded to cover credit risk amounts to € 8,792,344 (31.12.2016:€ 10,684,484).

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As at 31.12.2017, mortgage loans included loans amounting to €1,112,325 (31.12.2016: € 15,488) that have been granted as collateral in the covered bonds program of the Bank. As at 31.12.2017, the above mentioned covered bonds amounted to €1,000,000 (31.12.2016: €5,000) (note 27ii).

As at 31.12.2017, loans and advances to customers of total carrying amount €108,502, after impairments, were classified to "Assets held for sale", in accordance with IFRS 5 requirements, as presented in note 43.

Allowance for impairment losses

Balance 1.1.2016	**9,777,241**
Changes for the period 1.1 - 31.12.2016	
Impairment losses for the year (note 10)	1,181,097
Reclassification to assets held for sale	(100,000)
Disposals of impaired loans	(1,693)
Change in present value of impairment losses	324,829
Foreign exchange differences	5,199
Loans written-off	(784,892)
Other movements	(16,425)
Balance 31.12.2016	**10,385,356**
Changes for the period 1.1 - 31.12.2017	
Impairment losses for the year (note 10)	809,892
Reclassification to assets held for sale	(715,798)
Disposals of impaired loans	(12,565)
Change in present value of impairment losses	169,078
Foreign exchange differences	(21,311)
Loans written-off	(1,752,092)
Other movements	(81,928)
Balance 31.12.2017	**8,780,632**

18. Investment securities

a. Available for sale

	31.12.2017	31.12.2016
Greek Government:		
- Bonds	2,272,594	1,931,293
- Treasury bills	1,187,351	1,478,384
Other Government:		
- Bonds	145,923	
Other issuers:		
- Listed	1,194,079	857,719
- Non-listed	20,107	9,863
Shares		
- Listed	29,044	54,558
- Non-listed	32,604	21,078
Other variable yield securities	5,654	7,152
Total	**4,887,356**	**4,360,047**

On 15.11.2017 the Hellenic Republic announced the exchange of 20 bonds, maturing from 2023 up to 2042 (issued on 24.2.2012, in the context of Hellenic Republic debt restructuring) with 5 new bonds with maturity on 2023, 2028, 2033, 2037 and 2042. This exchange is made in the context of a broader program implemented by the Hellenic Republic in order to manage its obligations. This exchange aims at aligning the terms of the bonds with market standards for sovereign securities in order to normalize the Republic's yield curve. At the same time, the liquidity of the new bonds will be enhanced due to the higher volume of issuances. Each bond is exchanged with one or two new bonds based on its maturity, with a defined

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exchange ratio which is applied to the nominal value. New debt securities generate fixed coupon payments, bearing an interest rate between 3.5% and 4.2%.

On 5.12.2017 the Bank participated in the bonds' swap with an an aggregated principal of € 1,917,086 and received new bonds with an aggregated principal of € 1,938,556.

The transaction was treated from accounting prospective as an amendment of the contractual terms of the exchanging bonds, thus the profit recognized from the bonds swap, which amounted to € 26,680 (note 5), was determined as the difference between the discounted cash flows of the new bonds, using the original effective interest rate of the bonds exchanged and the cost of these bonds.

According to the Ministerial Decision 1174/16.11.2017 of the Independent Public Revenue Authority, the gain resulting from the Bank's participation in the Greek government bonds Exchange program, it is exempted from tax, under the provisions of paragraph 6 of article 42 of Law 4172/2013.

During the year 2017 the Bank recognized impairment losses amounting to € 25,975 which is analyzed to €1,602 corresponding to other bonds and € 24,373 corresponding to shares. During 2016 the Bank has recognized impairment losses amounting to €2,651 which is analyzed to €1,508 corresponding to shares, and €1,143 corresponding to other variable yield securities.

These impairment amounts are included in "Gains less losses on financial transactions".

b. Held to maturity

	31.12.2017	31.12.2016
Other issuers:		
- Listed	319	9,342
Total	**319**	**9,342**

The variation compared to prior year is due to the maturity of a bond with a book value of €9,024.

c. Loans and receivables

Loans and receivables include bonds issued by the European Financial Stability Facility (EFSF). These bonds under the original contract could only be used as collateral to obtain liquidity from the Eurosystem or from interbank counterparties in repos. In April 2016 the subscription agreement between the European Financial Stability Facility (EFSF), the Hellenic Financial Stability Fund (HFSF) and the Bank was revised. The revision refers to the terms of use of the above bonds. The revision stated that the Bank may participate with the EFSF bonds in the purchase program for the bonds issued by central governments, special bodies-securities issuers and European supranational institutions of the Eurozone (Public Sector Purchase Program - PSPP) conducted by ECB. According to the ECB's decision, a total up to 50% of each EFSF issue could be purchased until the completion of the program in March 2017. During 2017, the Bank proceeded to sale of EFSF bonds of nominal amount of € 140,000 (31.12.2016: €1,583,000).

In the context of the implementation of short-term measures for public debt relief, the European Stability Mechanism (ESM), the EFSF, the HFSF, the Greek Government and the four Greek systemic banks signed a bond exchange agreement in March 2017.

Under this agreement, floating rate bonds issued by EFSF and held by the Banks are gradually exchanged with long-term fixed rate bonds issued by EFSF with equal nominal value, which will be repurchased within one month from EFSF against cash. For the use of long-term fixed rate bonds the same restrictions apply to these of floating-rate bonds, i.e. they consist eligible instruments for providing financing from the Eurosystem and the participation of the ECB's bond purchase program (PSPP) and can be pledged as collateral under repurchase transactions with interbank counterparties.

During 2017 and under this agreement, the Bank exchanged floating rate bonds of nominal value €2,522,172 issued by EFSF, with equal in nominal value bonds, of fixed coupon, issued by EFSF, with a maturity of 30 years. Out of them, EFSF repurchased bonds at a nominal value of € 2,348,936, whilst a remaining bond of a nominal value €173,236 was classified in the available for sale portfolio.

The total book value of the bonds held in loan portfolio as at 31.12.2017 amounted to zero. (31.12.2016: € 2,682,655).

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19. Investments in subsidiaries, associates and joint ventures

	31.12.2017	31.12.2016
Subsidiaries		
Opening balance	1,800,990	2,017,859
Additions	1,061,990	69,720
Disposals	(818,096)	(139,083)
Transfer due to reclassification to assets held for sale	(21,782)	(140,245)
Valuation of investments due to fair value hedge	(6,190)	(7,261)
Closing balance	**2,016,912**	**1,800,990**
Associates		
Opening balance	631	631
Additions	22,236	
Transfer from joint ventures	6,540	
Disposals	(324)	
Closing balance	**29,083**	**631**
Joint ventures		
Opening balance	13,634	68,896
Additions	83	6,682
Disposals	(4,241)	
Transfer to associates	(6,540)	
Transfer due to reclassification to assets held for sale		(61,944)
Closing balance	**2,936**	**13,634**
Total	**2,048,931**	**1,815,255**

Additions represent: share purchases, participation in share capital increases and acquisitions of shares due to mergers.

Disposals represent: sales of shares, return of capital, proceeds arising from the liquidation of companies, contributions in kind and impairments.

The additions in subsidiaries amounting to €1,061,990 relate to:

- share capital increase following a debt capitalisation of the subsidiary AGI Cypre Ermis Ltd amounting to €704,164, as analyzed below,
- share capital increase of the subsidiary Alpha Group Investments Ltd. amounting to €289,564 (note 46),
- share capital increase following a debt capitalisation of the subsidiary Alpha Investment Property Attikis II A.E. amounting to €38,900 (note 46),
- Bank's participation in the share capital increase of its subsidiary, Alphalife A.A.E.Z. with the amount of €25,000 (note 46),
- share capital increase following a debt capitalisation of the subsidiary Alpha Investment Property Attikis A.E. amounting to €4,362 (note 46),

The disposals in subsidiaries amounting to €818,096 relate to:

1) Return of capital:

- of the subsidiary Emporiki Development and Real Estate Management amounting to €28,652 (note 46),
- of the subsidiary Ionian Equity Participations Ltd amounting to €9,500 (note 46),

2) Disposals / Mergers:

- disposal of the subsidiary Ionian Equity Participations Ltd amounting to € 30,412 (note 46),

* The Bank uses FX swaps and money market loans to hedge the foreign exchange risk of its investments in subsidiaries abroad.

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- disposal of the subsidiary EVISAK A.E. amounting to €263 (note 46),
- merger of the subsidiary Okeanos A.T.O.E.E amounting to €19,634, and the Group's subsidiaries, AEP Amarousion II A.E. and AEP Chalandri A.E., acquired by AEP Amarousion I A.E., which was renamed to Alpha Investment Property I A.E., and classified to associates with a fair value amounting to € 22,236 (note 46).

The effect of the disposal/merger of the subsidiaries was recognized in the «Gains less losses of financial transactions».

3) Impairment:

- Of the subsidiary Alpha Leasing Romania IFN S.A. amounting to €4,246. This impairment was a result following the assessment of Alpha Leasing Romania IFN S.A. fair value. The valuation is classified in Level 3 of the hierarchy of fair value, as it was based on unobservable inputs. The carrying amount of Alpha Leasing Romania IFN S.A. amounted to €1,321.
- Of the subsidiary Alpha Group Investments Ltd amounting to €61,297. This impairment was booked following the assessment of the fair value of Alpha Group Investments Ltd and its subsidiaries. The valuation is classified in Level 3 of the hierarchy of fair value, as it was based on unobservable inputs. The carrying amount of Alpha Group Investments Ltd amounted to € 408,768.
- Of the subsidiary Alpha Leasing A.E. amounting to €90,138. This impairment was booked following the assessment of the fair value of Alpha Leasing A.E. The valuation is classified in Level 3 of the hierarchy of fair value, as it was based on unobservable inputs. The carrying amount of Alpha Leasing A.E. amounted to €190,866.
- Of the subsidiary Alpha Investment Property Attikis A.E. amounting to €346. This impairment was a result of the agreed sale price of the real estate of its own property. The valuation is classified in Level 3 of the hierarchy of fair value, as it was based on unobservable inputs. The carrying amount of Alpha Investment Property A.E. amounted to €4,013.
- Of the subsidiary Alpha Ivestment Property Attikis II A.E. amounting to €17,118. This impairment was a result of the agreed sale price. The valuation is classified in Level 3 of the hierarchy of fair value, as it was based on unobservable inputs. The carrying amount of Alpha Investment Property Attikis II A.E. amounted to €21,782. Given the fact that criteria set under IFRS 5 met, the subsidiary reclassified as assets held for sale as at 31.12.2017 (note 43).
- Of the subsidiary SSIF Alpha Finance Romania S.A. amounting to €765. This impairment was booked following the assessment of the entity's fair value. The valuation is classified in Level 3 of the hierarchy of fair value, as it was based on unobservable inputs. The carrying amount of SSIF Alpha Finance Romania S.A amounted to €483.
- Of the subsidiary Emporiki Management A.E. amounting to €1,241. This impairment was booked following the assessment of the entity's fair value. The valuation is classified in Level 3 of the hierarchy of fair value, as it was based on unobservable inputs. The carrying amount of Emporiki Management A.E. amounted to €3,079.
- Of the subsidiary AGI Cypre Ermis Ltd amounting to €554,480, as analyzed below:

The Bank, in the first semester of 2017, in the context of the capital restructuring of its subsidiary AGI Cypre Ermis Ltd, performed a capital injection to its subsidiary by the amount of €704,164, with an equal reduction of part of the loan granted by the Bank to the company. On the basis of the above and in the context of the impairment assessment of its investment in AGI Cypre Ermis Ltd the Bank transferred to the accumulated impairment of subsidiaries the amount of €483.864 out of which, an amount of €212,152 corresponds to the existing impairment on loans and advances to customers, and an amount of €271,712 that corresponds to existing provisions for letters of guarantee granted by the bank to its subsidiary (note 31). These letters of guarantee were cancelled in accordance with the terms of the companys capital restructuring. An additional impairment amounting to €70,616 booked, during the second quarter regarding this company.

This impairment was a result of the valuation of the fair value of AGI Cypre Ermis Ltd. The valuation is classified in Level 3 of the hierarchy of fair value, as it was based on unobservable inputs. The recoverable amount of AGI Cypre Ermis Ltd amounted to € 149,684.

Bank's participation in Cepal Holdings SA (former Aktua Hellas Holdings S.A.) reclassified from joint ventures to associates following the company's shareholders' agreement signed during the the second quarter of 2017 and following the amendments in the company's Articles of association on 4.5.2017.

The disposals in associates amounting to € 324 relate mainly to a disposal of a stake of approximately 2.2% in Cepal Holdings S.A. (former Aktua Hellas Holdings S.A.) (note 46).

The additions of joint ventures amounting to €83 relate to the participation of the Bank in the share capital increase of Alpha TANEO AKES (note 46).

The disposals of the joint ventures amounting to €4,241 relate to the impairment of the Alpha TANEO AKES value.

During the current period the Bank acquired 47.04% of the share capital of the company Famar S.A. at a price of four euro and seventy cents.

This acquisition of the shares by the Bank as well as by three other Greek banks, lenders of the company, took place within the context of the French prebankruptcy procedure, that Famar S.A. entered into with a view to its restructuring. At the same time, the banks and a loan management company entered into an agreement, which determines the way of decision making regarding the management of Famar S.A., in order to maximize the recovery potential of the value of the loans granted to the company by the Greek banks. In addition, it is noted that according to Famar's S.A. Articles of Association, there are corporate issues for which decision making is based on the number of shareholders instead of the percentage of shares held.The company's shares are pledged for loans granted by the aforementioned Greek banks to the previous shareholder of Famar S.A, both before and after the restructuring agreement.

The Bank assessed the above and classified the participation in Famar S.A. investments in associates.

Subsidiary financial information

a. Subsidiaries

		Balance 31.12.2017			1.1 - 31.12.2017		
Name	**Country**	**Assets**	**Equity**	**Liabilities**	**Turnover**	**Profit/(Loss) before taxes**	**Bank's ownership interest % 31.12.2017**
Banks							
1. Alpha Bank London Ltd	United Kingdom	917,417	67,154	850,263	29,227	16,603	100.00
2. Alpha Bank Cyprus Ltd	Cyprus	2,764,804	348,435	2,416,369	114,780	(64,740)	98.73
3. Alpha Bank Romania S.A.	Romania	3,360,540	378,781	2,981,759	153,674	56,020	99.92
4. Alpha Bank Srbija A.D.	Serbia				9,950	1,875	0.00
5. Alpha Bank Albania Sh.A.	Albania	578,435	72,192	506,243	18,657	(6,613)	100.00
Leasing companies							
1. Alpha Leasing A.E.	Greece	760,934	183,466	577,468	21,259	(26,035)	100.00
2. Alpha Leasing Romania IFN S.A.	Romania	42,140	1,334	40,806	2,239	18	99.00
3. ABC Factors A.E.	Greece	460,108	111,796	348,312	33,241	12,262	100.00
Investment Banking							
1. Alpha Finance A.E.P.E.Y.	Greece	48,362	29,194	19,168	6,364	(865)	99.72
2. SSIF Alpha Finance Romania S.A.	Romania	2,079	662	1,417	414	(117)	73.32
3. Alpha A.E. Investment Holdings	Greece	37,248	36,135	1,113	141	(336)	99.42
4. Emporiki Ventures Capital Developed Markets Ltd	Cyprus	25,884	25,877	7	299	279	100.00
5. Emporiki Ventures Capital Emerging Markets Ltd	Cyprus	15,518	15,503	15	(512)	(4,965)	100.00
6. Emporiki Management A.E.	Greece	3,189	3,050	139	42	(262)	99.65

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		Balance 31.12.2017			1.1 - 31.12.2017		
Name	Country	Assets	Equity	Liabilities	Turnover	Profit/ (Loss) before taxes	Bank's ownership interest % 31.12.2017
Asset Management							
1. Alpha Asset Management A.E.D.A.K.	Greece	46,259	41,324	4,935	19,824	3,818	88.40
Insurance							
1. Alpha Insurance Agents A.E.	Greece	3,735	3,420	315	1,007	806	100.00
2. Alphalife A.A.E.Z.	Greece	358,541	81,273	277,268	10,980	8,157	99.92
Real Estate and Hotel							
1. Emporiki Development & Real Estate Management A.E.	Greece	8,877	8,837	40	132	(51)	100.00
2. APE Fixed Assets A.E.	Greece	39,670	39,378	292		(260)	72.20
3. Alpha Investment Property Attikis A.E.	Greece	6,152	6,138	14		(306)	98.66
4. Alpha Investment Property Attikis II A.E.	Greece	22,276	22,174	102	1,012	(384)	99.74
Special purpose and holding entities							
1. Alpha Credit Group Plc	United Kingdom	9,035	8,995	40	(12)	25	100.00
2. Alpha Group Jersey Ltd	Jersey	15,040	98	14,942	528	(83)	100.00
3. Alpha Group Investments Ltd	Cyprus	314,720	314,587	133	483	(4,992)	100.00
4. Ionian Holdings A.E.	Greece	350,938	348,810	2,128	2,353	2,175	100.00
5. Emporiki Group Finance Plc	United Kingdom	1,297	1,266	31	(6)	(113)	100.00
6. Katanalotika Plc	United Kingdom	1,519,807	76	1,519,731	65,949	4	
7. Epihiro Plc	United Kingdom	1,757,259	55	1,757,204	46,501	5	
8. Pisti 2010-1 Plc	United Kingdom	883,637	43	883,594	78,833	5	
9. Alpha Group Ltd	Cyprus	47,653	31,795	15,858	(12,519)	(12,569)	100.00
10. Alpha Shipping Finance Ltd	United Kingdom	537,717	(415)	538,132	13,764	(166)	
11. AGI-Cypre Ermis Ltd	Cyprus	1,082,812	62,238	1,020,574	54,733	(345,912)	75.00
Other companies							
1. Kafe Alpha A.E.	Greece	326	264	62	317	75	99.00
2. Alpha Supporting Services A.E.	Greece	80,564	71,856	8,708	14,482	2,065	99.00
3. Evisak A.E.	Greece				2,831	6	

b. Associates

		Balance 31.12.2017			1.1 - 31.12.2017		
Name	Country	Assets	Equity	Liabilities	Turnover	Profit/ (Loss) before taxes	Bank's ownership interest % 31.12.2017
1. AEDEP Thessalias and Stereas Ellados	Greece	538	147	391	633		50.00
2. Bank Information Systems A.E.	Greece	4,855	1,129	3,726	11,230	5	23.77
3. OLGANOS A.E.	Greece	9,210	(812)	10,022	81	(321)	30.44
4. Aktua Hellas Holdings A.E.	Greece	20,852	14,541	6,310	7,731	(4,753)	42.77
5. Famar S.A.*	Luxembourg	370,121	(23,669)	393,791	384,019	(82,190)	47.04
6. Alpha Investment Property I A.E.	Greece	93,189	91,508	1,681	7,064	(3,197)	24.26

* Famar's financial information is derived by the latest published financial statements as of 31.12.2016.

 The amounts are presented in thousands of Euro unless otherwise indicated

c. Joint Ventures

		Balance 31.12.2017			1.1 - 31.12.2017		
Name	Country	Assets	Equity	Liabilities	Turnover	Profit/ (Loss) before taxes	Bank's ownership interest % 31.12.2017
1. APE Commercial Property A.E.	Greece	22,047	22,031	16	(16,864)	(17,233)	72.20
2. APE Investment Property A.E.	Greece	211,848	30,577	181,271	5,639	(6,190)	71.08
3. Alpha TANEO A.K.E.S.	Greece	5,654	5,593	61	(706)	(870)	51.00

As at 31.12.2017 the Bank, following the related loans restructuring agreements with the companies, Selonda A.E.G.E. and Nireus S.A., owns 21.97% and 20.65% of their shares, respectively. The Bank intends to dispose these companies in the near future, thus, these companies were classified in assets held for sale at their fair value, which was determined in the amount of 1 Euro.

20. Investment property

	Land and Buildings
Balance 1.1.2016	
Cost	43,847
Accumulated depreciation and impairment losses	(15,034)
1.1.2016 - 31.12.2016	
Net book value 1.1.2016	28,813
Additions	33
Impairments	(289)
Reclassification to "Other assets"	(361)
Depreciation charge for the year	(360)
Net book value 31.12.2016	**27,836**
Balance 31.12.2016	
Cost	43,471
Accumulated depreciation and impairment losses	(15,635)
1.1.2017 - 31.12.2017	
Net book value 1.1.2017	27,836
Impairments	(1,105)
Depreciation charge for the year	(352)
Net book value 31.12.2017	26,379
Balance 31.12.2017	
Cost	43,471
Accumulated depreciation and impairment losses	(17,092)

The fair value of investment property as at 31.12.2017 amounted to € 25,688 (31.12.2016: € 27,518).

During the period of 2017, an impairment loss of €1,105 was recognized (31.12.2016: €289), in order for the carrying amount of investment property not to exceed their recoverable amount as at 31.12.2017, as estimated by certified appraisers. The impairment amount was recorded in "Other expenses".

The recoverable amount of investment property which was impaired during the current year amounted to €10,915 and it was calculated as the fair value less costs of sale.

The fair value of investment property is calculated in accordance with the methods mentioned in note 1.7 and are classified, in terms of fair value hierarchy, in Level 3, since they have made use of research inputs, assumptions and inputs relating to properties of relevant characteristics and therefore encompass a wide range of non-observable market inputs.

The capitalization rate used ranges between 7.0% and 8.5%.

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21. Property, plant and equipment

	Land and Buildings	Leasehold	Equipment	Total
Balance 1.1.2016				
Cost	954,445	752	361,921	1,317,118
Accumulated depreciation and impairment losses	(310,210)	(237)	(314,824)	(625,271)
1.1.2016 - 31.12.2016				
Net book value 1.1.2016	644,235	515	47,097	691,847
Additions	7,029		17,956	24,985
Impairments	(3,956)			(3,956)
Disposals/Write offs	(1,541)		(23)	(1,564)
Reclassification to "Other Assets"	(4,036)			(4,036)
Reclassification from "Leasehold" to "Equipment"		(471)	471	
Depreciation charge for the year	(17,106)	(44)	(14,256)	(31,406)
Net book value 31.12.2016	**624,625**	-	**51,245**	**675,870**
Balance 31.12.2016				
Cost	951,390		373,058	1,324,448
Accumulated depreciation and impairment losses	(326,765)		(321,813)	(648,578)
1.1.2017 - 31.12.2017				
Net book value 1.1.2017	624,625		51,245	675,870
Additions	6,067		12,356	18,423
Impairments	(26,931)			(26,931)
Disposals/Write offs	(1,669)		(78)	(1,747)
Reclassification to "Other Assets"	(6,550)			(6,550)
Depreciation charge for the year	(16,743)		(13,366)	(30,109)
Net book value 31.12.2017	**578,799**	-	**50,157**	**628,956**
Balance 31.12.2017				
Cost	940,274		363,848	1,304,122
Accumulated depreciation and impairment losses	(361,475)		(313,691)	(675,166)

The carrying amount of owned land and buildings included in the above balances amounts to €559,457 as at 31.12.2017 (31.12.2016: €600,348).

In 2017, an impairment loss of €26,931 was recognized (31.12.2016: €3,956) and was recorded in "Other Expenses".

During the impairment assessment of property, plant and equipment, the estimation of the recoverable amount is based on the value in use, which incorporates the carrying amount of an asset and all the improvements which render it suitable for use from the Bank.

The recoverable amount of "Property, plant and equipment" which was impaired during the current year amounted to €131,309.

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22. Goodwill and other intangible assets

	Software	Banking rights	Other	Total
Balance 1.1.2016				
Cost	441,920	1,785	138,339	582,044
Accumulated amortization and impairment losses	(240,897)	(1,785)	(39,541)	(282,223)
1.1.2016-31.12.2016				
Net book value 1.1.2016	201,023		98,798	299,821
Additions	73,387			73,387
Amortization charge for the year	(20,990)		(18,292)	(39,282)
Net book value 31.12.2016	**253,420**	-	**80,506**	**333,926**
Balance 31.12.2016				
Cost	515,055	1,785	138,339	655,179
Accumulated amortization and impairment losses	(261,635)	(1,785)	(57,833)	(321,253)
1.1.2017 - 31.12.2017				
Net book value 1.1.2017	253,420		80,506	333,926
Additions	60,606			60,606
Amortization charge for the year	(25,459)		(18,290)	(43,749)
Net book value 31.12.2017	**288,567**	-	**62,216**	**350,783**
Balance 31.12.2017				
Cost	575,601	1,785	138,339	715,725
Accumulated amortization and impairment losses	(287,034)	(1,785)	(76,123)	(364,942)

The additions of the current year mainly concern acquisitions of user rights for computer applications.

23. Deferred tax assets

	31.12.2017	31.12.2016
Assets	4,282,208	4,477,144
Total	**4,282,208**	**4,477,144**

Deferred tax assets and liabilities are analyzed as follows:

	1.1 - 31.12.2017				
			Recognized in		
	Balance 1.1.2017	Transer due to Implementation of Law 4465/2017	Income Statement	Equity	Balance 31.12.2017
Debit difference of Law 4046/2012	1,113,870		(44,554)		1,069,316
Debit difference of Law 4465/2017	-	16,850	(1,685)		15,165
Depreciation and fixed assets write-offs	25,443		(2,148)		23,295
Loans portfolio	2,435,414	(16,850)	23,454		2,442,018
Valuation of loans due to hedging	(314)		209		(105)
Valuation of derivatives	176,498		(29,335)	(15,475)	131,688
Employee defined benefit obligations and insurance funds	45,549		(19,508)	(39)	26,002
Tax losses carried forward	430,621		(126,148)	80	304,553
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(39,698)		39,705		7
Valuation of investments	127,312		22,290		149,602
Valuation/impairment of bonds and other securities	77,126		57,589	(133,210)	1,505
Effective interest rate	5,061		(1,145)		3,916
Other temporary differences	80,262		34,984		115,246
Total	**4,477,144**	-	**(46,292)**	**(148,644)**	**4,282,208**

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	1.1 - 31.12.2016				
			Recognized in		
	Balance 1.1.2017	Transer due to Implementation of Law 4465/2017	Income Statement	Equity	Balance 31.12.2017
Debit difference of Law 4046/2012	1,158,424		(44,554)		1,113,870
Depreciation and fixed assets write-offs	34,440		(8,997)		25,443
Loans portfolio	2,298,441		136,973		2,435,414
Valuation of loans due to hedging	(1,154)		840		(314)
Valuation of derivatives	153,856		6,033	16,609	176,498
Employee defined benefit obligations and insurance funds	68,875		(26,378)	3,052	45,549
Tax losses carried forward	471,731		(41,391)	281	430,621
Valuation of liabilities to credit institutions and other borrowed funds due to fair value hedge	(35,920)		(3,778)		(39,698)
Valuation of investments	11,074		116,238		127,312
Valuation/impairment of bonds and other securities	134,012		(18,447)	(38,439)	77,126
Effective interest rate	5,251		(190)		5,061
Other temporary differences	73,456		6,806		80,262
Total	**4,372,486**	**-**	**123,155**	**(18,497)**	**4,477,144**

The amount of €80 (31.12.2016: €281) which is recognized in Equity in the category "Tax losses carried forward" relates to share capital increase expenses which according to Law 4308/14 (Greek Accounting Standards) are recognized in the tax results of the year.

24. Other assets

	31.12.2017	31.12.2016
Tax advances and withholding taxes	204,008	341,409
Deposit and Investment Guarantee Fund	632,813	625,417
Assets obtained from auctions	219,979	222,356
Prepaid expenses	10,808	12,161
Employee advances	7,055	7,234
Accrued income	6,868	4,085
Other	172,464	165,628
Total	**1,253,995**	**1,378,290**

In the caption "Other assets" is included the Hellenic Deposit and Investment Guarantee Fund which relates to the Bank's participation in assets of investment and deposit cover scheme. The above caption consists of:

1. the amount contributed relating to investment cover scheme, and
2. the difference between the regular annual contribution of credit institutions resulting from the application of article 6 of Law 3714/2008 "Borrowers protection and other regulations", which raised the amount of deposits covered from Deposit Guarantee scheme from €20 to €100 per each depositor.

The above difference is included according to Law 4370/7.3.2016 Deposit Guarantee Scheme (incorporating Directive 2014/49/EE), Deposit and Investment Guarantee Fund and other regulations in a special group of assets, whose elements are owned in common by the participant credit institutions, according to the participation percentage of each one.

On 31.12.2017, the Bank measured its fixed assets from auctions, which have classified in other assets at the lowest value between the carrying amount and its fair value. In cases where the fair value was lower than the carrying amount, an impairment loss was recognized of €12,642 in total and is recorded in "Other expenses" of the Income Statement. On 31.12.2016, the relevant impairment loss amounted to €10,822.

The fair value of the assets has been estimated in accordance with the methods mentioned in note 1.7 and are classified in terms of fair value hierarchy in Level 3, since they have made use of research inputs, assumptions and inputs from properties of relevant characteristics and therefore encompass a wide range of non-observable market inputs. The capitalization rate used was between 7.0% and 8.5%.

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LIABILITIES

25. Due to Banks

	31.12.2017	31.12.2016
Deposits:		
- Current accounts	62,629	59,210
- Term deposits		
Central Banks	10,206,372	18,331,086
Other credit institutions	276,882	125,546
Cash collateral for derivative margin accounts and repurchase agreements	71,550	25,465
Sale of repurchase agreements (Repos)	2,719,980	612,449
Borrowing funds	414,437	274,952
Other liabilities to credit institutions		4,293
Total	**13,751,850**	**19,433,001**

Eurosystem funding decreased by €8,124,714 mainly due to new repurchase agreements (Repos), the increase of customers' deposits, the disposal of assets, including EFSF bonds in the context of the PSPP programme (note 18c) and other short-term measures undertaken for the Greek debt relief .

In June 2016, the European Central Bank carried out a new programme of targeted long term refinancing operations (TLTRO-II) with a four year duration. The Bank participates in this program with an amount of €3,100,000.

The caption “Borrowed funds” includes liabilities due to European Investment Bank.

26. Due to customers

	31.12.2017	31.12.2016
Deposits:		
- Current accounts	8,474,243	8,012,949
- Saving accounts	9,281,801	9,366,367
- Term deposits:		
Synthetic swaps	155	104
Other	12,365,827	11,510,096
Sale and repurchase agreements (Repos)	46,115	46,112
	30,168,141	**28,935,628**
Cheques payable	86,889	74,351
Total	**30,255,030**	**29,009,979**

27. Debt securities in issue and other borrowed funds

i. Issues guaranteed by the Greek State (Law 3723/2008)

Under the programme for the enhancement of the Greek’s economy liquidity, according to Law 3723/2008, during 2017, the Bank proceeded to the issuance of senior debt securities guaranteed by the Greek Government amounting to €300,000 while the maturities/redemptions for the same period amounted to €1,300,000.

The Bank does not hold any position in senior debt securities guaranteed by the Greek State as at 31.12.2017 (31.12.2016: €1,000,000).

These securities are not included in the “Debt securities in issue and other borrowed funds”, as they are held by the Bank.

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ii. Covered bonds*

In the context of the existing of direct Covered Bond Issuance Program I of amount € 8 billion the Bank issued, on 1.8.2017, a series 6 bond with a nominal value of € 1 billion collateralized with mortgage loans of a nominal value of € 1.2 billion, maturity date on 23.10.2018 and bearing an interest rate corresponding to three month Euribor plus a margin of 1.2%. The issuance was wholly purchased by the Bank and was used as collateral in financing operations. On 5.12.2017, the above issuance was redeemed.

In the context of the direct Covered Bond Issuance Program II, the Bank, on 6.12.2017, issued a series 1 bond with a nominal value of € 1 billion collateralized with mortgage loans of a nominal value of € 1.1 billion, maturity date on 23.1.2019 and bearing an interest rate corresponding to three month Euribor plus a margin of 1.65%. The issuance is wholly purchased by the Bank and is used as collateral in financing operations.

Covered bonds are not included in caption "Debt securities in issue and other borrowed funds" as these securities are held by the Bank.

The total balance of covered bonds as at 31.12.2017 amounts to €1 billion (31.12.2016: €5 million).

iii. Senior debt securities

Balance 1.1.2017	**26,834**
Changes for the period 1.1 - 31.12.2017	
Maturities/Repayments	(17,719)
Accrued interest	862
Balance 31.12.2017	**9,977**

iv. Liabilities from the securitization of shipping loans

Balance 1.1.2017	**227,487**
Changes for the period 1.1 - 31.12.2017	
New issues	140,210
Maturities/Repayments	(57,292)
Accrued interest	7,946
Foreign exchange differences	(24,819)
Balance 31.12.2017	**293,532**

During 2014, the Bank proceeded to a shipping loan securitization transaction, transferring them to the Special Purpose Entity, Alpha Shipping Finance Ltd, which in turn raised funding from third parties.

v. Liabilities from the securitization of corporate loans(SMEs)

Balance 1.1.2017	**289,160**
Changes for the period 1.1 - 31.12.2017	
New issues	118,379
Maturities/Repayments	(174,688)
Accrued interest	5,653
Balance 31.12.2017	**238,504**

During 2016, the Bank proceeded with the securitization of SME's loans, by transferring the afore mentioned loans to the fully consolidated special purpose entity, Alpha Proodos Designated Activity Company (D.A.C.), which in turn raised funding from third parties and the Bank.

* Financial disclosures regarding covered bond issues, as determined by the 2620/28.8.2009 Act of the Bank of Greece, have been published on the Bax.

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vi. Liabilities from the securitization of other loans

Liabilities arising from the securitization of consumer loans, corporate loans and credit cards are not included in "Debt securities in issue and other borrowed funds" since these securities of nominal value €3,699,600 have been issued by special purpose entities and held by the Bank.

vii. Subordinated debt

Balance 1.1.2017	**26,006**
Changes for the period 1.1 - 31.12.2016	
Maturities/Repayments	(25,308)
Accrued interest	(47)
Balance 31.12.2017	**651**

viii. Hybrid securities

Balance 1.1.2017	**15,277**
Changes for the period 1.1 - 31.12.2017	
Accrued interest	8
Balance 31.12.2017	**15,285**

ix. Convertible bond loan

Balance 1.1.2017	**13,995**
Changes for the period 1.1 - 31.12.2016	
Maturity	(12,205)
Fair value change	(1,790)
Balance 31.12.2017	**-**

The convertible bond concerns bond issuance with nominal value €150,000 issued by the Bank on 1.2.2013 under an agreement with Credit Agricole SA for the acquisition of former Emporiki Bank.

The convertible bond matured on 1.2.2017, and on 23.2.2017 following the exercise of the conversion right from the total bondholders, the Bank proceeded to a share capital increase (Note 32).

Total of debt securities in issue and other borrowed funds as at 31.12.2017	**557,949**

The changes in liabilities arised from financing activities, including the cash flow and non-cash flow changes, are presented in the table below:

		Cash Flows	Non Cash Flows				
Cash flows from financing activities	**1.1.2017**	**New Issues, Maturities, Repayments**	**Accrued interest**	**Foreign exchange differences**	**Fair value change**	**Conversion of bond loan to shares**	**31.12.2017**
Senior debt securities	26,834	(17,719)	862				9,977
Liabilities from the securitization of shipping loans	227,487	82,918	7,946	(24,819)			293,532
Liabilities from the securitization of corporate loans (SMEs)	289,160	(56,309)	5,653				238,504
Subordinated loans	26,006	(25,308)	(47)				651
Hybrid securities	15,277		8				15,285
Convertible bond loan	13,995				(1,790)	(12,205)	

The above cash flows are included in the net cash flows from financing activities in the cash flow statement of the period with exception of the cash flows from senior debt securities, which are included in the net cash flows from operating activities.

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28. Liabilities for current income tax and other taxes

	31.12.2017	31.12.2016
Other taxes	17,920	19,419
Total	**17,920**	**19,419**

29. Employee defined benefit obligations

The total amounts recognized in the financial statements for defined benefit obligations are presented in the table below:

	Balance Sheet - Liabilities	
	31.12.2017	31.12.2016
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	79,526	78,597
Savings program guarantee	3,232	4,225
Plans for Diners (pension and health care)	6,683	6,304
Total Liabilities	**89,441**	**89,126**

	Income Statement Expenses/(Income) FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920 (note 7)	4,039	7,118
TAP – Lump sum benefit		3,972
Savings program guarantee	301	206
Plans for Diners (pension and health care)	125	140
Total	**4,465**	**11,436**

Balance Sheet item and Income Statement amounts are analyzed per fund and type of benefit as follows:

a. Employee indemnity due to retirement in accordance with Law 2112/1920

The employment contracts of the employees are considered open term employee contracts and when cancelled, the provisions of Law 2112/1920 and Law 3198/1955 apply, as amended by Law 4093/2012, which provide a lump sum benefit payment.

The amounts recognized in the balance sheet are as follows:

	31.12.2017	31.12.2016
Present value of defined obligations	79,526	78,597
Liability	**79,526**	**78,597**

The amounts recognized in the income statement are as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Current service cost	2,289	2,082
Net interest cost resulted from net asset/liability	1,411	1,760
Past service cost		2,343
(Gain)/Loss from Settlement/Curtailment/Termination	339	933
Total (included in staff costs)	**4,039**	**7,118**

The amounts are presented in thousands of Euro unless otherwise indicated

The movement in the present value of defined obligation is as follows:

	2017	2016
Opening balance	**78,597**	**70,643**
Current service cost	2,289	2,082
Interest cost	1,411	1,760
Benefits paid	(3,994)	(7,225)
(Gain)/Loss from Settlement/Curtailment/Termination	339	933
Past service cost		2,343
Actuarial (gain)/loss - financial assumptions	1,568	8,690
Actuarial (gain)/loss – experience adjustments	(684)	(629)
Closing balance	**79,526**	**78,597**

The amounts recognized in equity during the year are analyzed as follows:

	31.12.2017	31.12.2016
Change in liability gain/(loss) due to changes in financial and demographic assumptions	(1,568)	(8,690)
Change in liability gain/(loss) due to experience adjustments	684	629
Total actuarial gain/(loss) recognized in Equity	**(884)**	**(8,061)**

The movement in the obligation in the balance sheet is as follows:

	2017	2016
Opening balance	**78,597**	**70,643**
Benefits paid	(3,994)	(7,225)
Loss /(Gain) recognized in Income Statement	4,039	7,118
Loss/(Gain) recognized in Equity	884	8,061
Closing balance	**79,526**	**78,597**

b. Supplementary Pension Fund (TAP) of former Alpha Credit Bank Employees

The obligation to the Supplementary Pension Fund (TAP) of former Alpha Credit Bank employees, after it was absorbed by the Common Insurance Fund of Bank Employees for the supplementary pension (Article 10, Law 3620/2007) was restricted to paying a lump sum benefit to retiring employees, which was guaranteed by the Bank. On 18.11.2013 the Bank signed a new operational agreement with the Association of Personnel, whereby the amount paid by the Supplementary Pension Fund, will not exceed the difference between the amount corresponding to the overall lump sum provision, according to the statute of the Supplementary Pension Fund (TAP), and the amount of compensation that the Bank must pay, according to the current labor legislation, on the termination of employment contracts. This adjustment is not affected by a potential reduction of the compensation amount in the future.

On 20.5.2016 the General Meeting of the representatives of TAP's members decided the liquidation of TAP under the terms of the agreement signed on 21.4.2016 between the Bank, the staff association and TAP. Based on the decision, contribution from TAP were returned to its members along with their returns according to the articles of association. This resulted in the settlement of the respective obligation.

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The amounts included in the income statement are as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Current service cost		1,155
Net interest cost resulted from net asset/liability		284
General expenses		2
Total of current service cost	-	**1,441**
(Gain)/Loss from Settlement/Curtailment/Termination		2,531
Total (included in staff costs)	-	**3,972**

The movement in the present value of the defined benefit obligations is as follows:

	2017	2016
Opening balance		**62,947**
Current service cost		1,155
Interest cost		654
Employee contributions		124
Benefits paid		(72,125)
(Gain)/Loss from Settlement/Curtailment/Termination		2,531
Actuarial (gain)/loss – experience adjustments		4,714
Closing balance	-	-

The movement in the fair value of plan assets is as follows:

	2017	2016
Opening balance		**35,502**
Expected return		370
Employee contributions		124
Bank's contributions		31,417
Benefits paid		(72,125)
Expenses		(2)
Actuarial losses		4,714
Closing balance	-	-

The amounts recognized directly in Equity during the year are analyzed as follows:

	31.12.2017	31.12.2016
Change in liability due to experience adjustments – gain/(loss)		(4,714)
Return on plan assets excluding amounts included in Income Statement – gain/(loss)		4,714
Total actuarial gain/(loss) recognized in equity	-	-

The movement of the liability in the balance sheet is as follows:

	2017	2016
Opening balance		**27,445**
Bank's contributions		(31,417)
Loss/(Gain) recognized in Income Statement		3,972
Closing balance	-	-

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c. Guarantee of the minimum benefit for newly insured employees (after 1993) that were hired up to 31.12.2004 and joined the new Bank's savings plan

For employees hired by the Bank and insured from 1.1.1993 until 31.12.2004 the final amount to be received upon retirement has, according to the provisions of the insurance plan, as minimum limit the benefit as defined in Law 2084/1992 and the Cabinet Act 2/39350/0022/2.3.99.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2017	31.12.2016
Present value of defined obligation	3,232	4,225
Liability	**3,232**	**4,225**

The amounts included in the income statement are analyzed as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Current service cost	225	142
Net interest cost resulted from the net asset/liability	76	64
Total (included in staff costs)	**301**	**206**

The movement in the present value of defined benefit obligation is as follows:

	2017	2016
Opening balance	**4,225**	**2,556**
Current service cost	225	142
Interest cost	76	64
Actuarial (gain)/loss - financial assumptions	70	1,631
Actuarial (gain)/loss – experience adjustments	(1,364)	(168)
Closing balance	**3,232**	**4,225**

The amounts recognized directly in Equity during the year are analyzed as follows:

	2017	2016
Change in liability gain/(loss) due to financial and geographical assumption	(70)	(1,631)
Change in liability gain/(loss) due to experience adjustments	1,364	168
Total actuarial gain/(loss) recognized in equity	**1,294**	**(1,463)**

The movement in the obligation is as follows:

	2017	2016
Opening balance	**4,225**	**2,556**
Loss/(Gain) recognized in Income Statement	301	206
Loss/(Gain) recognized in Equity	(1,294)	1,463
Closing balance	**3,232**	**4,225**

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d. Supplementary Pension Fund and Healthcare of Diners

The Bank guarantees from 30.9.2014, date of acquisition of Diners Club Greece A.E., the Supplementary Pension Fund and Health Care Plan of the Company, which is managed by an independent insurance company.

On 2.6.2015, the merger via absorption of the company was completed. These plans cover the pensioners and those who have retired and have the right to receive supplementary pension in the future.

The amounts included in the balance sheet are analyzed as follows:

	31.12.2017	31.12.2016
Present value of defined obligation	9,752	9,726
Fair value of plan assets	(3,069)	(3,422)
Liability	**6,683**	**6,304**

The amounts included in the income statement are analyzed as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Net interest cost resulted from net asset/liability	114	129
Expenses	11	11
Total (included in staff costs)	125	140

The movement in the present value of defined benefit obligation is as follows:

	2017	2016
Opening balance	**9,726**	**8,941**
Interest cost	172	219
Benefits paid directly by the Bank	(23)	(13)
Benefits paid by the plan	(343)	(336)
Actuarial (gain)/loss - financial assumptions	162	1,000
Actuarial (gain)/loss – experience adjustments	58	(85)
Closing balance	**9,752**	**9,726**

The movement in the fair value of plan assets is as follows:

	2017	2016
Opening balance	**3,422**	**3,769**
Expected return	58	90
Benefits paid	(343)	(336)
Expenses	(11)	(11)
Actuarial losses	(57)	(90)
Closing balance	**3,069**	**3,422**

The amounts recognized directly in Equity during the year are analyzed as follows:

	2017	2016
Change in liability gain/(loss) due to financial and demographic assumptions	(162)	(1,000)
Change in liability gain/(loss) due to experience adjustments	(58)	85
Return on plan assets excluding amounts included in income statement - gain/(loss)	(57)	(90)
Total actuarial gain/(loss) recognized in Equity	**(277)**	**(1,005)**

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The movement in the obligation/(asset) is as follows:

	2017	2016
Opening balance	**6,304**	**5,172**
Benefits paid directly by the Bank	(23)	(13)
Amount recognized in Income Statement	125	140
Amount recognized in Equity	277	1,005
Closing balance	**6,683**	**6,304**

The results of the abovementioned valuations are based on the assumptions of the actuarial studies.

The principal actuarial assumptions used for the above mentioned defined benefit plans are as follows:

	31.12.2017	31.12.2016
Discount rate	1.68%	1.80%
Inflation rate	1.50%	1.50%
Return on plan assets	2.00%	2.00%
Future salary growth	1.80%	1.80%
Future pension growth	0.00%	0.00%

The discount rate was based on the iBoxx Euro Corporate AA+ adopted to the characteristics of the programs.

The average duration per program is depicted in the table below:

	31.12.2017	31.12.2016
Bank employee's indemnity provision due to retirement in accordance with Law 2112/1920	17.2	17.7
Savings program guarantee	18.6	19.5
Programms of Diners (Pension and Healthcare)	16.0	16.3

The table below presents the sensitivity of the obligations of the above programs on the financial assumptions:

	Percentage variation in liability (%)
Increase in discount rate by 0,5%	(8.0)
Decrease in discount rate by 0.5%	8.9
Increase in future salary growth rate by 0.5%	8.9
Decrease in future salary growth rate by 0.5%	(8.0)

For all the programs mentioned above, no contibutions are expected to be paid during 2018.

30. Other liabilities

	31.12.2017	31.12.2016
Suppliers	38,269	45,306
Deferred income	1,952	5,173
Accrued expenses	55,298	54,519
Liabilities to third parties	107,432	79,396
Liabilities to Insurance Funds E.T.A.T., I.K.A. - E.T.E.A.M. (note 7)		67,281
Liabilities to merchants from the use of credit cards	338,216	301,009
Other	283,173	253,816
Total	**824,340**	**806,500**

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31. Provisions

Balance 1.1.2016	**410,446**
Changes for the period 1.1 - 31.12.2016	
Other provisions (note 9)	7,916
Other provisions used	(4,047)
Use of provision for separation scheme (note 7)	(35,262)
Provisions to cover credit risk relating to off-balance sheet items (note 10)	4,135
Balance 31.12.2016	**383,188**
Changes for the period 1.1 - 31.12.2017	
Other provisions (note 9)	9,794
Other provisions used	(4,522)
Change of provisions to cover credit risk relating to off-balance sheet items	(291,839)
Use of provision for separation scheme (note 7)	(18,457)
Provisions to cover credit risk relating to off-balance sheet items (note 10)	4,424
Provision for separation scheme (note 7)	92,719
Balance 31.12.2017	**175,307**

The amounts of other provisions charged to profit and loss account are included in "Other Expenses" of the income statement.

The Bank, during the year of 2017, and in the context of the capital restructuring of its subsidiary AGI Cypre Ermis Ltd reclassified to accumulated impairment on subsidiaries' the amount of €271,712 that corresponds to the existing provisions for letters of guarantee granted by the Bank to its subsidiary. These letters of guarantees were cancelled, in the context of the capital restructuring of its subsidiary (note 19).

On 31.12.2017 the balance of provisions to cover credit risk relating to off-balance sheet items amounts to €11,712 (31.12.2016 €299,128) and other provisions to €163,595 (31.12. 2016 €84,060) out of which:

- An amount of € 31,818 (31.12.2016 €29,040) relates to pending legal cases against the Bank.
- An amount of €103,300 (31.12.2016 €29,038) relates to provision of separation scheme (note 7).

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EQUITY

32. Share capital

The Bank's share capital as at 31.12.2017 is analysed as follows:

	Opening balance of shares as at 1.1.2017	Changes for the period from 1.1.2017 to 31.12.2017 (units)	Balance of shares as at 31.12.2017	Paid-in capital as at 31.12.2017
		Shares from the conversion of convertible bond loan		
a. Ordinary shares				
Number of ordinary shares	1,536,881,200		1,536,881,200	461,064
Share capital increase		6,818,181	6,818,181	2,046
Total	**1,536,881,200**	**6,818,181**	**1,543,699,381**	**463,110**

On 23.2.2017, as a result of exercising the conversion right of all bondholders, the Bank's Board of Directors, approved the share capital increase of €2,045, due to the conversion of the convertible bond of €150,000 that was issued on 1.2.2013, under the agreement with Credit Agricole S.A., Crédit Agricole Corporate and Investment Bank.

As a result of the above the Bank's share capital on 31.12.2017 amounts to €463,110. From the conversion, 6,818,181 new ordinary, registered, voting, paperless shares of the Bank with a nominal value of €0.30 each, were issued and registered to Athens Stock Exchange on 18.4.2017.

Regarding the warrant's exercise on the shares held by Hellenic Financial Stability Fund, on 14.12.2017, 6,608 warrants were exercised by the shareholders which corresponded to 979 ordinary shares. The exercise of warrants did not affect the Bank's share capital but the number of shares held by the Hellenic Financial Stability Fund.

33. Share premium

Opening balance 1.1.2017	**10,790,870**
Conversion of the convertible bond loan	10,159
Balance 31.12.2017	**10,801,029**

Following the above share capital increase «Share premium» was increased by €10,159.

34. Reseves

Reserves are analyzed as follows:

a. Statutory reserve

	31.12.2017	31.12.2016
Statutory reserve	420,425	420,425

According to the Bank's article of association (article 26), the Bank is required to transfer 5% of its annual profit after tax to a statutory reserve, until this reserve amounts to one third of its share capital. This reserve can only be used to offset losses according to article 44 of Codified Law 2190/1920.

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b. Available for sale securities reserve

	2017	2016
Opening balance 1.1	**(29,909)**	**(125,129)**
Changes for the period 1.1 - 31.12		
Net change in fair value of available for sale securities, after income tax	382,081	111,310
Net change in fair value of available for sale securities transferred to profit and loss	(55,322)	(16,090)
Total	**326,759**	**95,220**
Balance 31.12	**296,850**	**(29,909)**

c. Other reserves

	2017	2016
Opening balance 1.1	**(182,329)**	**(141,665)**
Changes for the period 1.1 - 31.12		
Cash flow hedge reserve after income tax	37,886	(40,664)
Total 31.12	**(144,443)**	**(182,329)**

Total reserves (a+b+c)	**572,832**	**208,187**

35. Retained earnings

a. Due to the Bank's accumulated losses for the year 2016 and after taking into account article 44a of Codified Law 2190/1920, the Ordinary General Meeting of Shareholders on 30.6.2017 decided the non distribution of dividend to ordinary shareholders of the Bank.

b. Since the above are valid for 2017, the Bank's Board of Directors will propose the non - distribution of dividend to the Ordinary General Meeting of shareholders of the Bank.

c. The caption "Retained Earnings" as of 31.12.2017 includes expenses concerning the share capital increase, amounting to € 194 (31.12.2016: € 688) net of income tax.

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ADDITIONAL INFORMATION

36. Contingent liabilities and commitments

a) Legal issues

The Bank, in the ordinary course of business, is a defendant in claims from customers and other legal proceedings. In the context of managing the operational risk events and on the basis of the accounting principles followed, the Bank records all the filed lawsuits or similar actions performed by third parties against the Bank and considers any possibility of their success, as well as the possible outcome.

For cases where there is a significant probability of a negative outcome, and the result may be sufficiently estimated, the Bank creates a provision that is included in the Balance Sheet under the caption "Provisions". On 31.12.2017 the amount of the provision stood at €31,818 (31.12.2016: €29,040).

For cases where according to their progress and the evaluation of the Legal department on December 31, 2017, a negative outcome is not probable or the potential outflow cannot be estimated reliably due to the complexity of the cases, the time period they will last and the uncertainty of their outcome, the Bank has not recognized a provision. As of 31.12.2017 the legal claims against the Bank for the above cases amount to €289.9 million (31.12.2016: €270.3 million).

According to the estimations of the legal department, the ultimate settlement of these matters is not expected to have a material effect on the financial position or the operations of the Bank.

b) Tax issues

The Bank has been audited by the tax authorities for the years up to and including 2009. Tax audit for the year 2010 was finalized by tax authorities in October 2017. Year 2011 is considered as closed due to 5-year statute limitation rule, in accordance with the Ministerial Decision POL. 1208/20.12.2017 of the Independent Public Revenue Authority. For the years 2011 up to 2016, the Bank has obtained a tax certificate with no qualifications according to the article 82 of Law 2238/1994 and the article 65A of Law 4174/2013. Emporiki Bank has been audited by the tax authorities for the years up to and including 2008. Years 2009-2011 are considered as closed due to 5-year statute limitation rule, in accordance with the Ministerial Decision 1208/20.12.2017 of the Independent Public Revenue Authority. For the years 2011 up to 2013 it has obtained a tax certificate with no qualifications.

The Bank's branches in London and Bulgaria have been audited by the tax authorities for 2013 and 2016 respectively, For Bulgaria Branch, the tax audit for the year 2016 was completed in February 2017. Emporiki Bank's Cyprus branch has not been audited by the tax authorities since the commencement of its operations (year 2011), until its deletion from department of Registrar of companies of Cyprus (August 2015), meanwhile it has ceased its operations from September of 2014.

On 2.6.2015, the merger via absorption of Diners Club of Greece was completed. Diners Club of Greece has been audited by the tax authorities for the years up to and including 2010. Year 2011 is considered as closed due to 5-year statute limitation rule, in accordance with the Ministerial Decision POL. 1208/20.12.2017 of the Independent Public Revenue Authority. For the years 2011 up to 2013 it has obtained a tax certificate with no qualifications.

Based on Ministerial Decision 1006/5.1.2016 there is no exemption from tax audit by the tax authorities to those entities that have been tax audited by the independent auditor and they have received an unqualified tax audit certificate. Therefore, the tax authorities may reaudit the tax books for previous years.

Additional taxes and penalties may be imposed by tax authorities, as a result of tax audits for unaudited tax years, the amount of which cannot be accurately determined.

c) Operating leases

The Bank as lessee

The Bank has various obligations with respect to leases of buildings which are used as branches or for administrative purposes.

The duration of the lease agreements is initially for twelve years with a renewal or extension option according to the lease agreements. The policy of the Bank is to renew these contracts

The minimum future lease payments are:

	31.12.2017	31.12.2016
Less than one year	25,940	29,163
Between one and five years	52,448	76,014
More than five years	57,059	77,699
Total	**135,446**	**182,876**

In 2017, total lease expenses of the Bank correspond to rental of buildings amounting to €29,704 (31.12.2016: €30,799) and are included in "General administrative expenses".

The Bank as a lessor

The Bank's receivables from leases relate to leases from buildings either to Group companies or third parties.

The minimum future lease revenues are:

	31.12.2017	31.12.2016
Less than one year	5,205	4,199
Between one and five years	15,396	11,118
More than five years	19,176	13,954
Total	**39,777**	**29,271**

The lease revenues for the year 2017 amounted to €4,756 (31.12.2016: €3,775) and are included in "Other income".

d) Off balance sheet liabilities

The Bank pursuant to its normal operations, is bound by contractual commitments, that in the future may result to changes in its asset structure. These commitments are monitored in off balance sheet accounts and relate to letters of credit, letters of guarantee, undrawn credit facilities and credit limits, as well as guarantees provided for bonds issued by subsidiaries and other guarantees to subsidiaries.

In addition, contingent liabilities for the Bank arise from undrawn loan commitments and credit limits that may not be fulfilled immediately or may be partly fulfilled as long as the agreed upon requirements are fulfilled by counterparties.

The outstanding balances are as follows:

	31.12.2017	31.12.2016
Letters of credit	15,967	16,215
Letters of guarantee and other guarantees	3,583,547	4,116,824
Guarantees relating to bonds issued by subsidiaries of the Bank	15,542	15,542

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Letters of credit are used to facilitate trading activities and relate to the financing of contractual agreements for the transfer of goods domestically or abroad, by undertaking the direct payment the third party bound by the agreement on behalf of the Bank's client. Letters of credit, as well as letters of guarantee, are commitments under specific terms and are issued by the Bank for the purpose of ensuring that its clients will fulfill the terms of their contractual obligations.

The liability from limits that can not be recalled (committed) in case where counterparties fail to meet their contractual obligations as at 31.12.2017 amounts to €346,556 (31.12.2016: € 421,710) and are included in the calculation of risk weighted assets.

The Bank has committed to contribute in the share capital of the joint venture Alpha TANEO AKES up to the amount of €187.

e) Assets pledged

Assets pledged, as at 31.12.2017 are analyzed as follows:

- Pledged cash and balances with Central Banks amounting to €312,991 concerning the Bank's obligation to maintain deposits in the Bank of Greece, corresponding to 1% of total customer deposits.
- Due from banks:
  i. Pledged placements amounting to €216,195 concerning guarantees provided mainly on behalf of the Greek Government.
  ii. Pledged placements to credit institutions amounting to €947,939 which have been provided as guarantee for derivative transactions and other repurchase agreements.
  iii. Pledged placements to credit institutions amounting to €18,905, that were given as letters of credit or guarantee letters issued by the Bank in order to facilitate the clients imports.
  iv. Pledged placements of €6,214 were pledged to the Resolution Fund as irrevocable payment commitment as part of 2016 and 2017 contribution. The commitment has to be fully secured by cash as decided by the Single Resolution Board.
  v. Placements of € 321,847 have been provided to foreign subsidiaries as collateral to credit risk.
  vi. Placements of €5,100 have been given as collateral for the issuance of bonds with nominal value of €1,000,000 held by the Bank, as mentioned below under "Loans and advances to customers"
- Loans and advances to customers:
  i. Loans with value of €18,213,798 are pledged to Central Banks for liquidity purposes.
  ii. A carrying amount of €3,079,453, which relates to corporate, consumer loans and credit cards has been securitized for the issuance of the Group's special purpose entities' bonds of a nominal value €3,699,600 which are held by the Bank, of which an amount of €2,066,900 was provided as collateral for repurchase agreements (repo).
  iii. A carrying amount of €523,422, which relates to shipping loans, has been securitized for the issuance of debt securities for the purpose of financing the Bank through a Special Purpose Entity, which amounts to €316,713 as at 31.12.2017.
  iv. A carrying amount of €586,680 relating to corporate loans has been securitized for the issuance of debt securities from Special Purpose Entities as at 31.12.2017 amounted to €640,000 , out of which €320,000 is held by the Bank. From the amount held by the Bank an amount of €100,000 has been provided as guarantee for other repurchase agreements.
  v. A carrying amount of € 46,048 relating to corporate loans has been pledged for other loan facilities.
  vi. A carrying amount of €1,112,325 which relates to mortgage loans has been given as collateral for the issuance of covered bonds held by the Bank with a nominal value of €1,000,000 as of 31.12.2017 and they were provided as guarantee for repurchase agreements.

- Trading securities and investment securities:
  - i. A carrying amount of €3,436,247 of Greek Government securities, out of which a carrying amount of €3,133,717 has been pledged to central banks for liquidity purposes, a carrying amount of €5,304 has been pledged for other loan facilities whilst a carrying amount of €297,226 was provided as collateral for repurchase agreements (repo).
  - ii. A carrying amount of €489,014 relates to securities issued by the European Financial Stability Facility (EFSF) of which a carrying amount of €251,507 has been pledged to Central Banks with the purpose to participate in main refinancing operations and a carrying amount of €237,507 has been given as collateral for repurchase agreement (repo). In addition securities of nominal value of €35,510 that relates to securities received as guarantee for reverse repurchase agreements have been given as guarantee for repurchase agreements.
  - iii. A carrying amount of €213,005, that relates to bonds issued from the securitization of receivables of finance leases of a Group's entity has been provided as guarantee for repurchase agreements.
  - iv. A carrying amount of €263,460 of other corporate and government securities has been provided as guarantee for repurchase agreements.
  - v. A carrying amount of €138,124 which relates to bonds issued by third parties, has been given to Central Banks for liquidity purposes.

37. Operating segments

a. Analysis of operating segment

(In millions of Euro)

	1.1 - 31.12.2017						
	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other	Total
Net interest income	947.1	622.6	0.5	107.4		16.7	1,694.3
Net fee and commission income	109.4	119.8	34.4	14.5			278.1
Other income	8.4	(33.8)	1.5	139.6		(149.6)	(33.9)
Total income	**1,064.9**	**708.6**	**36.4**	**261.5**	**-**	**(132.9)**	**1,938.5**
Total expenses before impairment losses and provisions to cover credit risk	**(683.7)**	**(151.8)**	**(14.5)**	**(16.7)**		**(75.2)**	**(941.9)**
Impairment losses	(886.5)	88.5					(798.0)
Provision for separation scheme						(92.7)	(92.7)
Profit/(losses) before income tax	**(505.3)**	**645.3**	**21.9**	**244.8**	**-**	**(300.8)**	**105.9**
Income tax							(61.9)
Profit/(losses) after income tax from continuing operations							**43.9**
Profit/(losses) after income tax from discontinued operations							-
Profit/(losses) after income tax							**43.9**
Assets 31.12.2017	23,567.6	16,344.9	78.3	8,812.2		7,051.7	55,854.7
Liabilities 31.12.2017	23,321.4	6,679.2	1,106.6	15,494.0		107.8	46,709.0
Capital expenditure	58.0	15.4	1.3	1.3		3.0	79.0
Depreciation and Amortization	(54.5)	(14.5)	(1.2)	(1.2)		(2.8)	(74.2)

(In millions of Euro)

	1.1 - 31.12.2016						
	Retail Banking	Corporate Banking	Asset Management/ Insurance	Investment Banking/ Treasury	South-Eastern Europe	Other	Total
Net interest income	997.7	669.9	1.1	(20.0)		17.8	1,666.5
Net fee and commission income	110.8	128.7	27.2	3.9			270.6
Other income	6.9	4.7	1.5	63.6		213.7	290.4
Total income	**1,115.4**	**803.3**	**29.8**	**47.5**	**-**	**231.5**	**2,227.5**
Total expenses before impairment losses and provisions to cover credit risk	**(675.8)**	**(129.1)**	**(14.3)**	**(16.3)**		**(84.1)**	**(919.6)**
Impairment losses	(352.2)	(812.4)				(5.6)	(1,170.2)
Profit/(losses) before income tax	**87.4**	**(138.2)**	**15.5**	**31.2**	**-**	**141.8**	**137.7**
Income tax							123.2
Profit/(losses) after income tax from continuing operations							**260.9**
Profit/(losses) after income tax from discontinued operations					(0.3)		(0.3)
Profit/(losses) after income tax							**260.6**
Assets 31.12.2016	24,556.7	17,221.5	84.8	11,578.9		6,960.7	60,402.6
Liabilities 31.12.2016	22,729.6	6,438.5	876.2	21,495.5		137.8	51,677.5
Capital expenditure	74.0	16.4	1.3	1.1		5.7	98.4
Depreciation and Amortization	(53.4)	(11.9)	(0.9)	(0.8)		(4.1)	(71.0)

i. Retail Banking

Includes all individuals (retail banking customers), professionals, small and very small companies, except from those whose relationship management is performed by the branches abroad (South-Eastern Europe).

The Bank, through its extended branch network, offers all types of Deposit Products (Deposits/Savings accounts, Working capital/Current accounts, Investment facilities/Term deposits, Repos, Swaps), loan facilities (Mortgages, Consumer, Corporate loans, Letters of guarantee) and debit and credit cards of the above customers.

ii. Corporate Banking

Includes all medium-sized and large companies, with international activities, corporations managed by the Corporate Banking Division and shipping corporations. The Bank offers working capital facilities, corporate loans, and letters of guarantee of the abovementioned corporations.

iii. Asset Management/Insurance

Consists of a wide range of asset management services offered through the Bank's private banking units. In addition, a wide range of insurance products to individuals and companies is provided.

iv. Investment Banking/Treasury

Includes stock exchange, advisory and brokerage services relating to capital markets, and also investment banking facilities, offered by the Bank. It also includes the activities of the Dealing Room in the interbank market (FX Swaps, Bonds, Futures, IRS, Interbank placements – Loans etc.).

v. South Eastern Europe

The Bank's branch in Bulgaria, included in this segment, is presented in "Profit/(losses) from discontinued operations".

vi. Other

This segment consists of administration departments of the Bank and income and expenses that are not related to its operating activities or are non recurring and are due to external factors.

The assets of the operating segments "Retail" and "Corporate Banking" include the following figures of the Bank's loans, which are being managed by the non performing loans retail and wholesale banking units, based on Bank's internal procedures.

	31.12.2017			31.12.2016		
	Total gross amount	Allowance for impairment losses	Total net amount	Total gross amount	Allowance for impairment losses	Total net amount
Mortgages	7,753,680	2,518,418	5,235,262	7,655,203	2,032,511	5,622,691
Consumer loan	3,634,517	1,678,567	1,955,950	4,336,599	2,394,214	1,942,385
Corporate loans	12,238,938	5,777,849	6,461,089	13,704,057	7,686,799	6,017,258
Total	**23,627,134**	**9,974,834**	**13,652,300**	**25,695,859**	**12,113,524**	**13,582,334**

b. Analysis by geographical segment

(In millions of Euro)

	1.1 - 31.12.2017		
	Greece	Other Countries	Total
Net interest income	1,687.6	6.7	1,694.3
Net fee and commission income	274.5	3.6	278.1
Other income	(35.5)	1.6	(33.9)
Total income	**1,926.6**	**11.9**	**1,938.5**
Total expenses before impairment losses and provisions to cover credit risk	**(935.2)**	**(6.7)**	**(941.9)**
Impairment losses	(798.0)		(798)
Provision for separation scheme	(92.7)		(92.7)
Profit/(Losses) before income tax	**100.7**	**5.2**	**105.9**
Income tax			(61.9)
Profit/(Losses) after income tax from continuing operations			**44.0**
Profit/(losses) after income tax from discontinued operations			-
Profit/(losses) after income tax			**44.0**
Assets 31.12.2017	55,834.7	20.0	55,854.7

(In millions of Euro)

	1.1 - 31.12.2016		
	Greece	Other Countries	Total
Net interest income	1,658.1	8.4	1,666.5
Net fee and commission income	268.1	2.5	270.6
Other income	289.1	1.3	290.4
Total income	**2,215.3**	**12.2**	**2,227.5**
Total expenses before impairment losses and provisions to cover credit risk	**(912.6)**	**(7.0)**	**(919.6)**
Impairment losses	(1,170.2)		(1,170.2)
Profit/(Losses) before income tax	**132.5**	**5.2**	**137.7**
Income tax			123.2
Profit/(Losses) after income tax from continuing operations			**260.9**
Profit/(losses) after income tax from discontinued operations		(0.3)	(0.3)
Profit/(losses) after income tax			**260.6**
Assets 31.12.2016	60,381.6	21.0	60,402.6

38. Risk Management

The Bank has established a thorough and prudent risk management framework which is being built on best supervisory practices which, based on the common European legislation and banking system rules, principles and standards is evolved over time in order to be implemented in a coherent and effective manner on the Bank's conduct of the day-to-day business to ensure the effectiveness of its corporate governance.

The Bank's critical focus in 2017 was to maintain high standards in corporate governance and compliance with regulatory risk rules and retain confidence in the conduct of its business activities through sound and robust provision of financial services.

38.1 Credit Risk Management

RISK MANAGEMENT ORGANIZATION

Board of Directors (BoD)

The Board of Directors supervises the overall operations of the Risk Management Unit. Regarding Risk Management, the Board of Directors has established a Board Risk Committee (BRC), which convenes on a monthly basis and reports to the BoD. The BRC recommends to the BoD risk undertaking and capital management strategy, checks its implementation and evaluates its effectiveness.

The risk management framework and its effectiveness are re-assessed on a regular basis in order to ensure compliance with International best practices.

For a more comprehensive and effective identification and monitoring of all risk types, Management Committees have been established (Assets and Liabilities Committee, Operational Risk Committee and Credit Risk Committee).

Risk Management Unit

The General Manager and Group Chief Risk Officer supervise the Risk Management Unit of the Group and report on a regular basis and ad hoc to the Management Committees, the Risk Management Committee and to the Board of Directors. As far as credit risk is concerned the reporting to the above mentioned committees covers the following areas:

- The portfolio risk profile by rating grade.
- The transition among rating grades (migration matrix).
- The estimation of the relevant risk parameters by rating grade, group of clients, etc.
- The trends of basic rating criteria.
- The changes in the rating process, the criteria or in each specific parameter.
- The concentration risk (by risk type, sector, country, collateral and portfolio etc.).

Organizational Structure of Risk Management Divisions

In the Group, under the supervision of the General Manager and Group Chief Risk Officer the following Risk Management Divisions operate within the Group and have been assigned with the responsibility of implementing the risk management framework, according to the principles of the BRC.

- Market and Operational Risk Division
- Credit Risk Data and Analysis Division
  - Credit Risk Data Management Division
  - Credit Risk Analysis Division
- Credit Control Division
  - Credit Risk Policy and Control Division

- Credit Risk Methodologies Division
- Credit Risk Cost Assessment Division

- Wholesale Credit Division – Greece
- Wholesale Credit Division – International
- Wholesale Credit Workout Division
- Retail Credit Division

In addition, there is also the department “Models Validation Risk Division”. that operates under the supervision of General Manager and the Group Chief Risk Officer.

For credit risk management purposes the facilities are separated into Wholesale and Retail.

WHOLESALE BANKING PORTFOLIO

Wholesale Banking credit facilities

The Wholesale Banking credit facilities are included in the following categories depending on the characteristics of the credit facility and the obligor, as shown in the table below:

	Portfolio	Characteristics
Obligors under the competence of Wholesale Banking	Corporate	Companies with turnover > Euro 75 million Includes financing in shipping companies, as well as, obligors under the management of the Investment Banking Division
	SME	Euro 2.5 million < Companies with turnover < Euro 75 million or companies with credit limit > Euro 1 million

1. Credit Risk Approval Process

The limits of the Wholesale Banking Credit Committees are determined in accordance to **Total Credit Exposure**, defined as the sum of all credit facilities of the obligor (single company or group of associated companies) which can be approved by the Bank and include the following:

- Total credit requested exposure.
- Working Capital limits.
- Withdrawal limits from unclear deposits.
- Letters of Credit/Letters of Guarantee limits.
- Factoring limits.
- Derivative transaction limits.
- Corporate Cards limits.
- Medium and long-term loans (current outstanding/exposure for facilities that have been fully drawn or limit amount of undrawn facilities).
- Leasing Facilities (current outstanding/exposure for leasing facilities that have been fully drawn or limit amount for undrawn/unused facilities).
- Special credit limits or loans, or any form of personal financing to the company’s business owners (mortgage loans, consumer loans, shares’ purchase, credit cards etc.).

Credit Approval Limits Wholesale Banking Credit Committees

Credit Committees Structure:

- General Management Credit Committee
- Wholesale Banking Credit Committees
- Under the General Managers
- Under the Divisions Managers
- Under the Divisions Assistant Managers
- Commercial Centers Credit Committee

Credit Limit Expiry/Renewal date

The credit limits' expiry/renewal date is determined by the relevant Wholesale Banking Credit Committees. The basic factor for the determination of the credit limit expiry is the obligor's credit rating, which is not a standalone approval or rejection criterion, but the basis for determining the minimum security/collateral required and the respective pricing. As a rule, for obligors that have been rated in the Low, Medium and Acceptable credit risk zones, reviews are carried out on an **annual basis**, for obligors rated in the Moderate Watchlist zone, on a **semi-annual basis,** while obligors that have been rated in the High Risk zone are reviewed on a **quarterly basis**. Deviations from the above rule are not allowed, except when the request by the responsible Business Units is approved by the competent Credit Committee.

2. Credit Risk Measurement and Internal Ratings

The assessment of the borrowers creditworthiness and their rating in credit risk scales is established through rating systems.

The rating of the Bank's borrowers with the use of credit risk rating systems constitutes a basic tool for:

- The decision-making process of Credit Committees for the approval/ renewal of credit limits and the implementation of the appropriate pricing policy (interest rate spreads etc.);
- The estimation of the future behavior of borrowers which belong to a group with similar characteristics;
- The early recognition of potential troubled facilities (early alert mechanism) and the prompt, effective action for the minimization of the expected loss for the Bank; and
- The assessment of the quality of the Bank's loan portfolio and the credit risk undertaken.

The aim of the credit risk rating systems is the estimation of the probability that the borrowers will not meet their contractual obligations to the Bank.

The rating systems employed by the Bank are the Alpha Bank Rating System (ABRS) and the Risk Analyst (RA) which incorporate different credit rating models.

All current and future clients of the Bank are assessed based on the appropriate credit risk rating model and within specified time frames.

For the estimation of the probability of default of the obligors of the Bank and the Group's Entities the credit risk rating models evaluate a series of parameters, which can be grouped as follows:

- Financial Analysis: the obligor's financial ability (liquidity ratios, debt to income etc.);
- Peers' Analysis: the obligor's comparative position in the market in which it operates, mostly compared to its peers;
- Behavioral status and history of the obligor with the Bank and to third parties (debt in arrears, adverse transaction records, etc); and
- Obligor's qualitative characteristics (solid and healthy administration, management succession, appropriate infrastructure and equipment etc.).

The credit rating models which are currently employed by the Bank are differentiated according to:

- The turnover of the company;
- The level of the total credit exposure.;

- The credit facility's specific characteristics; and
- The available information for the obligor's assessment -specifically, for financial analysis the type of local accounting standards and the International Financial Reporting Standards.

For each of the credit rating models, different parameters may be used, each of which contributes in a specific manner to the relevant assessment.

The statistical validation of the credit risk rating models is reviewed regularly in order to ensure the maximum predictive ability according to the best international practices.

Obligors Rating Scale

Borrowers are rated in the following rating scales:

AA, A+, A, A–, BB+, BB, BB–, B+, B, B–, CC+, CC, CC–, C, D, D0, D1,D2, E.

For presentation purposes of the table "Analysis of neither past due nor impaired Loans and Advances to customers", the "strong" rating includes the rating scales AA, A+, A, A- and BB+, "satisfactory" rating includes the rating scales BB, BB-, B+, B, B-, CC+ and CC and " under close monitoring" (higher risk) includes the rating scales CC- and lower than CC-.

For special purpose finance (Structured and Shipping Financing) special models have been designed (slooting) with the following categorization scale:

Strong (Class 1), Good (Class 2), Satisfactory (Class 3), Patient (Class 4), Failure (Category 5).

Facility Rating Model

In the context of the alignment with the current Basel II supervisory requirements and the reinforcement of credit risk management processes, the Bank has developed a risk rating model that incorporates the transaction characteristics (facility rating), in case of a customer's default.

The model is complementary to the existing models of credit risk assessment, calibrating separately each credit facility based on the collateral. The specific assessments of existing and proposed credit facilities are weighted, yielding the final classification of the expected loss at the level of the overall credit risk exposure of the borrower.

The grading scales of the facility rating system consist of 6 grades for covered credit facilities plus 1 grade for the uncovered credit facilities: 1, 2, 3, 4, 5, 6, 7.

3. Impairment Policy

The Bank has defined as "significant for individual assessment" all loans to customers that are managed by the Wholesale Banking Unit.

The assessment for impairment is performed on a quarterly basis, as follows:

The Bank assesses whether objective evidence for individual assessment for impairment exists. The process for identifying loans for impairment and estimating their impairment allowance consists of the following steps:

1. Identification of loans which will be individually assessed and for which events exist which constitute objective evidence that an impairment loss has occurred;
2. Impairment calculation on an individual basis for the loans identified in the previous step, as the difference between the recoverable amount and the carrying amount of the loan; and
3. In cases where the impairment allowance under individual assessment was zero, these loans will be assessed for impairment on a collective basis, based on similar credit risk characteristics. For example, groups of loans are created per collateral coverage, days in arrears, credit rating etc, where the corresponding impairment factor will be applied.

The individual assessment for impairment is performed by the Wholesale Banking Unit. Due to organizational changes, from the fourth quarter of 2017 and on, the responsible division of the validation of the impairment is Credit Risk Cost Assessment Division.

Significant loans are assessed individually if one of the following conditions are met:

- Clients that are experiencing or about to experience difficulties in meeting their financial commitments and credit obligations to the Bank ("financial difficulty").
- Clients with credit risk rating D, D0,D1,D2 and E;
- Clients with credit risk rating CC- and C;
- Significant deterioration in the industry outlook in which the borrower operates, taking into account the five sectors that have had the worst deterioration on an annual basis, according to the high risk sectors' segmentation;
- Derogatory items including but not limited to: payment orders, bounced cheques, auctions, bankruptcies, overdue payments to the State, to Social Security Funds, or to employees;
- Occurrence of unexpected, extreme events such as natural disasters, fraud, etc.;
- Interventions and actions by regulatory bodies/local authorities against the borrower (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
- Breach of contractual terms and conditions;
- Adverse changes in the shareholders' structure or the management of the company or serious management issues/problems;
- Significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit, etc. and
- Significant deterioration of financial ratios of the obligor (Reduction of equity due to losses, debt ratio etc) and of estimated future cash flows of the obligor.

Collective Assessment for Impairment

A collective assessment should be performed for exposures as follows:

- Exposures that have been individually assessed and were found not to be impaired on an individual basis -the impairment allowance estimated was zero- are subsequently assessed for impairment on a collective basis, after they are grouped in pools based on common credit risk characteristics; and
- Exposures with no impairment triggers are assessed collectively in pools formed based on similar credit risk characteristics.

The future cash flows of a group of exposures that are collectively evaluated for impairment are calculated based on the estimated contractual cash flows and historical loss experience for exposures with credit risk characteristics similar to those in the group.The need for objective evidence in order for the loss to be recognized and effectively the impairment loss to be identified on individual loans, may lead to a delay in the recognition of a loan's impairment, which has already occurred. Within this context and in accordance with IAS 39, it is appropriate to recognize impairment losses for those losses "which have been incurred but have not yet been reported» (Incurred But Not Reported - IBNR).

4. Credit Risk Concentration Management

Concentration Risk is a specific form of credit risk and arises due to the low degree of diversification between counterparties, products or group of counterparties, sectors, geographic regions, or collaterals.

The Bank monitors on a regular basis concentration risk through detail reporting which informs senior management and the Board of Directors. According to the supervisory framework, the Bank complies with the regulatory directives regarding large exposures, while the capital requirements for single name and sector concentration risks are estimated in the context of Pillar 2 of Basel II.

5. Credit Control

The Bank has adopted a Credit Control mechanism so as to provide assurance that the credit policy and forbearance frameworks are being consistently followed.

More, specifically, on site credit controls are conducted in Wholesale Banking Business Units of the Bank as well as desktop controls that cover the adherence and the compliance to the Bank's Credit Policy, the portfolio analysis and the confirmation of the completeness and correctness of the data in the Bank's systems through sample checks.

RETAIL BANKING PORTFOLIO

Retail banking involves the lending facilities offered to borrowers covering traditional banking products and services such as:

- Housing loans/Mortgages
- Consumer Loans and Credit Cards
- Small companies and small business (SB): Legal entities with turnover up to Euro 2.5 million and credit limit up to Euro 1million.

1. Credit Risk Approval Process

The Bank monitors customer Total Credit Risk Exposure (for individuals and small businesses), which refers to the sum of all revolving limits of an obligor, all the balances of long term facilities and, for the case of legal entities, the total exposure of facilities given to stakeholders of customer companies. Additionally, facilities for which the client is guarantor or co-debtor are also taken into account.

The Bank has developed and implemented a strict framework for the implementation of its credit policy (taking into account the legislative and supervisory/regulatory framework) and has also formulated and put into effect an internal system of credit principles, procedures and rules clearly applicable to the Bank's lending business, in order to promote sound practices for managing credit risk.

Credit policies establish the framework for lending and guide the credit-granting activities of the Bank through:

- Sound lending management.
- Prudent client selection based on certain credit criteria.
- Assessing the risk/return relationship with a respective determination of pricing policy and collateral coverage after taking into account the level of credit risk.
- Monitoring and management of the total credit risk, i.e. the consolidated risk from any type of credit facility granted by the Bank and the Group's companies.

The enforcement of the Credit Policy requires certain criteria to be met. These criteria, which vary based upon whether the obligor is an individual or legal entity, play a significant role in the achievement and maintenance of a healthy portfolio and in the Bank's Capital allocation. In particular:

Individuals

The approval process for credit to individuals (being individual with earnings from salaries/ pensions or other sources of income that are not related to business activity) is performed on the basis of the classification of the borrowers into risk groups, which represent a certain level of undertaken risk. The level of undertaken risk by the Bank is adjusted, when deemed necessary, according to the credit policy of the Bank.

The credit assessment for individuals is based upon the following pillars:

- Application fraud detection;
- Willingness to pay;
- Ability to pay; and
- Collateral risk.

Small Businesses

Small Business are defined as following:

- Personal Companies with turnover up to €2.5 million and a credit limit up to €1 million
- Entrepreneurs with a credit limit up to €1 million
- Legal entities with turnover up to €2.5 million and a credit limit up to €1 million.

The creditworthiness of Small Businesses in the Retail Banking sector is related to the creditworthiness of agencies/competent of the company and vice versa. Therefore the evaluation of claims in this category is based on two dimensions:

- The valuation of the creditworthiness of entities or business managers.
- The valuation of the creditworthiness of the company.

The creditworthiness of a company is based upon specific pillars:

- Willingness to pay
- Ability to pay

Hence, the credit assessment for the small businesses is based on the following:

- Application fraud detection;
- Demographics;
- Financials;
- Behavior;
- Credit Bureau;
- Qualitative data; and
- Collateral risk.

2. Internal Ratings

The fundamental parameter in assessing Retail Banking Credit Risk is the Credit Scoring Models that are developed and employed throughout the credit cycle in Bank. The above models segments populations into homogenous risk groups (pools) and are categorized as follows:

- Behavior Models, which assess the customer's performance and predict the probability of defaulting within the following months;
- Application Credit Scoring Models, which assess application data-mainly demographic- that predict the probability of defaulting within the following months; and
- Models based on regulatory and supervisory parameters. It is noted that during 2017, Bank's credit risk assessment models were designed and / or adjusted to be in line with IFRS 9 with effect from 1.1.2018.

These models and the probabilities of default that derive from them, contribute significantly to risk management and decision making throughout the Bank.

Specifically, the models are used in the following segments:

- Decision making of credit assessment and credit limit assignment;
- Impairment tests;
- Predicting future performance of customers belonging to the same pool of common characteristics;
- Tracing high risk accounts in time to schedule all necessary actions so as to reduce expected losses for the Bank; and
- Assessing the Bank's portfolio quality and credit risk.

The parameters taken into account vary, according to the model's type and product category that it assesses. Indicatively, some factors are:

- Personal/ demographic data: the customer's age, profession, marital status, or current address;
- Loan characteristics: product applied for, loan term, loan amount, or financing purpose;
- Behavioral data: payments during latest period of time, maximum delinquency, outstanding loan balance versus loan limit, transaction type;
- Financial data: sales change, liabilities versus sales; and
- Qualitative data: experience, seat of business (company registry).

Models are reviewed, validated and updated on a yearly basis and are subject to quality control so as to ensure at their predictive power at any point in time.

Furthermore, on a regular basis the Bank conducts exercises simulating crisis situations (Stress Tests), which explore the potential impact on the financial results of the Bank due to unfavorable developments both in obligors' transactional behavior as well as in the broader financial macroeconomic environment.

3. Impairment Policy

The process for determining the loans eligible for impairment and the estimation of their provision comprises the following steps:

1. Identification of loans which will be individually assessed and for which events exist which constitute objective evidence that impairment loss has occurred;
2. Impairment calculation on individual basis for the loans identified in the previous step, as the difference between the recoverable amount and the accounting value of the loan;
3. Identification of the loans to be assessed collectively, including cases that have been individually assessed and were found not impaired; and
4. Collective provision calculation for the loans identified in the previous step;

For provision purposes, under collective assessment, loans are seperated based on similar credit risk characteristics. These characteristics are selected based on the future cash flows of the abovementioned Retail Banking loan categories which depict customers' ability to repay their debts according to the contractual agreements.

Loss Rate is calculated based on credit risk characteristics of the segment and portfolio in which the facility or the customer belongs to. The Loss Rate is determined with statistical methods.

Trigger Events for the Individual Assessed Exposures

For the Retail Banking portfolios, loans are assessed on an individual basis if one of the trigger events mentioned below is met and if the following criteria are met:

- Consumer Loans: Customers with total exposures more than €500 thousand;
- Housing Loans: Customers with total exposures more than €2 million; and
- Small Business Loans: Customers with total exposures more than €1.5 million.

Trigger Events for Individuals

1. Customers with loans past due more than 90 days;
2. Customers with loans past due more than 30 days and less than 90 days;
3. Customers with restructured loans;
4. Unemployed Customers;
5. Deceased Customers;
6. Occurrence of unexpected, extreme events such as fraud, natural disasters, etc.;
7. Freelancers or Personal Company owners who ceased their business activity due to retirement;

8. Freelancers or Personal Company owners with significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;
9. Stakeholders of Companies have filled for inclusion in Article 99 (pre-bankruptcy law);
10. Stakeholders of Companies with loans past due more than 90 days (rating D or D0 or D1 or D2 or E) or with rating CC- or C;
11. Stakeholders of Companies with detrimentals (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts to Social Security or employees);
12. Stakeholders of Companies with interventions and actions of regulatory bodies/local authorities against their companies (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
13. Stakeholders of Companies with significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;
14. Stakeholders of Companies which operate in industries with significant deterioration in their outlook (taking into account the five higher risk sectors according to Risk Analyst classification);
15. Customers with impairment amount in the previous impairment test for which none of the above criteria is met; and
16. Customers with detrimental (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts Social Security or employees).

Trigger Events for Legal Entities

1. Customers with credit risk rating D, D0 or D1 or D2 or E or with overdue amount above 90 days ;
2. Customers with loans past due more than 30 days and less than 90 days;
3. Customers with rating CC- or C;
4. Customers which operate in industries with significant deterioration in their outlook; (taking into account the five higher risk sectors according to Risk Analyst classification)
5. Customers with impairment amount in the previous impairment test for which none of the above criteria is met;
6. Customers with detrimentals (e.g. payment orders, denounced checks, auctions, bankruptcies, overdue amounts to the State, overdue amounts to Social Security or employees);
7. Occurrence of unexpected, extreme events such as fraud, natural disasters, etc.;
8. Interventions and actions of regulatory bodies/local authorities against their companies (e.g. Athens Stock Exchange, Hellenic Capital Market Commission);
9. Breach of contract or credit terms and conditions;
10. Adverse changes in the shareholders' structure or the management of the company or serious management issues/ problems;
11. Significant adverse changes in cash flows potentially due to ceased cooperation with a key/major customer, significant reduction in demand of a main product or service, ceased cooperation with a key/major supplier or suppliers cut credit etc.;

Trigger Events for the Collective assessment per portfolio

The specific trigger events for the collective assessment for the Retail Banking portfolios are the following:

- Accounts up to 89 days past due with or without signs of unlikeliness to pay;
- Accounts more than 90 days past due;
- Forborne exposures; and
- Accounts with partial write off

4. Credit Control

The Bank, in order to ensure that all Credit Units fully comply with the Credit Policy, has adopted and introduced a Credit Control mechanism on a monthly basis, so as to review and assess whether the credit policy framework is being consistently followed. In addition Data Integrity Verification controls are conducted in credit requests elements of Retail Banking Loans. Quality analysis of the credit approval process is also conducted.

CREDIT RISK MITIGATION

1. Collaterals

Collaterals are received both for Wholesale and Retail lending in order to mitigate credit risk that may arise from the obligor's inability to fulfill his contractual obligations.

Collaterals include all kind of assets and rights which are made available to the Bank either by their debtors or by third parties, in order to be used as complementary liquidity sources of relative loans.

The mitigation tools applied by the Bank include two broad categories: intangible and tangible collaterals.

2. Intangible Collaterals

Intangible collaterals form the framework of the obligations and rights that are typically included and described in specific contractual documents that bind the Bank and the borrowers during the lending process with specific commitments. The commitments involve a third party who substitutes for the primary debtor in the event of the latter's default or the primary debtor itself (natural or legal entities) to honor the contractual loan agreements and their prompt repayment to the Bank and on the other hand the Bank has the right to claim them.

The main type of intangible collateral that the Bank uses to protect the Bank against the risk of losses due to debtor insolvency is the Guarantee.

3. Tangible Collaterals

Tangible collaterals provide the Bank with the rights over an asset (movable or immovable),owned by the obligor or the guarantor, providing priority in the satisfaction of the creditor by the liquidation preceeds of the asset.

Tangible collaterals are distinguished between mortgages and prenotation on mortgages which are registered over immovable properties and pledges on movable assets (e.g., commodities, checks, bills of exchange) or on claims and rights.

In order to better secure credit facilities granted, all mortgage and pledged assets are covered by an insurance contract, with assignment of the relevant insurance contract to the Bank.

3.1. Mortgages – Prenotation on Mortgages

Mortgages are registered on real estate or immovable assets which can be liquidated as indicatively reported below:

- Residential Real Estate;
- Commercial Real Estate;
- Industrial Buildings;
- Land;
- Mines;
- Ships and aircrafts; and
- Machinery or other facilities (engineering, mechanical, electrical, etc.), if they are permanently and consistently connected with the mortgaged estate

Periodic revaluation of mortgaged property

According to the Alpha Bank Credit Policy, the existence and the valuation of mortgaged property is closely monitored. The frequency of the appraisal does not usually exceed one year.

Valuations are carried out by certified real estate appraisers either:

- Using statistical indicators (such as PropIndex), depending on the type of property; or
- By qualified engineers, after their visit to the property used as collateral or via desktop assessment.

3.2. Pledges

Pledges provide seniority rights over liquidation proceeds from a movable third party asset.

Pledges can be registered on movable assets or on rights that have not been excluded or banned from exchanges and are liquid , including:

- Raw materials, products or commodities;
- Machinery (movable);
- Bill of Lading;
- Bill of exchange;
- Cheques;
- Securities;
- Deposit; and
- Any type of claim that can be pledged

Periodic revaluation of pledges

Depending on the right or the underlying asset on which a pledge is registered, the periodic revaluation varies from one month to one year.

4. Acceptable Value

The Bank calculates the value of the securities/collaterals received based on the potential proceeds that could arise if and when these are liquidated. This calculation refers to the acceptable value/haircut of the securities/collaterals provided to the Bank by its obligors for the determination of which the quality of assets as well as their market value are taken into account.

In this way, the guaranteed values are determined for each type of collateral, which are expressed as a percentage of their market value, nominal or weighted value, depending on the type of collateral.

ENVIRONMENTAL AND SOCIAL RISK

Within Credit Risk Management Framework and Credit Policy, it has been integrated the assessment of the strict compliance of the principles of an environmentally and socially responsible financing towards legal enitites .

The main purpose is the management of potential risk arising from the operations of obligors that may be connected with a damage to the environment or the society or with any direct threat of such a damage, having as a result a negative impact on the business operations and financial results of the Bank.

FORBEARANCE

Maintaining a healthy loan portfolio depends on the constant monitoring and assessment of the borrowers in order to allow early detection of future liquidity problems, which could affect the normal repayment of their obligations to the Bank.

The credit tools which are normally used by the Bank for managing the liquidity problems that borrowers are facing for repaying their obligations are the restructuring of debt through the renegotiation of the original terms and conditions of the loan agreement they have entered into.

The Executive Committee Act 42/30.05.2014 ("Act 42") as amended by the Executive Committee Act 47/09.02.2015 ("Act 47") and the Executive Committee Act 102/30.08.2016 of the Bank of Greece, has determined the supervisory framework for the management of loans in arrears and non-performing loans, over and above the already applicable requirements of Law 4261/2014, the CRR, and delegated the decision authority to the Bank of Greece.

Furthermore, in the context of the Commission Implementing Regulation (EU) 227/2015 of the European Commission dated January 9, 2015 and the executive technical standards of the European Banking Authority, the Bank assumes the resulting regulatory obligations for forborne exposures.

Forbearance measures should be applied on the basis of the risk, cooperativeness and viability of each debtor and consist of concessions that are robust and sustainable, through the renegotiation of the initial terms and conditions of the debt contract duly taking into account the causes of the debtor's financial difficulties.

Forbearance measures may be applied a) on the basis of a customer's request, b) in accordance with the Code of Conduct under Law 4224/2013, as currently is in force, which is a State initiative under the supervision of the Bank of Greece.

Apart from the forbearance measures applied to existing lending exposures, which are initiated by the Bank in accordance with the directives of the Executive Committee Acts of the Bank of Greece (Act 42, 47 & 102) and Arrears Resolution Process (ARP) of the Code of Conduct under L.4224/2013 as currently is in force, there are restructuring solutions according to the Legislative Framework.

The existence of more favorable terms for renegotiating and modifying the terms and conditions of the bilateral arrangement between the Bank and the debtor (concession), who is facing or is about to face difficulties in meeting his financial commitments ("financial difficulty"), are defined with respect to:

- Difference in favour of the debtor between the modified and the previous terms of the contract; and
- Cases where a modified contract includes more favourable terms than other debtors with a similar risk profile could have obtained.

MONITORING OF FORBORNE EXPOSURES

Following Act 42 as subsequently amended by the Acts 47 and 102 of the Bank of Greece, the Bank has undertaken a series of actions to ensure adherence to the supervisory obligations and requirements arising from the above Acts. These changes cover the following distinct sections:

- Adaptation of Information Systems of the Bank;
- Amendments of the existing processes, such as the customization of new types of forborne exposures according to what is provided in Act 42 , Act 47 and Act 102;
- Creation of data structures (Data Marts) aiming at:
  - Automation of the processes related to the production of both internal (Risk Management) and external (Supervisory) reports;
  - Perform analyses on the portfolio of the Bank; and
  - Production of Management Information Reporting (MIS)

Additionally, the Bank has introduced independent operation management for the "Troubled Assets" (Troubled Asset Committee). This is achieved by the representation of the Administrative Bodies in the Evaluation and Monitoring of Denounced Customers Committee as well as in the Arrears Councils.

WRITE-OFFS AND WRITE-DOWNS OF BAD DEBTS

Bad Debt Write-off is defined as the reduction of the gross carrying amount of a financial asset, when there is no reasonable expectation of recovery. The write-off refers to the accounting write-off of a debt or a portion of it, i.e. the removal of the financial asset or part of it from the balance sheet, which does not necessarily entail the waiver of the legal right to recover the debt. In the event that the Bank decides to waive its legal right to recover the debt, this is called **Debt Forgiveness** and this waiver may include either on or off-balance sheet items as well.

Bad Debt Write-down is defined as the definitive reduction of a debt or portion of it, as a result of a legally binding decision or agreement (court judgment, contractual agreement etc.), which is not further claimable. It is noted that this category encompasses **Definitive write-downs** which are unconditional and **Conditional Write-Downs** (Contingent Write-Down) subject to the achievement by the Customer of a specific performance (usually, upon the successful implementation of a specific repayment program). In the case of Definitive Write-downs, both the accounting and the legal reduction (Debt Forgiveness) take place immediately and simultaneously, whereas in the case of Contingent Write-downs, the accounting reduction takes place when the relevant decision is taken or when the agreement is concluded, while the legal reduction (Debt Forgiveness) takes place either simultaneously with the relevant decision or at a later (future) time, depending on the type of the condition.

Contingent Write-downs of debts are in turn classified into:

(a) **Resolutive Condition**, i.e. the debt is accounting and legal write down at the time of reaching the agreement with the Debtor and is revived only in the event that the debtor does not pay the remaining amount and

(b) **Condition Precedent**, i.e. the debt is legally written down if the Debtor repays the debt in accordance with the relevant agreement.

Indicative conditions for the submission of proposals for writing-off a part or the whole of bad debts include, but are not limited to, the following:

- The relevant Agreements with the Customers have been terminated.
- Payment Orders have been issued against all liable parties to such Agreements.
- The actions regarding the investigation of immovable property have been completed without any results.
- The procedure for the registration of encumbrances, in accordance with the Non-Performing Loans Manuals in force for Wholesale Banking and Retail Banking, respectively, has been completed.
- At least one real estate property has been auctioned, so that the preferential claims (through the final creditor's classification list) and, by extension, the Bank's potential losses, are finalised.
- In cases where the likelihood of further recovery of the debt is considered to be particularly low, due to:
  - the fact that the debtors are placed under special liquidation;
  - the proven existence of preferential claims of a significant amount and the adoption of a decision to cease litigation actions, in order to avoid non-collectable enforcement costs;
  - the fact that further litigation actions seeking collection of the claim is economically unprofitable (e.g. low-value collateral);

The write-off requires the existence of an impairment provision in the same amount, established no later than in the quarter preceding the submission of the proposal

DEFINITIONS:

The following definitions are provided as guidance to tables that follow:

Public Sector

The Public Sector includes:

- The Greek Central Government (all departments or Ministries and Public Administration);
- Local Authorities;
- Companies controlled and fully or partially owned by the State; and
- Companies associated with the State
- Legal Entities controlled by politically exposed persons

Past Due Exposures

Past due exposures are defined as exposures that are more than one (1) day past due.

Non-Performing Exposures

An exposure is considered as non-performing when one of the following criteria is satisfied:

- The exposure is more than 90 days past due;
- An exposure against which legal actions have been undertaken by the Bank;
- The debtor is assessed as unlikely to pay its credit obligations in full;
- The exposure is classified as impaired (as defined below);
- The exposure is classified as forborne non-performing exposure, as defined in the commission Implementing Regulation (EU) 2015/227 of January 9, 2015.

A non-performing exposure with forbearance measures include the following:

- Exposures which were non-performing prior to the extension of forbearance measures; and
- Forborne exposures which have been reclassified from the performing exposures category, including exposures under probation (forborne performing having been reclassified out of the Forborne Non Performing Loan (FNPL) status) having been re-forborne or that are more than 30 days past-due.

Performing Exposures

An exposure is considered as performing when the following criteria are met:

- The exposure is less than 90 days past due;
- No legal actions have been undertaken against the exposure;
- The situation of the debtor has improved to the extent that full repayment, according to the original or when applicable the modified conditions, is likely to be made
- The exposure is not classified as impaired;

  or

- The exposure is classified as forborne performing exposure, as defined in the aforementioned commission Implementing Regulation (EU) 2015/227 of 9 January 2015.

Unlikely to pay exposures

For the Wholesale Banking Portfolio, customers, with exposures below 90 days past due, are assessed as unlikely to pay based on either of the following criteria:

- The debtor has been denounced in the competent Non-Performing Loans Unit
- The deptor is impaired but not denounced in the competent Non-Performing Loans Unit
- The debtor cannot repay its credit obligations in full without the realisation of security (if held) and regardless of the

existence of any past due amount or of the number of days past due with the exception of cases of collaterals that are part of the production ane trade chain of the debtor (e.g. properties for Real Estate Companies, corporate shares for Holding companies etc).

For the Retail Banking Portfolio, unlikeness to pay exposures are considered those with less than 90 days past due and if one of the following criteria is met:

- A trial date has been set for inclusion in Law 3869. (Bankrupty Law for Individuals)
- Fraudelent cases
- Deceased Customers
- Unemployed Customers with lack of any source of income
- Customers with heavy health problems
- Insolvent companies.(The company has filled for inclusion in Article 99)
- Companies which have ceased their operations (inactive)

Impaired Exposures

Impaired exposures are defined as follows:

a. Exposures for which an impairment amount has been allocated following the individual assessment for impairment;
b. Exposures in arrears more than 90 days or under legal workout status, for which an impairment amount has been allocated following the collective assessment for impairment;
c. Unlikely to pay exposures; and
d. Forborne Non Performing Exposures that are up to 89 days past due.

Accumulated provision for impairment

The accumulated provision for impairment, for disclosure purposes of credit risk as well as for the monitoring of credit risk, includes the adjustment for the contractual loans which were acquired at fair value during the acquisition of assets or companies (i.e. Emporiki Bank and Citibank's retail operations in Greece), since the Group monitors the respective adjustment as part of the provisions. It is noted that in note 17 Loans and Advances to customers, this adjustment is deducted from the gross balance of loans before impairment.

Collateral value

The collateral's latest market value available. In the case of immovable properties, collateral value is considered the lower figure between the prenotation amount and the market value. Value of guarantees includes the value that exceeds the value of collateral. All collateral values are capped at 100% of the outstanding amount of the loan.

DUE FROM BANKS

Exposure to credit institutions relates to loans, interbank transactions (which include positions in derivatives) and International Trade activities. Following the basic rules of designation, monitoring and revision of corporate lending, boundaries are established by the relevant Credit Committees for the monitoring of credit risk for the overall exposure per credit institution counterparty, excluding positions related to bonds issued by them. The approved credit limits are monitored on a daily basis. The validity period of the limits is specified in the approval of the limits in accordance with the counterparty credit institutions rating from international credit rating agencies.

In addition to the regular revisions of counterparty credit institutions limits, interim revisions may be carried out either due to circumstances associated with the trading activity of the Bank or due to markets conditions or problems associated with counterparty credit institutions. Trigger events for an extraordinary review are regularly monitored per counterparty in order to review the relevant limits when such trigger events exist.

In addition, at each reporting date an impairment test is performed as follows:

1. The respective credit institutions are separated to be tested for impairment.
2. Due from Banks will be evaluated individually by credit institution.
3. Credit institutions are reviewed for events that constitute objective evidences for impairment.
4. Impairment provisions per receivable are calculated, as the difference between the recoverable amount and the carrying amount of the claim on an individual basis for the credit institution for which there are objective evidences for impairment.

INVESTMENTS IN DEBT SECURITIES

Investments in debt securities relate to securities that are classified into loans and receivables portfolios, held to maturity and available for sale. If there is a loan relationship with the counterparty issuer at the time of classification of the security position as investment, the Corporate Credit Policy procedures apply. In each case, the classification of the position is subject for approval by the relevant Committee of the Bank. These positions are subject to Bank investment limits and country limits and are monitored on a daily basis.

In addition, at each reporting date an impairment test is performed as follows:

1. The respective securities are separated to be tested for impairment.
2. Securities are reviewed for events that constitute objective evidence for impairment losses.
3. Impairment provisions are calculated on a individual basis per each security, for which there are objective evidences that impairment losses exist, as: a) the difference between the present value of future cash flows and the carrying amount of securities that are classified into loans and receivables portfolio and held to maturity and b) the difference between acquisition costs and current fair value, less the impairment loss which has already been recognized in income statement for securities classified as available for sale.

Financial instruments credit risk

	31.12.2017			31.12.2016*		
	Exposure before impairment	Impairment	Net exposure to credit risk	Exposure before impairment	Impairment	Net exposure to credit risk
Credit risk exposure relating to balance sheet items						
Balances with Central Banks	467,234		467,234	381,153		381,153
Due from banks	2,269,752	41,961	2,227,791	2,954,274	41,961	2,912,313
Loans and advances to customers	49,473,029	10,951,893	38,521,136	53,940,976	13,679,452	40,261,524
Derivative financial assets	628,133		628,133	644,436		644,436
Trading securities:						
- Government bonds	5,969		5,969	2,256		2,256
Total	**5,969**		**5,969**	**2,256**		**2,256**
Available for sale securities:						
- Available for sale (Government bonds)	3,605,868		3,605,868	3,409,677		3,409,677
- Available for sale (other)	1,214,186		1,214,186	889,967	22,385	867,582
Total	**4,820,054**	**-**	**4,820,054**	**4,299,644**	**22,385**	**4,277,259**
Held to maturity securities:						
- Held to maturity (other)	319		319	9,342		9,342
Total	**319**		**319**	**9,342**	**-**	**9,342**
Loans and receivables				2,682,655		2,682,655
Total	**-**	**-**	**-**	**2,682,655**	**-**	**2,682,655**
Assets available for sale - Loans and receivables	1,133,643	975,542	158,101	151,724	104,154	47,570
Total	**1,133,643**	**975,542**	**158,101**	**151,724**	**104,154**	**47,570**
Total amount of balance sheet items exposed to credit risk (a)	**58,798,133**	**11,969,396**	**46,828,737**	**65,066,460**	**13,847,952**	**51,218,508**
Other balance sheet items not exposed to credit risk	10,410,684	1,384,723	9,025,961	10,001,502	817,437	9,184,065
Total assets	**69,208,817**	**13,354,119**	**55,854,698**	**75,067,962**	**14,665,389**	**60,402,573**
Credit risk exposure relating off balance sheet items:						
Letters of guarantee, letters of credit and other guarantees	3,599,514	11,712	3,587,802	4,133,039	299,128	3,833,911
Undrawn loan agreements and credit limits than can not be recalled (committed) *	346,556		346,556	421,710		421,710
Guarantees relating to bonds issued by subsidiaries of the Bank	15,542		15,542	15,542		15,542
Total amount of off balance sheet items exposed to credit risk (b)	**3,961,612**	**11,712**	**3,949,900**	**4,570,291**	**299,128**	**4,271,163**
Total credit risk exposure (a+b)	**62,759,745**	**11,981,108**	**50,778,637**	**69,636,751**	**14,147,080**	**55,489,671**

The maximum credit risk per category, in which the Bank is exposed, is depicted in the "Net exposure credit risk".

* Some figures of the previous year were reclassified for comparability purposes

* Undrawn loan agreements and credit limits that can not be recalled (committed) in cases where it becomes apparent that the counterparties will fail to meet their contractual obligations.

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Loans and advances to customers

Loans and advances to customers by asset quality (impaired or not impaired - impairment allowance - value of collateral)

	31.12.2017								
	Not impaired Loans and Advances		Impaired Loans and Advances			Accumulated Impairment allowance			
	Neither past due nor impaired	Past due but not impaired	Individually assessed	Collectively assessed	Total gross amount	Individually assessed	Collectively assessed	Total net amount	Value of collateral
Retail lending	**9,299,227**	**2,550,150**	**236,802**	**16,034,983**	**28,121,162**	**151,507**	**6,387,245**	**21,582,410**	**17,336,155**
Mortgage	6,291,691	2,163,659	139,685	7,613,995	16,209,030	83,026	2,674,309	13,451,695	12,855,349
Consumer	1,099,741	191,185	97,117	3,108,102	4,496,145	68,481	1,412,924	3,014,740	1,125,985
Credit cards	1,079,771	83,743		429,298	1,592,812		264,207	1,328,605	90,414
Other (incl. SBL)	828,024	111,563		4,883,588	5,823,175		2,035,805	3,787,370	3,264,407
Corporate lending	**11,241,379**	**605,511**	**7,965,949**	**409,159**	**20,221,998**	**4,042,450**	**323,576**	**15,855,972**	**10,964,145**
Large	7,751,211	442,242	3,191,794	17,907	11,403,154	1,596,933	128,674	9,677,547	5,692,485
SME	3,490,168	163,269	4,774,155	391,252	8,818,844	2,445,517	194,902	6,178,425	5,271,660
Public sector	**1,087,489**	**909**	**40,202**	**1,269**	**1,129,869**	**28,934**	**18,181**	**1,082,754**	**295,394**
Greece	1,034,442	909	40,202	1,269	1,076,822	28,934	16,586	1,031,302	295,394
Other countries	53,047				53,047		1,595	51,452	
Total	**21,628,095**	**3,156,570**	**8,242,953**	**16,445,411**	**49,473,029**	**4,222,891**	**6,729,002**	**38,521,136**	**28,595,694**

The accumulated impairment allowance for collectively assessed loans and advances includes an amount of €532,529 at 31.12.2017 (31.12.2016: €673,312) concerning IBNR provisions.

The impaired loans and advances to customers of retail lending include as at 31.12.2017 forborne loans with up to 89 days past due collectively assessed, amounting to €4,184,053 (31.12.2016: €3,760,657).

	31.12.2016								
	Not impaired Loans and Advances		Impaired Loans and Advances			Accumulated Impairment allowance			
	Neither past due nor impaired	Past due but not impaired	Individually assessed	Collectively assessed	Total gross amount	Individually assessed	Collectively assessed	Total net amount	Value of collateral
Retail lending	**9,714,747**	**2,776,452**	**628,054**	**17,046,968**	**30,166,221**	**395,743**	**7,336,797**	**22,433,681**	**18,520,627**
Mortgage	6,864,794	2,200,642	242,601	7,412,602	16,720,639	141,565	2,254,921	14,324,153	13,589,605
Consumer	1,177,059	216,616	89,406	3,751,770	5,234,851	55,191	2,073,084	3,106,576	1,257,999
Credit cards	1,047,936	94,434		495,422	1,637,792		349,798	1,287,994	38,219
Other (incl. SBL)	624,958	264,760	296,047	5,387,174	6,572,939	198,987	2,658,994	3,714,958	3,634,804
Corporate lending	**12,502,761**	**395,903**	**9,637,300**	**53,339**	**22,589,303**	**5,705,753**	**189,734**	**16,693,816**	**12,351,063**
Large	9,128,446	214,685	3,999,485	30,881	13,373,497	2,352,870	113,112	10,907,515	6,532,164
SME	3,374,315	181,218	5,637,815	22,458	9,215,806	3,352,883	76,622	5,786,301	5,818,899
Public sector	**1,140,560**	**2,968**	**41,924**	**-**	**1,185,452**	**31,995**	**19,430**	**1,134,027**	**298,457**
Greece	1,067,060	2,968	41,924		1,111,952	31,995	17,138	1,062,819	298,457
Other countries	73,500				73,500		2,292	71,208	
Total	**23,358,068**	**3,175,323**	**10,307,278**	**17,100,307**	**53,940,976**	**6,133,491**	**7,545,961**	**40,261,524**	**31,170,147**

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Analysis of neither past due nor impaired loans and advances to customers

	31.12.2017				
	Strong	Satisfactory	Watch list (higher risk)	Total neither past due nor impaired	Value of collateral
Retail lending		**9,299,227**		**9,299,227**	**6,424,307**
Mortgage		6,291,691		6,291,691	5,560,272
Consumer		1,099,741		1,099,741	207,730
Credit cards		1,079,771		1,079,771	57,300
Other (incl. SBL)		828,024		828,024	599,005
Corporate lending	**4,630,305**	**5,589,869**	**1,021,205**	**11,241,379**	**5,653,941**
Large	4,071,945	2,952,306	726,960	7,751,211	3,425,595
SME	558,360	2,637,563	294,245	3,490,168	2,228,346
Public sector	**340,764**	**746,231**	**494**	**1,087,489**	**277,607**
Greece	340,764	693,184	494	1,034,442	277,607
Other countries		53,047		53,047	
Total	**4,971,069**	**15,635,327**	**1,021,699**	**21,628,095**	**12,355,855**

	31.12.2016				
	Strong	Satisfactory	Watch list (higher risk)	Total neither past due nor impaired	Value of collateral
Retail lending		**9,714,747**		**9,714,747**	**6,795,707**
Mortgage		6,864,794		6,864,794	6,122,569
Consumer		1,177,059		1,177,059	212,310
Credit cards		1,047,936		1,047,936	134
Other (incl. SBL)		624,958		624,958	460,694
Corporate lending	**4,837,368**	**6,966,128**	**699,265**	**12,502,761**	**6,181,590**
Large	4,380,599	4,434,525	313,322	9,128,446	3,849,548
SME	456,769	2,531,603	385,943	3,374,315	2,332,042
Public sector	**355,120**	**782,962**	**2,478**	**1,140,560**	**272,944**
Greece	355,120	709,462	2,478	1,067,060	272,944
Other countries		73,500		73,500	
Total	**5,192,488**	**17,463,837**	**701,743**	**23,358,068**	**13,250,241**

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Ageing analysis of past due but not impaired loans and advances to customers by product line

	31.12.2017								
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	Total Past due but not impaired
1 - 29 days	1,452,789	125,184	65,470	85,995	351,247	132,475	901		2,214,061
30 - 59 days	390,467	46,844	12,141	14,286	23,266	17,616	8		504,628
60 - 89 days	320,403	19,157	6,132	11,282	67,729	13,178			437,881
90 - 179 days									
180 - 360 days									
> 360 days									
Total	**2,163,659**	**191,185**	**83,743**	**111,563**	**442,242**	**163,269**	**909**		**3,156,570**
Value of collateral	1,817,099	30,144	1,147	72,750	294,760	122,448	8		2,338,356

	31.12.2016								
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	Total Past due but not impaired
1 - 29 days	1,512,321	137,499	72,291	180,287	119,113	114,263	2,261		2,138,035
30 - 59 days	405,422	52,524	13,980	38,444	65,660	44,100	707		620,837
60 - 89 days	282,899	26,593	8,163	46,029	29,912	22,855			416,451
90 - 179 days									
180 - 360 days									
> 360 days									
Total	**2,200,642**	**216,616**	**94,434**	**264,760**	**214,685**	**181,218**	**2,968**		**3,175,323**
Value of collateral	1,868,485	45,263	17	192,663	173,358	134,769	1,254		2,415,809

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Ageing analysis of impaired loans and advances to customers by product line

31.12.2017									
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	Total
Current	612,496	463,072	56,531	513,641	710,729	778,360	7,877		3,142,706
1 - 29 days	403,464	159,988	23,951	55,601	494,155	157,423	136		1,294,718
30 - 59 days	260,847	154,849	16,450	50,119	46,080	64,943	1,206		594,494
60 - 89 days	522,961	88,203	13,151	33,426	99,738	37,617			795,096
90 - 179 days	146,474	97,136	23,966	80,300	10,304	36,175			394,355
180 - 360 days	139,809	149,081	15,863	76,303	21,444	49,619	52		452,171
> 360 days	3,149,211	669,693	24,007	2,064,863	286,691	1,458,568	2,427		7,655,460
Total net amount	**5,235,262**	**1,782,022**	**173,919**	**2,874,253**	**1,669,141**	**2,582,705**	**11,698**	**-**	**14,329,000**
Value of collateral	5,477,978	888,111	31,967	2,592,652	1,972,130	2,920,866	17,779		13,901,483

31.12.2016									
	Retail lending				Corporate lending		Public sector		
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	Total
Current	490,226	493,752	64,490	190,776	964,326	677,945	6,583		2,888,098
1 - 29 days	360,731	159,999	24,004	132,940	92,769	71,047			841,490
30 - 59 days	231,950	147,788	17,070	65,658	215,235	63,341			741,042
60 - 89 days	353,520	94,492	13,669	98,443	118,484	64,053			742,661
90 - 179 days	41,154	80,566	13,897	73,796	62,978	48,388			320,779
180 - 360 days	176,471	85,949	6,218	104,756	62,370	65,737	16		501,517
> 360 days	3,968,637	722,580	17,909	2,192,968	433,231	1,309,356	3,329		8,648,010
Total net amount	**5,622,689**	**1,785,126**	**157,257**	**2,859,337**	**1,949,393**	**2,299,867**	**9,928**	**-**	**14,683,597**
Value of collateral	5,598,550	1,000,426	38,068	2,981,447	2,509,259	3,352,088	24,259		15,504,097

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Reconciliation of impaired loans and advances by product line

	31.12.2017								
	Retail lending				Corporate lending		Public sector		Total
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	
Balance 1.1.2017	**7,655,203**	**3,841,176**	**495,422**	**5,683,221**	**4,030,366**	**5,660,273**	**41,924**	**-**	**27,407,585**
New impaired loans	775,961	373,068	56,268	314,943	301,496	415,077	733		2,237,546
Transfer to non impaired loans	(340,958)	(145,462)	(6,560)	(189,555)	(33,878)	(114,069)			(830,482)
Repayments and recoveries from collateral	(58,947)	(53,440)	(14,403)	(48,894)	(284,643)	(199,191)	(578)		(660,096)
Write-offs of impaired loans and advances	(268,369)	(526,247)	(26,211)	(388,293)	(459,452)	(583,250)	(608)		(2,252,430)
Foreign exchange differences and other movements	(9,210)	66,791		(22,686)	(115,973)	(12,985)			(94,063)
Acquisition of impaired loans					(55,822)				(55,822)
Transfer of impaired loans and advances to assets held for sale		(350,667)	(75,218)	(465,148)	(172,393)	(448)			(1,063,874)
Balance 31.12.2017	**7,753,680**	**3,205,219**	**429,298**	**4,883,588**	**3,209,701**	**5,165,407**	**41,471**	**-**	**24,688,364**
Accumulated impairment allowance	(2,518,418)	(1,423,197)	(255,379)	(2,009,335)	(1,540,560)	(2,582,702)	(29,773)		(10,359,364)
Net value of impaired loans and advances	**5,235,262**	**1,782,022**	**173,919**	**2,874,253**	**1,669,141**	**2,582,705**	**11,698**	**-**	**14,329,000**

	31.12.2016								
	Retail lending				Corporate lending		Public sector		Total
	Mortgage	Consumer	Credit cards	Other (Incl. SBL)	Large	SME's	Greece	Other countries	
Balance 1.1.2016	**7,637,046**	**3,604,200**	**496,282**	**5,462,810**	**3,664,232**	**5,635,948**	**43,775**	**-**	**26,544,293**
New impaired loans	692,877	568,888	48,496	678,668	1,293,154	438,737	561		3,721,381
Transfer to non impaired loans	(371,107)	(153,464)	(13,951)	(150,104)	(68,006)	(25,948)			(782,580)
Repayments and recoveries from collateral	(85,025)	(54,869)	(12,731)	(46,474)	(483,782)	(125,839)	(726)		(809,446)
Write-offs of impaired loans and advances	(218,611)	(116,413)	(29,346)	(261,679)	(253,509)	(250,091)			(1,129,649)
Foreign exchange differences and other movements	23	(7,166)	6,672		13,407	(12,534)	(1,686)		(1,284)
Acquisition of impaired loans					14,131				14,131
Transfer of impaired loans and advances to assets held for sale					(149,261)				(149,261)
Balance 31.12.2016	**7,655,203**	**3,841,176**	**495,422**	**5,683,221**	**4,030,366**	**5,660,273**	**41,924**	**-**	**27,407,585**
Accumulated impairment allowance	(2,032,512)	(2,056,050)	(338,165)	(2,823,884)	(2,080,974)	(3,360,407)	(31,996)		(12,723,988)
Net value of impaired loans and advances	**5,622,691**	**1,785,126**	**157,257**	**2,859,337**	**1,949,392**	**2,299,866**	**9,928**	**-**	**14,683,597**

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Reconciliation of the accumulated impairment allowance

The accumulated impairment allowance for disclosure purposes of credit risk as well as for credit risk monitoring purposes includes the adjustments for the contractual balances of loans which were acquired at fair value either individually or in the context of acquisitions(eg Emporiki Bank and Citibank Greece), since the Bank monitors such adjustment as part of the impairments. It is noted that in Note 17 Loans and advances to customers this adjustment is deducted from the gross balance of loans before impairments.

	31.12.2017			
	Retail lending	Corporate lending	Public sector	Total
Balance 1.1.2017	**5,912,798**	**4,444,360**	**28,198**	**10,385,356**
Impairment losses for the year	935,107	(122,385)	(2,830)	809,892
Reclassification to assets held for sale	(663,724)	(52,074)		(715,798)
Disposals of impaired loans		(12,565)		(12,565)
Change in present value of the allowance account	85,475	82,478	1,125	169,078
Foreign exchange differences	(2,871)	(18,666)	226	(21,311)
Loans written-off during the year	(1,094,061)	(657,907)	(124)	(1,752,092)
Reclassification between portfolios	33,207	(33,207)		-
Other movements	121,510	(203,438)		(81,928)
Balance 31.12.2017	**5,327,441**	**3,426,596**	**26,595**	**8,780,632**
Fair value adjustments	1,211,311	939,430	20,520	2,171,261
Total 31.12.2017	**6,538,752**	**4,366,026**	**47,115**	**10,951,893**

	31.12.2016			
	Retail lending	Corporate lending	Public sector	Total
Balance 1.1.2016	**5,821,991**	**3,934,284**	**20,966**	**9,777,241**
Impairment losses for the year	354,519	820,257	6,321	1,181,097
Reclassification to assets held for sale		(100,000)		(100,000)
Disposals of impaired loans		(1,693)		(1,693)
Change in present value of the allowance account	208,577	115,341	911	324,829
Foreign exchange differences	652	4,547		5,199
Loans written-off during the year	(472,941)	(311,951)		(784,892)
Other movements		(16,425)		(16,425)
Balance 31.12.2016	**5,912,798**	**4,444,360**	**28,198**	**10,385,356**
Fair value adjustments	1,819,742	1,451,127	23,227	3,294,096
Total 31.12.2016	**7,732,540**	**5,895,487**	**51,425**	**13,679,452**

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Loan-to-value ratio (ltv) to collateral value

	Mortgage loans	
	31.12.2017	31.12.2016
< 50%	1,113,204	2,557,779
50% - 70%	1,560,129	1,945,737
71% - 80%	1,034,176	1,065,305
81% - 90%	1,049,830	1,136,838
91% - 100%	3,419,395	1,142,837
101% - 120%	1,901,570	2,222,120
121% - 150%	1,899,588	2,783,221
> 150%	4,231,138	3,866,802
Total exposure	**16,209,030**	**16,720,639**
Simple Avg LTV (%)	78	74

Repossessed collaterals

	31.12.2017						
	Balance					Disposals during the year	
	Value of collaterals repossessed 31.12.2017	Of which in 2017	Accumulated impairment allowance 31.12.2017	Of which in 2017	Carrying amount of collaterals repossessed 31.12.2016	Net disposal value	Net gain/(loss) on disposal
Real estate collateral	266,141	12,856	39,138	10,297	227,003	6,066	(448)
Other collateral	1,658				1,658	8,889	1,472

	31.12.2016						
	Balance					Disposals during the year	
	Value of collaterals repossessed 31.12.2016	Of which in 2016	Accumulated impairment allowance 31.12.2016	Of which in 2016	Carrying amount of collaterals repossessed 31.12.2016	Net disposal value	Net gain/(loss) on disposal
Real estate collateral	259,190	4,024	28,321	7,948	230,869	1,431	(444)
Other collateral	9,451	82,914			9,451	68,306	(5,498)

Policy of disposal of repossessed assets

The Bank has assigned to a subsidiary of the Group the management of repossessed assets of Bank and Group's subsidiaries. When a Group company acquires, due to the debtor's default, the legal title of property which had been given as collateral for the respective asset, then the respective company is in charge of legal, accounting and tax settlement of property in cooperation with the competent Bank's division and in parallel, performs a valuation of the asset. Taking into account the characteristics of the asset and based on the market conditions,it assesses the ability of promoting it for sale or leasing. Based on the above assessment, a proposal is submitted to the responsible Committee, which decides the sale or leasing of the assets or their own use from a Group company. Based on the decision, the asset is classified into the suitable category for reporting purposes. Classification of assets is reassessed on a regular basis in order to ensure that the classification is in line with current market conditions.

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Breakdown of collateral and guarantees

	31.12.2017				
	Value of collateral received				Guarantees received
	Real estate collateral	Financial collateral	Other collateral	Total collateral	
Retail Lending	16,536,748	150,439	648,968	17,336,155	4,035,141
Corporate Lending	5,856,339	1,392,334	3,715,472	10,964,145	4,751,666
Public sector	44,153	9,086	242,155	295,394	151,137
Total	**22,437,240**	**1,551,859**	**4,606,595**	**28,595,694**	**8,937,944**

	31.12.2016				
	Value of collateral received				Guarantees received
	Real estate collateral	Financial collateral	Other collateral	Total collateral	
Retail Lending	17,923,550	309,668	287,409	18,520,627	3,268,065
Corporate Lending	7,971,833	1,017,297	3,361,933	12,351,063	3,935,644
Public sector	57,979	814	239,664	298,457	243,351
Total	**25,953,362**	**1,327,779**	**3,889,006**	**31,170,147**	**7,447,060**

There are no cases of transfer or repledge of collateral received from customer for which a liability to return has been recognized.

Loans and advances to customers, impaired loans and impairment allowance by product line, industry and geographical region

	31.12.2017					
	Greece			Rest of Europe		
	Gross Amount	Impaired Amount	Accumulated impairment allowance	Gross Amount	Impaired Amount	Accumulated impairment allowance
Retail Lending	**28,121,162**	**16,271,785**	**6,538,752**			
Mortgage	16,209,030	7,753,680	2,757,335			
Consumer	4,496,145	3,205,219	1,481,405			
Credit cards	1,592,812	429,298	264,207			
Other (incl. SBL)	5,823,175	4,883,588	2,035,805			
Corporate Lending	**18,409,363**	**8,207,391**	**4,210,861**	**1,812,635**	**167,717**	**155,165**
Financial institutions	852,779	67,783	54,729	27,489		
Manufacturing	4,654,940	2,075,799	1,046,966	71,415	35,888	19,648
Construction and real estate	2,849,012	1,610,561	909,240	168,902	97,825	60,703
Wholesale and retail trade	4,387,113	2,425,382	1,275,171	54,720	691	1,488
Transportation	506,982	71,692	33,388			
Shipping	1,464,383	301,344	130,360			
Hotels – Tourism	1,695,774	728,401	281,614	78,913	25,663	7,614
Services and other sectors	1,998,380	926,429	479,393	1,411,196	7,650	65,712
Public sector	**1,076,822**	**41,471**	**45,520**	**53,047**		**1,595**
Total	**47,607,347**	**24,520,647**	**10,795,133**	**1,865,682**	**167,717**	**156,760**

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	31.12.2016					
	Greece			Rest of Europe		
	Gross Amount	Impaired Amount	Accumulated impairment allowance	Gross Amount	Impaired Amount	Accumulated impairment allowance
Retail Lending	**30,166,221**	**17,675,022**	**7,732,540**			
Mortgage	16,720,639	7,655,203	2,396,486			
Consumer	5,234,851	3,841,176	2,128,275			
Credit cards	1,637,792	495,422	349,798			
Other (incl. SBL)	6,572,939	5,683,221	2,857,981			
Corporate Lending	**19,593,834**	**9,292,394**	**5,396,510**	**2,995,469**	**398,245**	**498,977**
Financial institutions	1,019,115	186,024	143,555			
Manufacturing	5,001,786	2,251,668	1,389,291	114,702	78,971	37,514
Construction and real estate	3,133,214	1,778,300	1,055,300	442,801	249,325	134,825
Wholesale and retail trade	4,580,841	2,742,412	1,756,778	87,513	28,329	26,775
Transportation	628,519	111,677	67,264			
Shipping	1,537,941	412,590	137,186			
Hotels – Tourism	1,605,997	702,809	249,509	89,932	32,734	10,834
Services and other sectors	2,086,421	1,106,914	597,627	2,260,521	8,886	289,029
Public sector	**1,111,952**	**41,924**	**49,133**	**73,500**		**2,292**
Total	**50,872,007**	**27,009,340**	**13,178,183**	**3,068,969**	**398,245**	**501,269**

Interest income by credit quality and type of loans and advances

	31.12.2017		
	Interest income on non impaired Loans and Advances	Interest income on impaired Loans and Advances	Total interest income
Retail lending	559.664	510.600	1.070.264
Corporate lending	682,586	143,752	826,338
Public sector	29,213	201	29,414
Total interest income	**1,271,463**	**654,553**	**1,926,016**

	31.12.2016		
	Interest income on non impaired Loans and Advances	Interest income on impaired Loans and Advances	Total interest income
Retail lending	629,246	528,310	1,157,556
Corporate lending	701,653	123,340	824,993
Public sector	27,686	245	27,931
Total interest income	**1,358,585**	**651,895**	**2,010,480**

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Forborne loans

As at 31.12.2014, the Bank reassessed the perimeter of forborne loans for all the portfolios based on the Executive Regulation (EU) 2015/227 of European commission dated 9 January 2015 and the Executive technical standards of the European banking authority and incorporated the related definitions to its credit risk policy. In this respect, the evolution, the quality and the effectiveness of these loans is monitored according to the above definition.

The forborne loans perimeter include loans:

- Which have been restructured within the last 36 months and were not past due more than 90 days and
- Forborne Loans past due more than 90 days.

The restructuring of loans is performed through renegotiation of the original contractual terms and include changes such as:

- Extension of the credit duration
- Write-off of a portion of debtor's amounts due
- Grace period for the principal and interests
- Decrease in interest rate

As a rule forbearance measures which are extended include a combination of the above amendments to the contractual terms. The carrying amount of forborne loans of Bank amounted to €12,630.8 million as at 31.12.2017 (31.12.2016: €11,068.3 million).

In addition, in the context of renegotiations of the terms of loans granted, the Bank has participated in agreements for the exchange of debt securities or loans with debtors' shares. As at 31.12.2017, the Bank included in its Available for Sale portfolio and in Assets held for Sale shares of fair value amounting to €2,321 (31.12.2016: €2,724) which were acquired from respective transactions. The shares that have been classified in Assets held for Sale concern SELONDA AQUACULTURE A.E.G.E. and NIREUS AQUACULTURE S.A. (note 19).

Analysis of forborne loans and advances to customers by type of forberance measure

	31.12.2017	31.12.2016
Interest only payment	387,712	243,484
Reduce payments scheme	6,172,968	5,906,757
Grace period	620,751	628,795
Loan term extension	3,209,873	2,453,075
Arrears capitalization	1,197,647	1,331,451
Partial write-off in borrower's obligations	135,251	11,298
Debt for equity transactions	6,805	
Other	899,764	493,423
Total net amount	**12,630,771**	**11,068,283**

The amounts are presented in thousands of Euro unless otherwise indicated

Forborne loans and advances to customers by product line

	31.12.2017	31.12.2016
Retail lending	**9,764,415**	**8,793,504**
Mortgage	5,984,806	5,266,227
Consumer	1,952,423	1,940,828
Credit cards	179,414	174,716
Other (incl. SBL)	1,647,772	1,411,733
Corporate lending	**2,828,672**	**2,267,174**
Large	1,558,846	1,267,147
SME's	1,269,826	1,000,027
Public sector	**37,684**	**7,605**
Greece	37,684	7,605
Total net amount	**12,630,771**	**11,068,283**

Forborne loans and advances to customers by geographical region

	31.12.2017	31.12.2016
Greece	12,591,641	10,959,393
Rest of Europe	39,130	108,890
Total	**12,630,771**	**11,068,283**

Forborne loans and advances to customers according to their credit quality

	31.12.2017		
	Total amount of Loans and Advances	Total amount of Forborne Loans and Advances	Forborne Loans and Advances (%)
Neither past due nor impaired	21,628,095	3,402,663	16
Past due but not impaired	3,156,570	1,558,940	49
Impaired	24,688,364	12,143,184	49
Exposure before impairment	**49,473,029**	**17,104,787**	**35**
Individual Impairment Allowance	(4,222,891)	(1,614,113)	38
Collective Impairment Allowance	(6,729,001)	(2,859,903)	43
Total net amount	**38,521,136**	**12,630,771**	**33**
Value of collateral	28,595,694	10,148,127	35

	31.12.2016		
	Total amount of Loans and Advances	Total amount of Forborne Loans and Advances	Forborne Loans and Advances (%)
Neither past due nor impaired	23,358,068	2,934,800	13
Past due but not impaired	3,175,323	1,709,738	54
Impaired	27,407,585	11,019,417	40
Exposure before impairment	**53,940,976**	**15,663,955**	**29**
Individual Impairment Allowance	(6,133,491)	(1,549,821)	25
Collective Impairment Allowance	(7,545,961)	(3,045,851)	40
Total net amount	**40,261,524**	**11,068,283**	**27**
Value of collateral	31,170,147	9,647,070	31

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Reconciliation of forborne loans and advances to customers

	Forborne loans (net value)
Opening Balance 1.1.2017	**11,068,283**
Forbearance measures of Loans and Advances during the period	2,344,915
Loans and Advances transferred to assets held for sale	(47,183)
Interest income	414,371
Disposal of Forborne Loans	(7,128)
Repayment of loans (partial or total)	(488,293)
Loans and Advances that exited forbearance status	(762,348)
Impairment loss	86,323
Other	21,831
Closing balance 31.12.2016	**12,630,771**

	Forborne loans (net value)
Opening Balance 1.1.2016	**9,400,176**
Forbearance measures of r Loans and Advances during the period	2,446,610
Loans and Advances transferred to assets held for sale	
Interest income	388,039
Disposal of Forborne Loans	
Repayment of loans (partial or total)	(514,237)
Loans and Advances that exited forbearance status	(590,340)
Impairment loss	(173,752)
Other	111,787
Closing balance 31.12.2016	**11,068,283**

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Balances with central banks – due from banks – derivative financial instruments and debt securities

Analysis per rating

31.12.2017								
	Balances with Central Banks	Due from Banks	Derivative Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and advances securities	Total
AAA					27,008			27,008
AA+ to AA-		25,676	21,944		564,624			612,244
A+ to A-		926,654	153,281		36,822			1,116,757
BBB+ to BBB-		278,796	73,897		229,271			581,964
Lower than BBB-	467,234	958,188	378,268	5,969	3,602,329	319		5,412,307
Unrated		80,438	743		360,000			441,181
Exposure before impairment	**467,234**	**2,269,752**	**628,133**	**5,969**	**4,820,054**	**319**	**-**	**8,191,461**

31.12.2016								
	Balances with Central Banks	Due from Banks	Derivative Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and advances securities	Total
AAA	10,500				1			10,501
AA+ to AA-		25,357	38,421				2,682,655	2,746,433
A+ to A-		1,026,939	136,252		3,402	9,023		1,175,616
BBB+ to BBB-		332,796	343,318		5,467			681,581
Lower than BBB-	370,653	1,444,787	126,145	2,256	3,773,102	319		5,717,262
Unrated		124,395	300		517,672			642,367
Exposure before impairment	**381,153**	**2,954,274**	**644,436**	**2,256**	**4,299,644**	**9,342**	**2,682,655**	**10,973,760**

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Balances with central banks – due from banks – derivative financial instruments and debt securities

Analysis by credit quality

	31.12.2017							
	Balances with Central Banks	Due from Banks	Derivative Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
Neither past due nor impaired	467,234	2,227,791	628,133	5,969	4,820,054	319		8,149,500
Past due but not impaired								
Impaired		41,961						41,961
Exposure before impairment	**467,234**	**2,269,752**	**628,133**	**5,969**	**4,820,054**	**319**	**-**	**8,191,461**
Less: Allowance for impairment losses		(41,961)						(41,961)
Net exposure	**467,234**	**2,227,791**	**628,133**	**5,969**	**4,820,054**	**319**	**-**	**8,149,500**

	31.12.2016							
	Balances with Central Banks	Due from Banks	Derivative Financial Instruments	Trading securities	Available for sale securities	Held to maturity securities	Loans and receivables securities	Total
Neither past due nor impaired	381,153	2,912,313	644,436	2,256	4,266,550	9,342	2,682,655	10,898,705
Past due but not impaired								
Impaired		41,961			33,094			75,055
Exposure before impairment	**381,153**	**2,954,274**	**644,436**	**2,256**	**4,299,644**	**9,342**	**2,682,655**	**10,973,760**
Less: Allowance for impairment losses		(41,961)			(22,385)			(64,346)
Net exposure	**381,153**	**2,912,313**	**644,436**	**2,256**	**4,277,259**	**9,342**	**2,682,655**	**10,909,414**

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The following tables present the financial instruments exposed to credit risk by sectors of the counterparties.

Financial instruments credit risk

Analysis by industry sector

	31.12.2017										
	Financial Institutions and other financial services	Manufacturing	Construction and real estate	Wholesale and retail trade	Public sector/ Government securities/ Derivatives	Transportation	Shipping	Hotels-Tourism	Services and other sectors	Retail	Total
Credit risk exposure relating to balance sheet items:											
Balances with Central Banks	467,234										467,234
Due from banks	2,269,752										2,269,752
Loans and advances to customers	880,268	4,726,355	3,017,914	4,441,833	1,129,869	506,982	1,464,383	1,774,687	3,409,576	28,121,162	49,473,029
Derivative financial assets	181,296	16,348	67,304	17,018	331,967		728	8,266	5,090	116	628,133
Trading securities					5,969						5,969
Available for sale securities	1,027,737	156,168	566	8,810	3,605,868				20,905		4,820,054
Held to maturity securities			319								319
Loans and receivables securities											-
Asssets available for sale - Loans and receivables	69,905	32,099	49,018	1,510				7,522	82,244	891,345	1,133,643
Total amount of balance sheet items exposed to credit risk (a)	**4,896,192**	**4,930,970**	**3,135,121**	**4,469,171**	**5,073,673**	**506,982**	**1,465,111**	**1,790,475**	**3,517,815**	**29,012,623**	**58,798,133**
Other balance sheet items not exposed to credit risk	3,217,055	2,966	295,413	350		404			6,894,496		10,410,684
Total assets	**8,113,247**	**4,933,936**	**3,430,534**	**4,469,521**	**5,073,673**	**507,386**	**1,465,111**	**1,790,475**	**10,412,311**	**29,012,623**	**69,208,817**
Credit risk exposure relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	652,058	426,598	1,380,138	452,077	93,325	61,986	6,527	63,470	394,972	68,363	3,599,514
Undrawn loan agreements and credit limits that can not be recalled (committed)	38,773	1555,267			28,870		110,146		13,500		346,556
Guarantees for bonds issued by subsidiaries of the Bank									15,542		15,542
Total amount of off balance sheet items exposed to credit risk (b)	**690,831**	**581,865**	**1,380,138**	**452,077**	**122,195**	**61,986**	**116,673**	**63,470**	**424,014**	**68,363**	**3,961,612**
Total credit risk exposure (a+b)	**5,587,023**	**5,512,835**	**4,515,259**	**4,921,248**	**5,195,868**	**568,968**	**1,581,784**	**1,853,945**	**3,941,829**	**29,080,986**	**62,759,745**

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	31.12.2016*										
	Financial Institutions and other financial services	Manufacturing	Construction and real estate	Wholesale and retail trade	Public sector/ Government securities/ Derivatives	Transportation	Shipping	Hotels-Tourism	Services and other sectors	Retail	Total
Credit risk exposure relating to balance sheet items:											
Balances with Central Banks	381,153										381,153
Due from banks	2,954,274										2,954,274
Loans and advances to customers	1,019,115	5,116,488	3,576,015	4,668,354	1,185,452	628,519	1,537,941	1,695,929	4,346,942	30,166,221	53,940,976
Derivative financial assets	184,632	10,578	79,891	754	342,737		1,579	10,709	13,556		644,436
Trading securities					2,256						2,256
Available for sale securities	432,178	204,655		16,068	3,409,677				237,066		4,299,644
Held to maturity securities	9,024		318								9,342
Loans and receivables securities	2,682,655										2,682,655
Asssets available for sale - Loans and receivables	151,724										151,724
Total amount of balance sheet items exposed to credit risk (a)	**7,814,755**	**5,331,721**	**3,656,224**	**4,685,176**	**4,940,122**	**628,519**	**1,539,520**	**1,706,638**	**4,597,564**	**30,166,221**	**65,066,460**
Other balance sheet items not exposed to credit risk	2,746,151	10,828	201,274	350		404			7,042,495		10,001,502
Total assets	**10,560,906**	**5,342,549**	**3,857,498**	**4,685,526**	**4,940,122**	**628,923**	**1,539,520**	**1,706,638**	**11,640,059**	**30,166,221**	**75,067,962**
Credit risk exposure relating to off-balance sheet items:											
Letters of guarantee, letters of credit and other guarantees	977,454	544,117	1,479,746	448,185	94,811	32,940	7,200	68,954	407,268	72,364	4,133,039
Undrawn loan agreements and credit limits that can not be recalled (committed)	31,133				50,645		133,553	94,349	112,030		421,710
Guarantees for bonds issued by subsidiaries of the Bank									15,542		15,542
Total amount of off balance sheet items exposed to credit risk (b)	**1,008,587**	**544,117**	**1,479,746**	**448,185**	**145,456**	**32,940**	**140,753**	**163,303**	**534,840**	**72,364**	**4,570,291**
Total credit risk exposure (a+b)	**8,823,342**	**5,875,838**	**5,135,970**	**5,133,361**	**5,085,578**	**661,459**	**1,680,273**	**1,869,941**	**5,132,404**	**30,238,585**	**69,636,751**

* Some figures of the previous year were reclassified for comparability purposes

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Exposure in credit risk from debt issued by the peripheral eurozone countries

Due to the prolonged turmoil in the Eurozone countries, and the issues which the Greek economy faces, concerning the service of public debt, the Bank monitors credit risk from its exposure to the Greek Government as well as the remaining peripheral countries.

i. Exposure to the Greek State

The table below presents the Bank's total exposure in Greek State securities:

	31.12.2017		31.12.2016	
Portfolio	Nominal value	Carrying amount	Nominal value	Carrying amount
Available for sale	3,537,240	3,459,945	3,965,219	3,409,677
Trading	6,256	5,969	2,861	2,256
Total	**3,543,505**	**3,465,914**	**3,968,080**	**3,411,933**

All Greek State securities are classified in level 1 based on the quality of inputs used for the estimation of their fair value.

In addition, the public entities securities on 31.12.2017 amounted to €107,944 (31.12.2016: €139,961).

The Bank's exposure to Greek State from other financial instruments, excluding securities and loans and advances is depicted in the table below.

On balance sheet exposure

	Carrying amount	
	31.12.2017	31.12.2016
Derivative financial instruments - assets	331,967	342,737
Derivative financial insturments - liabilities	(28,698)	(69,299)

Derivative financial assets from public sector entities amounted to €6,541 on 31.12.2017 (31.12.2016: €8,370) liability.

The Bank exposure in loans to public entities/organizations of Greek State on 31.12.2017 amounted €1,076,823 (31.12.2016: €1,111,952). The Bank for the above receivables has recognized impairment amounted to €45,519 as at 31.12.2017 (31.12.2016: €49,133).

In addition the balance of Bank's loans guaranteed by the Greek State (directly guaranteed by Greek State, loans guaranteed by TEMPE, Loans guaranteed by Common Ministerial Decisions) on 31.12.2017 amounted to €679,214 (31.12.2016: €720,600). For these loans the Bank has recognized impairment amounted to €113,967 as at 31.12.2017 (31.12.2016: €149,199).

Off balance sheet exposure

	31.12.2017		31.12.2016	
	Nominal value	Fair value	Nominal value	Fair value
T-bills used as collaterals for refinancing operation			56,373	57,162
T-bills used as collaterals for derivatives transactions	300,000	299,370		

ii. Exposure to other peripheral Eurozone countries debt

The Bank State holds in its available for sale portfolio, bonds issued by the Italian Republic with a book value of €71,104 (31.12.2016: €0) and bonds issued by the Spanish Republic with a book value of €74,819 (31.12.2016: € 0).

As at 31.12.2017 the Bank had no exposure to securities issued by Cyprus, Portugal and Ireland.

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38.2 Market risk

Market risk is the risk of losses arising from unfavourable changes in the value or volatility of interest rates, foreign exchange rates, stock exchange indices, equity prices and commodities. Losses may also occur either from the trading portfolio or from the Assets-Liabilities management.

More specifically:

- Interest rate risk is the risk that results from the Group's exposure to adverse changes in the value or volatility of interest rates.
- Foreign exchange risk is the risk arising from adverse changes in the value or volatility of foreign exchange rates.
- Equity risk is the risk arising from adverse changes in the value or volatility of equities or equity indices. The Group holds no material portfolio in such instruments.

i. Trading portfolio

The Group Market Risk Management Policy elaborates on how market risk is managed within the Group, i.e. the identification, measurement, monitoring and control of market risk inherent in Treasury assets and liabilitities transacted by the Group and the country local Treasury Management Units, as well as the determination that adequate capital is held against this type of risk. The ultimate objective of the Policy is to provide the framework and principles for the effective management of market risk, in order to:

- maintain market risk within the limits, in line with the Group's risk appetite;
- reduce the risk of fraud or regulatory non-compliance by prescribing sound methodologies;
- ensure adequate controls to prevent significant losses;
- facilitate efficient decision-making by quantifying where possible the probabilities of failing to achieve earnings or other targets.

All competent Group and country local Units apply the Policy by developing and applying corresponding processes.

Market risk is measured by Value at Risk - VAR, that is the maximum amount of loss with a given probability (confidence level). The method applied for calculating Value at Risk is historical simulation with full revaluation using the 99th percentile and one tailed confidence interval. The historical observation period is one year at minimum. Risk factor returns are calculated according to the absolute, relative or mixed approach.

The Bank calculates VAR on a daily basis and the data sets are updated daily. A a holding period of one and ten days is applied for regulatory purposes. Additional holding periods may be applied for internal purposes, according to the time required to liquidate the portfolio.

In line with the regulatory requirement, back-testing is performed on a daily basis for the Bank prudential trading book through the use of hypothetical and actual outcomes by monitoring the number of times that the trading outcomes exceed the corresponding risk measure.

1 day value at risk, 99% confidence interval (2 years historical data)

(Amounts in Euro)

	2017				
	Foreign currency risk	Interest rate risk	Price risk	Covariance	Total
31 December	346,333	1,941,302	24,345	(213,915)	2,098,065
Average daily value (annual)	585,522	1,146,831	42,153	(321,815)	1,452,691
Maximum* daily value (annual)	429,859	2,220,697	9,763	(432,617)	2,227,702
MInimum* daily value (annual)	323,703	254,866	24,174	(158,717)	444,026

* Refers to total value at risk (within the year).

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The Value at Risk methodology is complemented with scenario analysis and stress testing, in order to estimate the potential size of losses that could arise from the trading portfolio for hypothetical (scenarios) as well as historical extreme movements of market parameters (stress-testing).

Within the scope of policy-making for financial risk management, exposure limits, maximum loss (stop loss) and value at risk for various products of the trading positions have been set.

In particular the following limits have been set for the following risks:

- Foreign currency risk regarding spot and forward positions and FX options
- Interest rate risk regarding positions on bonds, Interest Rate Swaps, Interest Futures, Interest Options
- Price risk regarding positions in shares, Index Futures and Options, Commodity Futures and Swaps
- Credit risk regarding interbank transactions and bonds

Positions held in these products are monitored on a continuous basis and are examined for the corresponding limit percentage cover and for any limit excess.

ii. The financial risks of the banking portfolio

The market risk is possible to be arisen not only from the trading portfolio, but also from the structure of assets- liabilities items and the portfolio of loans and deposits of the Bank. This risk consists of foreign currency and interest rate risk.

a. Foreign currency risk

The Bank undertakes foreign currency risk due to the volatility of foreign exchange rates.

The open position per currency resulting from all operations is managed centrally. Bank policy is that positions are closed out promptly using spot or FX derivative transactions. All resulting open positions are subject to the Foreign currency risk limits that are set within the scope of policy-making for financial risk management and monitored accordingly.

The total open position arises from the net balance sheet position and derivatives forward position are presented in the tables below:

	31.12.2017								
	USD	GBP	CHF	JPY	RON	RSD	Other F/C	Euro	Total
ASSETS									
Cash and balances with Central Banks	1,557	521	184	46			482	772,092	774,882
Due from banks	17,315	(124)	28,283	2,210	619	73	5,088	2,174,327	2,227,791
Trading securities	1							6,543	6,544
Derivative financial assets								628,133	628,133
Loans and advances to customers	1,476,654	60,562	1,035,265	2,678	141,558		81,906	35,722,513	38,521,136
Investment securities									
- Available for sale	26,165	23						4,861,168	4,887,356
- Held to maturity								319	319
- Loans and receivables									-
Investments in subsidiaries, associates and joint ventures	20,595	57,624			164,974		3,438	1,802,300	2,048,931
Investment property								26,379	26,379
Property, plant and equipment								628,956	628,956
Goodwill and other intangible assets								350,783	350,783
Deferred tax assets								4,282,208	4,282,208
Other assets and assets held for sale	364	43	1	2	1,770		14	1,469,086	1,471,280
Total Assets	**1,542,651**	**118,649**	**1,063,733**	**4,936**	**308,921**	**73**	**90,928**	**52,724,807**	**55,854,698**
LIABILITIES									
Due to banks and customers	1,316,263	93,111	112,926	1,806	1,773		189,845	42,291,156	44,006,880
Derivative financial liabilities								1,037,174	1,037,174
Debt securities in issue and other borrowed funds	295,467							262,482	557,949
Liabilities for current income tax and other taxes								17,920	17,920
Employee defined benefit obligations								89,441	89,441
Other liabilities	495	13	414	508			125	822,785	824,340
Provisions								175,307	175,307
Total liabilities	**1,612,225**	**93,124**	**113,340**	**2,314**	**1,773**	**-**	**189,970**	**44,696,265**	**46,709,011**
Net balance sheet position	(69,574)	25,525	950,393	2,622	307,148	73	(99,042)	8,028,542	9,145,687
Derivatives forward foreign exchange position	109,193	(34,602)	(949,745)	(2,281)	(383,219)		184,153	1,130,389	53,888
Total Foreign exchange position	**39,619**	**(9,077)**	**648**	**341**	**(76,071)**	**73**	**85,111**	**9,158,931**	**9,199,575**
Undrawn loan agreements and credit limits than can not be recalled (committed)	107,346							239,210	346,556

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	31.12.2016								
	USD	**GBP**	**CHF**	**JPY**	**RON**	**RSD**	**Other F/C**	**Euro**	**Total**
ASSETS									
Cash and balances with Central Banks	3,356	713	87	23			419	669,841	674,439
Due from banks	60,882	(14,006)	10,571	16,883	973	66,938	5,691	2,764,381	2,912,313
Trading securities	1							2,864	2,865
Derivative financial assets								644,436	644,436
Loans and advances to customers	1,750,436	97,704	1,224,958	4,124	72,231		21,779	37,090,292	40,261,524
Investment securities									
- Available for sale	28,287	10						4,331,750	4,360,047
- Held to maturity								9,342	9,342
- Loans and receivables								2,682,655	2,682,655
Investments in subsidiaries, associates and joint ventures	23,432	59,714			169,317		3,392	1,559,400	1,815,255
Investment property								27,836	27,836
Property, plant and equipment								675,870	675,870
Goodwill and other intangible assets								333,926	333,926
Deferred tax assets								4,477,144	4,477,144
Other assets and assets held for sale	751	22	15,089	2	2,032	217,693	4	1,289,328	1,524,921
Total Assets	**1,867,145**	**144,157**	**1,250,705**	**21,032**	**244,553**	**284,631**	**31,285**	**56,559,065**	**60,402,573**
LIABILITIES									
Due to banks and customers	1,410,441	93,870	100,112	1,081	1,007		199,962	46,636,507	48,442,980
Derivative financial liabilitie								1,337,559	1,337,559
Debt securities in issue and other borrowed funds	229,622							369,137	598,759
Liabilities for current income tax and other taxes								19,419	19,419
Employee defined benefit obligations								89,126	89,126
Other liabilities	482	91	451	556			12	804,908	806,500
Provisions								383,188	383,188
Total liabilities	**1,640,545**	**93,961**	**100,563**	**1,637**	**1,007**	**-**	**199,974**	**49,639,844**	**51,677,531**
Net balance sheet position	226,600	50,196	1,150,142	19,395	243,546	284,631	(168,689)	6,919,221	8,725,042
Derivatives forward foreign exchange position	(202,835)	(50,456)	(1,149,133)	(19,007)	(382,243)		196,100	1,530,874	(76,700)
Total Foreign exchange position	**23,765**	**(260)**	**1,009**	**388**	**(138,697)**	**284,631**	**27,411**	**8,450,095**	**8,648,342**
Undrawn loan agreements and credit limits than can not be recalled (committed)	133,553							288,158	421,711

The open foreign exchange position as at 31.12.2017 presents the following sensitivity analysis:

Currency	**Exchange rate variation scenario against Euro (%)**	**Impact on net incomebefore tax**
USD	Appreciation USD 5%	2,085
	Depreciation USD 5%	(1,887)
GBP	Appreciation GBP 5%	(478)
	Depreciation GBP 5%	432
CHF	Appreciation CHF 5%	34
	Depreciation CHF 5%	(31)
RON	Appreciation RON 5%	(4,004)
	Depreciation RON 5%	3,622
RSD	Appreciation RSD 5%	4
	Depreciation RSD 5%	(3)
ALL	Appreciation ALL 5%	183
	Depreciation ALL 5%	(166)

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b. Interest rate risk

Banking book interest rate risk relates to the volatility of Equity Value and interest income due to the mismatch between the non-negotiable Assets-Liabilities and the available for sale portfolio. The interest rate risk management framework is determined in accordance with the Asset Liability Risk Management Policy. Based on this background, the risk analysis of the Banking Portfolio is analyzed through the Interest Rate Gap Analysis. Particularly, assets and liabilities are classified in Gaps depending on their reprise date for floating-rate items, or when they expire for fixed rate items.

Interest rate risk management is carried out by ALCO, following proposals by Group Market and Operational Risk Division, Financial Markets Division and Asset Liability Management Division. Stress interest rate scenarios are carried out on a monthly basis and their impact on the interest income change through EAR (Earnings at Risk) and Equity Value through EVE (Economic Value of Equity) is calculated. Corresponding limits have been set for both measures (EaR & EVE) which are monitored and presented to ALCO and BRC on a regular basis.

The following table presents the Interest Rate Repricing Analysis of Assets Liabilities.

	31.12.2017							
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Non-interest bearing	Total
ASSETS								
Cash and balances with Central Banks	467,234						307,648	774,882
Due from Banks	1,323,941	731,109	1,754		262	170,725		2,227,791
Trading securities	575				2,464	3,505		6,544
Derivative financial assets	628,133							628,133
Loans and advances to customers	18,202,550	7,013,244	1,575,425	1,197,468	7,251,868	3,280,581		38,521,136
Investment securities								
- Available for sale	590,020	558,475	529,323		1,496,643	1,651,246	61,649	4,887,356
- Held to maturity	319							319
- Loans and receivables								-
Investments in subsidiaries, associates and joint ventures							2,048,931	2,048,931
Investment property							26,379	26,379
Property, plant and equipment							628,956	628,956
Goodwill and other intangible assets							350,783	350,783
Deferred tax assets							4,282,208	4,282,208
Other assets							1,253,995	1,253,995
Assets held for sale	217,285							217,285
Total Assets	**21,430,057**	**8,302,828**	**2,106,502**	**1,197,468**	**8,751,237**	**5,106,057**	**8,960,549**	**55,854,698**
LIABILITIES								
Due to banks	9,848,282	761,526	41,289		3,100,753			13,751,850
Derivative financial liabilities	1,037,174							1,037,174
Due to customers	6,245,474	3,693,915	6,285,401	2,517,709	6,961,527	4,551,004		30,255,030
Debt securities in issue and other borrowed funds	532,023		4,278		5,712	15,936		557,949
Liabilities for current income tax and other taxes							17,920	17,920
Employee defined benefit obligations							89,441	89,441
Other liabilities							824,340	824,340
Provisions							175,307	175,307
Total Liabilities	**17,662,953**	**4,455,441**	**6,330,968**	**2,517,709**	**10,067,992**	**4,566,940**	**1,107,008**	**46,709,011**
EQUITY								
Share capital							463,110	463,110
Share premium							10,801,029	10,801,029
Reserves							572,832	572,832
Retained earnings							(2,691,284)	(2,691,284)
Total Equity							**9,145,687**	**9,145,687**
Total Liabilities and Equity	**17,662,953**	**4,455,441**	**6,330,968**	**2,517,709**	**10,067,992**	**4,566,940**	**10,252,695**	**55,854,698**
OPEN EXPOSURE	**3,767,104**	**3,847,387**	**(4,224,466)**	**(1,320,241)**	**(1,316,755)**	**539,117**	**(1,292,146)**	
CUMULATIVE EXPOSURE	**3,767,104**	**7,614,491**	**3,390,025**	**2,069,784**	**753,029**	**1,292,146**		

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	31.12.2016							
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 5 years	> 5 years	Non-interest bearing	Total
ASSETS								
Cash and balances with Central Banks	381,153						293,286	674,439
Due from Banks	1,640,284	1,070,391	40,469	3,427	1,893	155,849		2,912,313
Trading securities	609		518	222		1,516		2,865
Derivative financial assets	644,436							644,436
Loans and advances to customers	20,417,384	7,195,901	2,381,290	982,828	5,771,642	3,512,479		40,261,524
Investment securities								
- Available for sale	394,783	476,044	1,293,757	195,243	385,712	1,531,720	82,788	4,360,047
- Held to maturity	318		9,024					9,342
- Loans and receivables			1,964,564		171,048	547,043		2,682,655
Investments in subsidiaries, associates and joint ventures							1,815,255	1,815,255
Investment property							27,836	27,836
Property, plant and equipment							675,870	675,870
Goodwill and other intangible assets							333,926	333,926
Deferred tax assets							4,477,144	4,477,144
Other assets							1,378,290	1,378,290
Assets held for sale	27,111		47,570				71,950	146,631
Total Assets	**23,506,078**	**8,742,336**	**5,737,192**	**1,181,720**	**6,330,295**	**5,748,607**	**9,156,345**	**60,402,573**
LIABILITIES								
Due to banks	17,362,947	519,789	49,726		1,500,539			19,433,001
Derivative financial liabilities	1,337,559							1,337,559
Due to customers	5,712,296	4,096,713	5,828,540	2,075,170	6,873,385	4,423,875		29,009,979
Debt securities in issue and other borrowed funds	517,260	45,954	25,393		10,152			598,759
Liabilities for current income tax and other taxes							19,419	19,419
Employee defined benefit obligations							89,126	89,126
Other liabilities							806,500	806,500
Provisions							383,188	383,188
Total Liabilities	**24,930,062**	**4,662,456**	**5,903,659**	**2,075,170**	**8,384,076**	**4,423,875**	**1,298,233**	**51,677,531**
EQUITY								
Share capital							461,064	461,064
Share premium							10,790,870	10,790,870
Reserves							208,187	208,187
Retained earnings							(2,735,079)	(2,735,079)
Total Equity							**8,725,042**	**8,725,042**
Total Liabilities and Equity	**24,930,062**	**4,662,456**	**5,903,659**	**2,075,170**	**8,384,076**	**4,423,875**	**10,023,275**	**60,402,573**
OPEN EXPOSURE	**(1,423,984)**	**4,079,880**	**(166,467)**	**(893,450)**	**(2,053,781)**	**1,324,732**	**(866,930)**	
CUMULATIVE EXPOSURE	**(1,423,984)**	**2,655,896**	**2,489,429**	**1,595,979**	**(457,802)**	**866,930**		

From the Interest Rate Gap Analysis and from the application of alternative scenarios regarding the changes in market interest rates or changes in the Bank's base interest rates, the Bank is able to calculate the immediate changes in net interest income and equity relating to available for sale securities and the respective hedging instruments. In the interest rate decrease scenarios the change is assessed up to a feasible point (interest rate set to zero) in accordance with the effective yield curves per currency.

Interest rate variation scenario (parallel fall or rise in yield curves)	Sensitivity for net interest income (annual)	Sensitivity of Equity
-200	- 30,042	+ 250,453
+200	+ 25,490	- 214,043

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38.3 Liquidity Risk

Liquidity risk relates to the Bank's ability to maintain sufficient funds to cover its planned or extraordinary obligations. Liquidity Risk comprises both funding liquidity risk and asset liquidity risk though these two dimensions of liquidity risk are closely related. Funding Liquidity risk refers to the inability of a financial institution to raise the cash necessary to roll over its debt, fulfill the cash, margin, or collateral requirements of counterparties; or to meet capital withdrawals. Asset – market liquidity risk, results from the Bank's failure to recognize or address changes in market conditions that affect the ability to liquidate assets quickly and with minimal loss in value.

According to Bank's Liquidity Risk Management Policy, the Board Risk Management Committee assigns the overall responsibility for overseeing asset and liability management to Asset – Liability Committee (ALCo). ALCo is responsible on one hand to monitor the quantitative and qualitative aspects of liquidity risk and on the other hand to ensure that appropriate policies and procedures are in place to control and limit liquidity risk. In addition to that, ALCo is responsible for approving the guidelines, principles, risk measurement techniques and limits that have been proposed by the Group Market and Operational Risk Division, Financial Markets Division and Asset Liability Management Division.

Bank's executive and senior management is informed on current liquidity risk exposures on a daily basis, ensuring that the Bank's liquidity risk profile stays within approved limits. Moreover, management receives on a daily basis a liquidity report, which presents a detailed analysis of Bank's funding sources and counterbalancing capacity. Briefly, the following list summarizes the main reports which are produced on a periodic basis in order to inform the Bank's executive and senior management and the ALCo; Static Liquidity Gap analysis, regulatory liquidity ratios, deposit concentration report by analyzing deposit balances per customer segment, Bank's Loans to Deposit ratio, liquidity risk indicators and triggers as defined in Recovery Plan, liquidity stress testing according to scenarios that evaluate the impact of systemic and idiosyncratic stress events on the Bank' s liquidity position.

Taking into account that liquidity risk management seeks to ensure that the respective risk of the Bank is measured properly and is maintained within acceptable levels, even under adverse conditions, then the Bank must have access to funds in order to cover customer needs, maturing liabilities and other capital needs, while maintaining at the same time the appropriate counterbalancing capacity to ensure the above.

More analytically, the total funding can be divided into two main categories:

A. Customer Deposits

1. Customer deposits on demand for cash flow needs

Deposits that are intended to meet short term needs of customers are the savings accounts and the sight deposits. Although these deposits may be withdrawn on demand, the number of accounts and type of depositors ensure that unexpected significant fluctuations are limited Therefore, these deposits constitute a significant factor of stability of the deposit base.

2. Customer term deposits and bonds for investment purposes

The customer term deposits and bonds for investment purposes issued by the Group companies usually consist of customer deposits for a certain period and customer repurchase agreements (repos), whereas the bonds issued by the Group companies are disposed through outright sale. Customers have the ability of early withdrawal of deposits or early liquidation of bonds which may result in potential need of finding alternative liquidity in case of extensive outflows.

For this purpose and for the general safety of customer deposits, the Bank takes care for the existence of adequate liquidity surpluses which are calculated based on stress testing exercises due to loss of liquidity or the existence of sufficient credit lines of financial instruments as shown below.

B. Wholesale funding

1. Medium-term borrowing from international capital markets

The Bank's constant aspiration is to cooperate with international investors who may offer medium term financing through purchase of securities issued by the Group companies. For this purpose, the Bank retains special financing programs appealing to international investors and provides adequate coverage of credit needs through international capital markets by planning asset level needs on an annual basis. However, the Bank acknowledges that the demand of these bonds may not be enough to fully meet the needs in specific time intervals as a result of factors which concern the credit assessment in the domestic and international economic environment.

2. Funding by Central Banks

An alternative way of Bank funding is the liquidity from financial instruments of the Central Banks- Euro system and especially from the European Central Bank (ECB). This funding regards loan granted with pledge of assets according to instructions and the eligible assets determined by the ECB. During the last years this additional source funding has become a major financial instrument by hedging the inadequate or loss of basic forms of Bank funding. Furthermore, under the period on which Greece is under the restructuring program of economy and fiscal improvement of financial figures and simultaneously servicing financing needs of the network of institutions that have the supervision of the program, the Bank can use available assets in order to increase liquidity from the Eurosystem to cover any financing gap. The Bank recognizes the short-term nature of this liquidity source and pursues gradually to release, if circumstances allow. However, for as long as the country is experiencing financial and economic crisis, the Bank ensures the smooth financing from these financial instruments which may be either conventional marginal lending from the ECB (MRO), or Emergent Liquidity Assistance from Bank of Greece (ELA). The Bank ensures the adequacy of collateral required in order to serve the financing from the above financial instruments, while recognizing both the type and the amount of financing that is under the discretion of the Eurosystem.

The borrowing from the European System of Central Banks was reduced by € 8.1 billion since 31.12.2016, amounting to €10.2 billion on 31.12.2017, of which the €7 billion came from ELA mechanism. It needs to be mentioned that, according to the Restoration Plan, ELA deposit is expected to be gradually reduced until its' full elimination. The reduction of this source of funding will be mainly due to increase of customer deposits and interbank repo transactions along with the issuance of MTN Notes.

According to the Liquidity Gap Analysis, the cash flows arising from balance sheet items are calculated and classified into time periods in accordance with the contractual maturity date or an estimated date based on a statistical analysis (convention). An exception to the above, are the securities portfolios, which can contribute directly to raise liquidity, and they are allocated in the first period under the condition they have not been used to raise liquidity either by the Central Bank or through interbank repos.

Bank's borrowing at 2017 were mainly short term with significant contribution from the emergency liquidity assistance mechanism of Bank of Greece.

	31.12.2017					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	Total
ASSETS						
Cash and balances with Central Banks	774,882					774,882
Due from banks	880,042	294,560	51,821	325,032	676,336	2,227,791
Trading securities	6,544					6,544
Derivative financial assets	628,133					628,133
Loans and advances to customers	2,135,256	2,123,022	1,453,244	2,487,992	30,321,622	38,521,136
Investment securities						-
- Available for sale	4,646,353				241,003	4,887,356
- Held to maturity					319	319
- Loans and receivables						-
Investments in associates and joint ventures					2,048,931	2,048,931
Investment property					26,379	26,379
Property, plant and equipment					628,956	628,956
Goodwill and other intangible assets					350,783	350,783
Deferred tax assets					4,282,208	4,282,208
Other assets					1,253,995	1,253,995
Assets held for sale		130,284		87,001		217,285
Total Assets	**9,071,210**	**2,547,866**	**1,505,065**	**2,900,025**	**39,830,532**	**55,854,698**
LIABILITIES						
Due to banks	9,748,277	488,505	791	1,287	3,512,990	13,751,850
Derivative financial liabilities	1,037,174					1,037,174
Due to customers	6,240,365	3,693,350	3,445,619	2,725,984	14,149,712	30,255,030
Debt securities in issue and other borrowed funds			4,278		553,671	557,949
Liabilities for current income tax and other taxes		17,920				17,920
Employee defined benefit obligations					89,441	89,441
Other liabilities	88,505				735,835	824,340
Provisions					175,307	175,307
Total Liabilities	**17,114,321**	**4,199,775**	**3,450,688**	**2,727,271**	**19,216,956**	**46,709,011**
EQUITY						
Share capital					463,110	463,110
Share premium					10,801,029	10,801,029
Reserves					572,832	572,832
Retained earnings					(2,691,284)	(2,691,284)
Total Equity					**9,145,687**	**9,145,687**
Total Liabilities and Equity	**17,114,321**	**4,199,775**	**3,450,688**	**2,727,271**	**28,362,643**	**55,854,698**
OPEN EXPOSURE	**(8,043,111)**	**(1,651,909)**	**(1,945,623)**	**172,754**	**11,467,889**	
CUMULATIVE EXPOSURE	**(8,043,111)**	**(9,695,020)**	**(11,640,643)**	**(11,467,889)**		

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	31.12.2016					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	Total
ASSETS						
Cash and balances with Central Banks	674,439					674,439
Due from banks	1,138,892	321,071	72,699	555,013	824,638	2,912,313
Trading securities	2,865					2,865
Derivative financial assets	644,436					644,436
Loans and advances to customers	2,713,846	1,862,708	1,256,871	3,138,390	31,289,709	40,261,524
Investment securities						
- Available for sale	4,146,184				213,863	4,360,047
- Held to maturity			9,024		318	9,342
- Loans and receivables					2,682,655	2,682,655
Investments in associates and joint ventures					1,815,255	1,815,255
Investment property					27,836	27,836
Property, plant and equipment					675,870	675,870
Goodwill and other intangible assets					333,926	333,926
Deferred tax assets					4,477,144	4,477,144
Other assets					1,378,290	1,378,290
Assets held for sale			50,561	96,070		146,631
Total Assets	**9,320,662**	**2,183,779**	**1,389,155**	**3,789,473**	**43,719,504**	**60,402,573**
LIABILITIES						
Due to banks	17,362,947	296,162	1,076	2,678	1,770,138	19,433,001
Derivative financial liabilities	1,337,559					1,337,559
Due to customers	5,706,303	4,096,049	3,042,966	2,280,843	13,883,818	29,009,979
Debt securities in issue and other borrowed funds		39,348	16,724		542,687	598,759
Liabilities for current income tax and other taxes		19,419				19,419
Employee defined benefit obligations					89,126	89,126
Other liabilities	132,193				674,307	806,500
Provisions					383,188	383,188
Total Liabilities	**24,539,002**	**4,450,978**	**3,060,766**	**2,283,521**	**17,343,264**	**51,677,531**
EQUITY						
Share capital					461,064	461,064
Share premium					10,790,870	10,790,870
Reserves					208,187	208,187
Retained earnings					(2,735,079)	(2,735,079)
Total Equity					**8,725,042**	**8,725,042**
Total Liabilities and Equity	**24,539,002**	**4,450,978**	**3,060,766**	**2,283,521**	**26,068,306**	**60,402,573**
OPEN EXPOSURE	**(15,218,340)**	**(2,267,199)**	**(1,671,611)**	**1,505,952**	**17,651,198**	
CUMULATIVE EXPOSURE	**(15,218,340)**	**(17,485,539)**	**(19,157,150)**	**(17,651,198)**		

The amounts are presented in thousands of Euro unless otherwise indicated

Trading and available for sale portfolios are listed based on their liquidation potential and not according to their maturity.

Cash flows arising from financial liabilities including derivative financial liabilities, are allocated into time bands according to their maturity date. Estimated interest payments are also included. Liabilities in foreign currency have been converted into Euro. Outflows and inflows relating to derivatives are estimated according to their contractual terms.

31.12.2017							
	Total Balance Sheet	Nominal inflows / (outflows)					
		Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	Total
Non-derivative liabilities							
Due to banks	13,751,850	(9,760,440)	(508,425)	(37,442)	(74,653)	(3,839,251)	(14,220,211)
Due to customers	30,255,030	(6,250,172)	(3,711,886)	(3,473,033)	(2,780,346)	(14,411,740)	(30,627,177)
Debt securities in issue held by institutional investors and other borrowed funds	557,949	(1,513)	(3,096)	(10,180)	(10,203)	(596,591)	(621,583)
Other liabilities	824,340	(88,505)				(735,835)	(824,340)
Derivatives held for assets fair value hedge	777						
- Outflows		(23,759)		(771)	(18)	(17)	(24,565)
- Inflows		23,725				76	23,801
Derivatives held for liabilities fair value hedge	377,955						
- Outflows		(181)	(169)	(27,557)		(523,659)	(551,566)
- Inflows			2,141	7,045	14,072	502,458	525,716
Derivatives held for trading	658,442						
- Outflows		(993,616)	(537,216)	(71,533)	(65,285)	(1,225,804)	(2,893,454)
- Inflows		970,266	505,047	61,898	56,440	1,031,712	2,625,363
Total	**46,426,343**	**(16,124,195)**	**(4,253,604)**	**(3,551,573)**	**(2,859,993)**	**(19,798,651)**	**(46,588,016)**
Off Balance sheet items							
Undrawn loan agreements and credit limits that can not be recalled (committed)		(236,410)					(236,410)
Financial guarantees		(106,925)	(134,732)	(124,628)	(229,678)	(2,191,602)	(2,787,565)
Total off Balance sheet items		**(343,335)**	**(134,732)**	**(124,628)**	**(229,678)**	**(2,191,602)**	**(3,023,975)**

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31.12.2016*							
	Total Balance Sheet	Nominal inflows / (outflows)					Total
		Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	
Non-derivative liabilities							
Due to banks	19,433,001	(17,380,454)	(324,908)	(54,062)	(108,685)	(2,201,184)	(20,069,293)
Due to customers	29,009,979	(5,715,291)	(4,112,807)	(3,067,230)	(2,329,250)	(14,093,166)	(29,317,744)
Debt securities in issue held by institutional investors and other borrowed funds	598,759	(1,869)	(43,173)	(24,315)	(13,854)	(606,070)	(689,281)
Other liabilities	806,500	(132,193)				(674,307)	(806,500)
Derivatives held for assets fair value hedge	1,481						-
- Outflows		(13)		(720)		(659)	(1,392)
- Inflows					576	638	1,214
Derivatives held for liabilities fair value hedge	629,068						-
- Outflows		(272)	(471)	(40,102)		(802,151)	(842,996)
- Inflows				10,158	20,213	768,282	798,653
Derivatives held for trading	707,010						-
- Outflows		(482,362)	(113,881)	(91,146)	(250,934)	(1,989,862)	(2,928,185)
- Inflows		475,023	86,234	74,911	204,624	1,640,410	2,481,202
Total	**51,185,798**	**(23,237,431)**	**(4,509,006)**	**(3,192,506)**	**(2,477,310)**	**(17,958,069)**	**(51,374,322)**
Off Balance sheet items							
Undrawn loan agreements and credit limits that can not be recalled (committed)		(421,710)					(421,710)
Financial guarantees		(129,162)	(134,610)	(160,297)	(204,651)	(2,549,956)	(3,178,676)
Total off Balance sheet items		**(550,872)**	**(134,610)**	**(160,297)**	**(204,651)**	**(2,549,956)**	**(3,600,386)**

* Several figures of the previous year have been restated in order to be comparable.

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38.4 Fair value of financial assets and liabilities

Fair value of financial instruments measured at amortized cost

	31.12.2017				
	Level 1	Level 2	Level 3	Total Fair Value	Total Carrying Amount
Financial Assets					
Loans and advances to customers			38,222,099	38,222,099	38,521,136
Investment securities					
- Held to maturity			97	97	319
- Loans and receivables				-	-
Financial liabilities					
Due to customers			30,233,100	30,233,100	30,255,030
Debt securities in issue *		18,276	536,812	555,088	557,949

	31.12.2016				
	Level 1	Level 2	Level 3	Total Fair Value	Total Carrying Amount
Financial Assets					
Loans and advances to customers			40,069,490	40,069,490	40,261,524
Investment securities					
- Held to maturity			9,042	9,042	9,342
- Loans and receivables		2,743,600		2,743,600	2,682,655
Financial liabilities					
Due to customers			28,987,263	28,987,263	29,009,979
Debt securities in issue *		53,806	478,774	532,580	584,764

The above table presents the fair value as well as the carrying amount of financial instruments measured at amortized cost classified by fair value hierarchy.

The fair value of loans is estimated based on the interbank market yield curves by adding a liquidity premium, and adjusting the credit risk. The fair value of deposits is estimated based on the interbank market yield curves by deducting customer's spread depending on the type of deposit. In both above mentioned cases, the future cash flows (floating rate) are calculated based on the implied forward rates until their maturity.

The fair value of held to maturity securities and debt securities in issue whose fair value is calculated using market prices, are classified into Level 1.

The held to maturity securities and securities in issue whose fair value is calculated based on non-binding market prices provided by dealers-brokers or on the application of income approach methodology using interest rates and credit spreads which are observable in the market, are classified into Level 2.

The fair value of the loans and receivables securities relating to securities issued by the European Financial Stability Facility (E.F.S.F.) was determined by discounted cash flows using relevant E.F.S.F. issues inputs.

Level 3 classification includes the securities and debt securities in issue of which the fair value, is estimated by significant unobservable inputs. In this case, the fair value is quoted by the issuers of the securities and confirmed by the Bank or calculated internally by the Bank.

* On 31.12.2016 ,Debt securities in issue do not include the convertible bond loan issued by the Bank in the context of the agreement with Credit Agricole S.A. regarding the acquisition of Emporiki Bank since this security is measured at fair value. This convertible bond matured on 1.2.2017.

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In addition, Level 3 includes a liability of the Bank to the SPE entities which is related to the securitized loans. The fair value of the aforementioned liabilities was calculated with discount of future cash flows taking into consideration unobservable inputs of the market.

The fair value of other financial assets and liabilities which are valued at amortized cost does not differ materially from the respective carrying amount.

Hierarchy of financial instruments measured at fair value

	31.12.2017			
	Level 1	Level 2	Level 3	Total Fair Value
Derivative Financial Assets	7,462	594,115	26,556	628,133
Trading securities				
- Bonds and treasury bills	5,969			5,969
- Shares	575			575
Available for sale securities				
- Bonds and treasury bills	4,230,248	395,996	193,810	4,820,054
- Shares	29,044	18,659	13,945	61,648
- Other variable yield securities	5,654			5,654
Derivative Financial Liabilities		1,037,173	1	1,037,174

	31.12.2016			
	Level 1	Level 2	Level 3	Total Fair Value
Derivative Financial Assets	4,224	634,852	5,360	644,436
Trading securities				
- Bonds and treasury bills	2,256			2,256
- Shares	609			609
Available for sale securities				
- Bonds and treasury bills	3,746,897	490,055	40,307	4,277,259
- Shares	49,305	14,589	11,742	75,636
- Other variable yield securities	7,152			7,152
Derivative Financial Liabilities		1,337,558	1	1,337,559
Convertible bond			13,995	13,995

The tables above present the fair value hierarchy of financial instruments which are measured at fair value based on the inputs used for the fair value measurement.

Securities which are traded in an active market and exchange-traded derivatives are classified into Level 1.

Derivatives and the available for sale securities whose fair value is calculated based on non-binding market prices provided by dealers-brokers or on the application of the income approach methodology using interest rates and credit spreads which are observable in the market, are classified as Level 2.

Level 3 classifications include derivatives and securities whose fair value is estimated using significant unobservable inputs.

Securities whose fair value is calculated are classified to Level 2 or Level 3, depending on the extent of the contribution of unobservable data to the calculation of the final fair value. The fair value of non listed shares, as well as shares not traded in an active market is determined either by the multiples valuation or the estimations made by the Bank which relate to the future profitability of the issuer taking into account the expected growth rate of its operations, as well as the weighted average rate of capital return which is used as discount rate.

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For the valuation of over the counter derivatives income approach methodologies are used: discounted cash flow models, option-pricing models or other widely accepted valuation models. Valuations are checked on a daily basis with the respective prices of the counterparty banks in the context of the daily process of provision of collaterals and settlement of derivatives. If the non observable inputs are significant, the fair value that arises is classified as Level 3 or otherwise as Level 2.

In addititon, the Bank estimates the credit valuation adjustments (CVA) in order to account for the credit risk of the counterparty inherent in OTC derivative transactions. In order to consider the bilateral nature of counterparty risk, the Bank estimates bilateral credit valuation adjustments (BCVA) for the OTC derivatives held on a counterparty level according to netting and collateral agreements in force. BCVA is calculated across all counterparties with a material effect on the respective derivative fair values taking into consideration the default probability of both the counterparty and Bank, the impact of first to default, the expected OTC derivative exposure and loss given default of the counterparty and of Bank and the specific characteristics of netting and collateral agreements in force.

Collaterals are simulated along with the derivative portfolio exposure over the life of the related instruments. Calculations performed depend largely on observable market data. Market quoted counterparty and Bank's CDS spreads are used in order to derive the respective probability of default a market standard recovery rate is assumed for developed market counterparties, correlations between market data are taken into account and a series of simulations is performed to model the portfolio exposure over the life of the related instruments. In the absence of quoted market data, counterparty probability of default and loss given default are provided by the Bank's internal credit and facility rating systems.

A breakdown of BCVA per counterparty sectors (activity sector) and counter party credit quality (as defined for presentation purposes of the table "Analysis of neither past due nor impaired Loans and Advances to customers"), is given below:

	31.12.2017	31.12.2016
Category of counterparty		
Corporate	(7,184)	(7,874)
Governments	(12,538)	(71,084)

	31.12.2017	31.12.2016
Hierarchy of counterparty by credit quality		
Strong	(288)	
Satisfactory	(12,326)	(72,337)
Watch list (higher risk)	(7,108)	(6,621)

The Bank used the discount cash flow method, to assess contingent sale price of Ionian Hotel Enterprises S.A., which reached the amount of €4,500 and was classified to other assets. The above method used was based to a business plan submitted by Ionian Hotel Enterprises S.A. Net present value of discounted cash flows amounted to €9,700 at 31.12.2017. Taking into account the acquisition cost of Ionian Hotel Enterprises S.A. preferred shares, which amounted to €5,200, the estimated fair value of the sale price reached the amount of €4,500 at 31.12.2017. The above valuation is classified to Level 3 as for the estimation of fair value unobservable inputs were used.

Finally, the valuation of the convertible bond was based on its estimated share price at the maturity date of the bond, as reflected in the Bank's business plan, which is an unobservable market parameter.

The Bank recognizes the transfer between fair value hierarchy Levels at the end of each reporting period.

Within the period, € 52,007 of Greek corporate bonds were transferred from Level 2 to Level 1 as the criteria set for a market to be characterised as active have been met.

The table below presents the valuation methods used for the measurement of Level 3 fair value:

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31.12.2017				
	Total Fair Value	**Fair Value**	**Valuation Method**	**Significant non-observable inputs**
Derivative Financial Assets	26,556	11,629	Discounted cash flows with interest being the underlying instruments, taking into account the counterparty's credit risk	The probability of default and the loss given default of the counterparty (BCVA adjustment) are calculated with an internal model
		14,812	Discounted option taking into account counterparty's the credit risk	Credit risk spread
		115	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends
Available for sale bonds	193,810	193,810	Based on issuer price - Market prices adjusted due to low marketability - discounted cash flows with assessment of the credit risk - discounted cash flows with assessment of the return of the bond and valuation of the shares following of the expected restructuring	Issuer's price - adjusted due to low marketability - credit risk spread / return of bonds and prices of the shares
Available for sale shares	13,945	13,945	Discounted cash flows – Multiples valuation method	Future profitability of the issuer
Derivative Financial Liabilities	1	1	Discounted cash flows with interest rates being the underlying instrument	Assessment of the adequacy of reserves for the payment of hybrid securities dividends

31.12.2016				
	Total Fair Value	**Fair Value**	**Valuation Method**	**Significant non-observable inputs**
Derivative Financial Assets	5,360	5,226	Discounted cash flows with interest being the underlying instruments, taking into account the counterparty's credit risk	The probability of default and the loss given default of the counterparty (BCVA adjustment)is calculated with an internal model
		134	Discounted cash flows with interest rates being the underlying instrument	Valuation of reserve adequacy for payment of hybrid securities' dividends
Available for sale bonds	40,307	40,307	Based on issuer price	Price
Available for sale shares	11,742	11,742	Discounted cash flows – Multiples valuation method	Future profitability of the issuer
Convertible bond loan	13,995	13,995	Discounted cash flows Multiples valuation method	Estimation of issuer's stock market price
Derivative Financial Liabilities	1	1	Discounted cash flows with interest rates	Assessment of the adequacy of reserves for the payment of hybrid securities dividends

Material unobservable inputs that were used for the valuation of Ionian Hotel Enterprises SA sale price, which amounted to €4,500, is the Cost of Equity for both Ionian Hotel Enterprises SA and the Bank.

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A reconciliation for the movement of financial instruments measured at fair value in Level 3 is depicted below:

	31.12.2017			
	Assets		Liabilities	
	Available for sale securities	Derivative financial assets	Derivative financial liabilities	Convertible bond loan
Opening balance 1.1.2017	**52,049**	**5,360**	**(1)**	**(13,995)**
Total gain or loss recognized in Income Statement	10,815	17,254		1,790
Total gain or loss recognized in Equity	519			
Purchases/ Issues	30,101			
Sales/ Repayments/ Settlements	(47,636)	(4,155)		12,205
Transfers in level 3 from level 2	163,030	8,732		
Transfers from level 3 to level 2	(10)	(635)		
Transfers from level 3 to level 1	(1,113)			
Balance 31.12.2017	**207,755**	**26,556**	**(1)**	**-**
Amounts included in the Income Statement for financial instruments held at the end of the reporting year.	(1,369)	17,254		

During the period, a bond was transferred from Level 2 to Level 3 amounting to € 163,030, since non observable parameters were used for valuation purposes. In addition, during the period, a bond was transferred from Level 3 to Level 2 amounting to € 10, since observable parameters were used for valuation purposes.

Furthermore, during the reporting year, a transfer of listed shares took place from Level 3 to Level 1 amounting to €1,113 as they are now valued at their stock market value.

Finally, in the context of the debt restructuring of acertain borrower, the Bank acquired the option to purchase a stake in its share capital for a symbolic price. This option was recognized as a derivative with a fair value as of 31.12.2017 of €14,812.

	31.12.2016			
	Assets		Liabilities	
	Available for sale securities	Derivative financial assets	Derivative financial liabilities	Convertible bond loan
Opening balance 1.1.2016	**32,263**	**3,530**	**-**	**(24,600)**
Total gain or loss recognized in Income Statement	897	(802)	118	10,605
Total gain or loss recognized in Equity	4,371			
Purchases/ Issues	415			
Sales/ Repayments/ Settlements	(2,914)	(532)	638	
Transfers from level 3 to level 1	(932)			
Transfers from level 3 to level 2		(1,360)	813	
Transfers in level 3 from level 2	17,949	4,524	(1,570)	
Balance 31.12.2016	**52,049**	**5,360**	**(1)**	**(13,995)**
Amounts included in the Income Statement for financial instruments held at the end of the reporting year.	897	(521)	(1)	10,605

During the period a transfer of a subordinated security from level 2 to level 3 took place amounting to €17,949, for the calculation of it's fair value, adjusted market prices were used due to the low marketability of the security. A transfer of shares from level 3 to level 1 amounting to €932 for the valuation of which observable stock market price was used, occured. A transfer of derivatives from level 2 to level 3 occurred as the probability of default and loss given default of the counterparty calculated due to the credit risk (BCVA adjustment) significantly affected the valuation. On 31.12.2016 the above parameter didn't contribute significantly in the final valuation of those derivatives resulting in getting transferred back at level 2.

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Sensitivity analysis for Level 3 financial instruments that their valuation was based on non observable data is presented in the following table:

	Significant non-observable inputs	Significant non-observable inputs change	Total effect in Income Statement		Total effect in Equity	
			Favourable Variation	Unfavourable Variation	Favourable Variation	Unfavourable Variation
Derivative Financial Assets	The possibility of default and the loss in the case of default of the counterparty (BCVA adjustment) is calculated with an internal model	Increase in the possibility of default from the reduction of credit rating by 2 scales/ Increase in loss in the possibility of default by 10%		(2,107)		
	Estimation of the reserve adequancy for the payment of hybrid financial instruments	Increase in the probability of dividend payment to 100%		(109)		
	Credit spread	Increase in the credit spread by 10%		(832)		
Available for sale bonds	Issuer Price -Adjusted by low marketability - creditspread / return of the bonds and shares price	Variation +/- 10% in issuer Price, +/- 10% in adjustment due to low marketability and estimated Credit Risk, +/- 10% in estimated return and +/- 10% in estimated valuation of the share			4,326	(4,200)
Available for sale shares	Future profitability of the Issuer	Variation +/- 10% in P/B and EV/Sales rates of multiply method			66	(65)
Total			-	**(3,048)**	**4,392**	**(4,265)**

As far as Ionian Hotel Enterprises SA sale price is concerned, according to the sensitivity analysis performed and fluctuation to 0.50% in cost of equity, the range in sale price is at a minimum value €4,100 and at a higher value of €4,544.

38.5 Transfers of financial assets

The Bank in its ordinary course of business, transfers financial assets. In cases that, despite the fact that the contractual right to receive cash flows has been transferred the risks and rewards remain with the Bank, these assets continue to be recognized on the balance sheet.

On 31.12.2017, the financial assets that have not been derecognized despite the contractual transfer of their cash flows, are derived from the following two categories of transactions:

a) Securitizations of financial assets

The Bank has securitized corporate, consumer loans and credit cards in order to absorb liquidity from the Eurosystem. In the context of these transactions, these items have been transferred to special purpose entities, which have issued bonds. These loans and credit cards continue to be recognized as loans and advances to customers, since the Bank continues in all cases to retain the rewards and risks associated with them. This is justified by several factors which include the fact that the Bank owns these bonds and the entitlement to the deferred consideration from the transfer. Given that bonds are owned by the Bank, there are no liabilities for the Bank which actually arises from the transfer. The carrying amount of the securitized loans and credit cards on 31.12.2017 amounts to €3,079,453 (31.12.2016: €2,746,288).

In addition, the Bank proceeded to a shipping loan securitization transaction through the fully consolidated special purpose company Alpha Shipping Finance Ltd. These loans are recognized in the category of loans and advances to customers as the Bank retains the risks and benefits of the portfolio through entitlement to deferred consideration paid. The carrying amount of the securitized shipping loans and the liability to the SPE, as at 31.12.2017 amounted to €523,422 and €293,532 respectively (31.12.2016: €569,476 and €227,487 respectively). The fair value of loans as at 31.12.2017 amounted to €523,300 (31.12.2016: €550,181) and the liability at €291,182 (31.12.2016: €218,401).

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Finally, the Bank securitized corporate loans to small and medium enterprises, through Alpha Proodos DAC, a fully consolidated special purpose entity. These loans continue to be recognized in loans and advances to customers, considering that the Bank retains the risks and rewards of these, by owning the subordinated bonds and entitlement of deferred consideration. The carrying value of the above securitized loans as well as the Bank's liability to Alpha Proodos DAC amounts to €586,680 and €238,504 at 31.12.2017, respectively (31.12.2016: €627,302 and €289,160, respectively). The loan's fair value amounts to €611,237 at 31.12.2017, while the respective liability amounted to €245,631 (31.12.2016: €570,411 and €260,373 respectively).

b) Sale and repurchase agreements of debt securities

The Bank on 31.12.2017 proceeded with the transfer of Greek Government Treasury Bills, bonds of other issuers and EFSF Bonds with a repurchase agreement. These securities are still included in the Bank's investment portfolio and the respective figures are presented in the following table.

31.12.2017					
	Available for sale portfolio				Loans and receivables bonds
	Greek Government Bonds and Treasury Bills	Other Governments Bonds	Bonds of other issuers	EFSF Bonds	EFSF Bonds
Carrying amount of transferred securities	297,226	135,766	340,704	237,505	
Carrying amount of related liability	(228,765)	(135,717)	(258,734)	(238,309)	
Fair value of transferred securities	297,226	135,766	340,704	237,505	
Fair value of related liability	(228,765)	(135,717)	(258,734)	(238,309)	
Equity	**68,461**	**49**	**81,970**	**(804)**	**-**

31.12.2016					
	Available for sale portfolio				Loans and receivables bonds
	Greek Government Treasury Bills	Other Governments Bonds	Bonds of other issuers	EFSF Bonds	EFSF Bonds
Carrying amount of transferred securities	355,164		297,201		200,672
Carrying amount of related liability	(210,055)		(193,004)		(209,390)
Fair value of transferred securities	355,164		297,201		206,982
Fair value of related liability	(210,055)		(193,004)		(209,390)
Equity	**145,109**	**-**	**104,197**	**-**	**(2,408)**

The Bank on 31.12.2016, proceeded with the transfer of Greek Government Treasury Bills, bonds of other issuers and of European Financial Stability Facility (EFSF) with a repurchase agreement.These securities are still included in the Bank's investment portfolio and the respective figures are presented in the table above.

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38.6 Offsetting financial assets - liabilities

The following tables present derivative transactions under contracts of the International Swaps and Derivatives Association (ISDA), which are signed with credit institutions as counterparties, along with repurchase agreements for which there is in force global master repurchase agreement. In accordance with these contracts, the Bank is able to offset its assets and liabilities relating to a counterparty in case of a credit default.

Financial assets subject to offsetting

	31.12.2017					
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial assets presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral received	
Derivatives	505,623		505,623	(129,274)	(67,582)	308,767
Reverse repos	39,654		39,654	(39,650)	(4)	

	31.12.2016					
	Gross amount of recognized financial assets	Gross amount of recognized financial liabilities offset	Net amount of financial assets presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral received	
Derivatives	514,666		514,666	(207,281)	(22,100)	285,284

On 31.12.2016, the Bank possess a reverse repo with a book value of €50,475 with a counterparty, with whom there is a valid global master repurchase agreement, but there is no corresponding financial liability or a cash collateral for possible offsetting.

Financial liabilities subject to offsetting

	31.12.2017					
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral given	
Derivatives	1,034,114		1,034,114	(129,274)	(903,325)	1,515
Repos	39,650		39,650	(39,650)		

	31.12.2016					
	Gross amount of recognized financial liabilities	Gross amount of recognized financial assets offset	Net amount of financial liabilities presented in the balance sheet	Related amounts not offset		Net amount
				Financial instruments	Cash collateral given	
Derivatives	1,327,215		1,327,215	(207,281)	(1,115,828)	4,105

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Reconciliation of the net amount of financial assets and liabilities presented in the balance sheet

		31.12.2017		
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivatives	16	505,623	628,133	122,510
Reverse repos	14	39,654	39,654	

		31.12.2017		
	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial liabilities not in scope of offsetting disclosures
Type of financial liability				
Derivatives	16	1,034,114	1,037,174	3,060
Repos	25	39,650	2,719,980	2,680,330

		31.12.2016		
	Note	Net amount presented in the balance sheet	Carrying amount of financial assets in the balance sheet	Financial assets not in scope of offsetting disclosures
Type of financial asset				
Derivatives	16	514,666	644,436	129,770

		31.12.2016		
	Note	Net amount presented in the balance sheet	Carrying amount of financial liabilities in the balance sheet	Financial liabilities not in scope of offsetting disclosures
Type of financial liability				
Derivatives	16	1,327,215	1,337,559	10,344

In addition, it is acquainted that within the framework of the abovementioned contracts, apart from the cash, securities of nominal amount of € 300,000 have been used as collateral.

39. Estimated impact of the implementation of IFRS 9

The new accounting standard IFRS 9 will replace IAS 39 for annual periods on or after 1 January 2018, which impose fundamental changes in the way financial instruments are classified and measured. For the application of the new standard, the Bank has launched an Implementation Program, which was organized around two main work streams, the classification and measurement work stream and the impairment work stream. The Committees of the Board of Directors (the Audit Committee and the Risk Management Committee) have assumed an active role including involvement in the decision making process on key assumptions and decisions related to the Implementation Program.

On the completion of the Implementation Program, new policies have been developed for the classification, measurement and impairment of financial instruments that have been approved by the Committees of the Board of Directors. New methodologies and procedures have also been implemented to support these new policies.

Key decisions taken are briefly described in the following paragraphs:

Classification and measurement work stream

In line with the new standard, the IAS 39 classification categories of financial assets (fair value through profit or loss, available for sale, held to maturity and amortized cost) will be replaced by:

- Financial assets measured at amortized cost

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- Debt securities measured at fair value through other comprehensive income, with gain or losses recycled to profit or loss on derecognition
- Equity intsruments measured at fair value through other comprehensive income, with gain or losses on derecognition not recycled to profit or loss
- Financial assets measured at fair value through profit and loss.

The criteria for classification in the above categories are presented in note 1.1.

Based on the above, the existing portfolio on 1.1.2018, has been classified as follows:

- Loans and advances to customers and due from banks will be included in business models that permit the classification of instruments at amortized cost (hold to collect), to the extent that from the assessment of their contractual terms it is concluded that their contractual cash flows meet the definition of principal and interest as defined by the new Standard (SPPI test). Upon transition, only a limited number of existing loans to customers failed the SPPI test. The main reasons which caused the SPPI test to fail include the existence of conditions under which the Bank is not entitled to claims of unpaid amounts (these terms are either expressed explicitly in the contractual agreements or implicitly arise in the case of loans to special purpose entities on which a substantial part of the asset's value is financed or the cash flows from the asset are not sufficient to repay the loan and at the same time, the entity's equity is inadequate and there are no sufficient collaterals) or the existence of shares conversion clauses into the borrower's shares.
- For bonds and in general for fixed income investments, the Bank has identified the following business models:
  - business model that aims to hold the financial instruments in order to collect their contractual cash flows (hold to collect),
  - business model, that aims to both collect the contractual cash flows and sell the financial asset (hold to collect and sell)
  - trading portfolio

During the transition to the new standard, the majority of the bonds were classified into the business model, whose objective is achieved both by collecting contractual cash flows and by selling financial assets and, therefore, to the extent that their cash flows were solely principal and interest on the principal amount outstanding, were classified in the fair value through other comprehensive income category. Bonds classified in the trading portfolio as well as those whose cash flows did not represent solely of principal and interest on the principal amount outstanding were classified in the portfolio of debt securities measured at fair value through profit or loss.The Bank has opted to measure at fair value through other comprehensive income, its equity instruments in the banking sector or private equity participations and long term equity holdings that meet the definition of an equity instruments. The changes in fair value as well as any gains or losses are recognized directly in equity without being recycled to profit or loss. Any dividends that will be received are recognized in profit or loss. All other investments in equity instruments, as well as in mutual funds that do not meet the definition of an equity instrument, are measured at fair value through profit or loss.

- Derivatives included in the trading portfolio have not been affected as they are measured at fair value through profit or loss both before and after the implementation of IFRS 9.
- The Bank has not opted to designate at initial recognition debt securities as measured at fair value through profit or loss.
- Financial liabilities are measured at amortized cost; thus they are not affected by the implementation of IFRS 9 and there was no need to separately measure or present changes in fair value due to credit risk.

It is noted that the Bank will reassess the business models at each reporting date. The reassessment of the business model has been established in order to verify whether there is a change in the inputs that determine the classification of the financial instruments. In this context, realized sales as well as expected future sales will be monitored and documented. Information on the frequency, value and cause of sales is collected for further assessment. Disposals performed due to credit risk deterioration do not affect the classification in the hold to collect business model. It is noted that the business models are determined by the Asset Liability Committee (ALCo) or the Executive Committee (ExCo) which decide on the potential identification of a new business model for both the loan and the securities portfolio.

With regards to the assessment of retail loans contractual cash flows, these will be assessed at product level due to the standardization of these loans. On the other hand, for loans in the wholesale portfolio, the assessment will be performed at an individual level as part of the approval process. With regard to treasury products, the assessment of the contractual cash flows is carried out by the Finance Divisions in cooperation with the Treasury Management Division. It is noted that the granting of loans or the investment in debt securities, whose cash flows are not solely principal and interest on the principal amount outstanding, require the approval of the Asset Liability Committee (ALCo).

Impairment work stream

The application of IFRS 9 significantly modifies the method of calculating the Bank's impairment losses on financial instruments. IFRS 9 introduces a model of expected credit loss that replaces the current IAS 39 incurred loss model. The new requirements eliminate the IAS 39 criterion according to which credit risk losses were recognized only after the occurrence of a credit event.

In accordance with IFRS 9, the Bank should recognize an allowance for expected credit losses for loans and other financial assets that are not classified in the fair value through profit and loss category, as well as for off-balance sheet exposures (Letters of Guarantee, Letters of Credit, and Undrawn Loan Commitments).

The loss allowance will be based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition.

In addition, if the financial asset falls under the definition of a purchased or originated credit-impaired (POCI) financial asset, a loss allowance equal to the lifetime expected credit loss will be recognized.

i. Loans and advances to Customers

a. Change in default definition

In the context of the transition to IFRS 9, the Bank has harmonized the definition of Default for both accounting and regulatory purposes by adopting the definition of Non-Performing Exposures and satisfying in this way the regulatory requirements.
The definition of Non-Performing Exposures takes into account the definition of default in accordance with Article 178 of the European Union Regulation 575/2013 as well as the EBA Guidelines (GL / 2016/07), the full application of which is applicable from the end of 2020.

The definition of default under IFRS 9 will be consistent with the one used for internal credit risk management purposes, i.e. all exposures classified as Non-performing will be considered impaired - and will be classified as Stage 3 or as credit-impaired at initial recognition.

The definition of Non-Performing Exposures is used to develop models for estimating credit risk parameters (Probability of Default, Loss Given Default, Exposure at Default).

b. Classification of loans into stages based on credit risk (Staging)

The new standard uses a Stages approach that will reflect the changes in the credit risk of an exposure since its initial recognition. The adoption of this approach aims at: a) the timely recognition and measurement of credit losses before they incur, b) the classification of exposures depending on whether there is a deterioration in credit risk.

Credit-impaired at initial recognition include the folloiwng:

- Exposures that at the time of acquisition meet the criteria to be classified as Non-Performing Exposures.
- Exposures for which there has been a change in repayment terms, due to financial difficulty or not, which resulted in derecognition and recognition of a new impaired asset (POCI). If the exposure before the derecognition was classified as impaired the new loan will also be classified as POCI. However, especially for Wholesale Banking exposures, in the case where the newly recognized loan is the result of a change of borrower whose overall creditworthiness is better than the previous one, based on an assessment by the competent Credit Committee, who does not present financial difficulties and simultaneously has presented a viable Business plan, and for which no debt has been write-down, then the exposure will not be classified as POCI.

It is noted that an exposure classified as POCI remains POCI throughout its life.

For the remaining exposures not classified as POCI, Stage allocation is determined as follows:

Stage 1: At initial recognition of a loan, a loss allowance is measured based on 12 months Expected Credit Losses. Stage 1 includes exposures that do not have a significant increase in credit risk since initial recognition. Stage 1 also includes exposures for which credit risk has improved and the loan has been reclassified from Stages 2 or 3.

Stage 2: If a loan has a significant increase in credit risk since initial recognition and is not classified as Non Performing Exposure, the Bank will measure Expected Credit Losses over its lifetime.

Stage 2 also includes exposures for which credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Includes credit impaired exposures. In this stage, lifetime Expected Credit Loss are recognised.

C. Significant Increase in Credit Risk

In determining the significant increase in credit risk of an exposure since initial recognition (SICR) and the recognition of Lifetime expected Credit Losses instead of 12 months Expected Credit Losses, the Bank assesses, at each reporting date, the risk of default compared to the risk of default at initial recognition for all its performing exposures including those with no delinquencies.

The assessment of the significant increase in Credit Risk is based on the following:

- Quantitative Indicators: refers to the quantitative information used and more specifically to the comparison of the probability of default (PD) between the reporting date and the date of initial recognition.
- Qualitative Indicators: refers to the qualitative information used which is not necessarily reflected in the probability of default, such as the classification of an Exposure as foreborne performing (FPL, according to EBA ITS). Additional qualitative indicators, both for Corporate and Retail portfolios are also reflected through the Early Warning indicators and depending on the underlying assessment, an Exposure can be considered to have a significant increase in credit risk or not. Especially for Corporate portfolio, additional qualitative indicators are captured through credit ratings (financials evolution, sector data)
- Backstop Indicators: in addition to the above, and in order to capture cases for which there are no triggers reflecting the increase in credit risk, based on qualitative and quantitative indicators, the 30 days past due indicator is used as a backstop.

d. Calculation of Expected Credit Loss

The Bank calculates impairment losses either on a collective (collective assessment) or on an individual basis (individual assessment), taking into account the significance of an Exposure or the Borrower's limit. In addition, exposures that do not have common credit risk characteristics or for which there are no sufficient historical behavioral data, are assessed on an individual basis.

The Bank will calculate the expected credit losses based on the weighted probability of three scenarios to estimate the expected cash flows, which will be discounted using the effective interest rate.

The mechanism for calculating expected credit loss is based on the following credit risk parameters:

- Probability of Default (PD): It is an estimate of the probability of a Debtor to default over a specific time horizon. A default may occur only at a specific time of the period under review, if the exposure was not prior derecognised and if it remains in the loan portfolio.
- For assessing the probability of default, the credit risk rating models assess a series of parameters that can be grouped as follows:
  - Financial Analysis: The Borrower's Financial Capacity (Liquidity Indicators, Debt to Revenue etc.)
  - Competitor's analysis: the borrower's comparative position in the market in which operates, mainly in relation to its competitors (mainly applicable to debtors of Wholesale Banking)
  - Current and historical debtor's behavioural data either towards the Bank or towards third parties (delinquencies, repayment behavior, etc.), and

- Qualitative characteristics of the debtor (strong and sound management, management succession, appropriate facilities and equipment, etc.).

Credit Ratings will constitute the main input in order to determine the probability of default. The Bank will use statistical models in order to analyze the collected data and make estimates of the remaining probability of default over the life of the exposures and how they will evolve over time based, among other things, on macroeconomic variables (e.g. changes in GDP growth, unemployment rate and property prices etc.)

Exposure at default (EAD): Exposure at Default is an estimate of the amount of the exposure at the time of the default taking into account: (a) expected changes in the exposure after the reporting date, including principal and interest payments; (b) the expected use of credit limits and (c) accrued interest. The approved credit limits that have not been fully disbursed represent a potential credit exposure and are converted into a credit exposure equal to the approved undrawn credit limit multiplied by a Credit Conversion Factor (CCF). The Credit Conversion factor of credit exposure is calculated based on statistical models.

- Except for credit cards and other revolving exposures, the maximum period for which credit losses are calculated is the remaining contractual maturity of a financial instrument unless the Bank has the legal right to recall the financial instrument earlier.
- Loss given default (LGD): Loss given default is an estimate of the loss that will occur if the default occurs at a given time. It is based on the difference between the contractual cash flows due and those expected to be received, including the liquidation of collaterals. It is usually expressed as a percentage of the exposure at default (EAD). The Bank divides Corporate and Retail Banking portfolios into smaller similar portfolios, in line with the key features associated with the assessment of future cash flows. The data used are based on historically collected data and include a broad set of transactional characteristics (for example product type and type of collateral) as well as debtor's characteristics. Recent data and possible future scenarios are also used to determine the IFRS 9 Loss Given Default (LGD) for each group of financial instruments.

In determining the expected credit losses, the Bank will take into account 3 scenarios, a Base Scenario, an Upside Scenario and a Downside Scenario, as well as the cumulative probabilities of their occurrence

Each of these scenarios is linked to different Probabilities of Default and / or different Losses Given Defaults (LGD).

e. Undrawn commitments

Undrawn loan commitments and letters of credit / letters of guarantee were measured in accordance with IAS 39 at the higher value between the amount of the provision (determined in accordance with IAS 37) when the outflow was considered probable and a reliable estimate was available ; and the amount initially recognized less accumulated amortization. According to IFRS 9, these contracts fall within the scope for expected credit losses recognition..

In estimating the expected credit losses over the life of an undrawn loan commitment, the Bank will assess the expected part of the loan commitment that will be used throughout its expected life.

Credit cards and revolving exposures include both a loan and an undrawn commitment, for which the expected credit losses will be calculated together with the loan. However, for undrawn loan commitments and letters of credit / letters of guarantee, the expected credit losses will be recognized in Provisions.

g. Information on future conditions

The Economic Research Division produces forecasts for the possible evolution of macroeconomic variables that affect the level of expected credit losses of loan portfolios under a baseline and under alternative macroeconomic scenarios and also generates the cumulative probabilities associated with these scenarios.

The macroeconomic variables affecting the level of expected credit losses are the Gross Domestic product (GDP), the unemployment rate and forward looking prices of residential and commercial real estates

The production of the baseline scenario, supported by a consistent economic description, will represent the starting point and will constitute the most likely scenario according to the current economic conditions and the Bank's basic assessment of the course of the economy.

The cumulative probabilities of the macroeconomic scenarios for the Greek economy will indicate that the economy performs better or worse than forecasts based on the baseline scenario and the alternative scenarios, i.e. the upside and downside scenario.

h. Governance

The Credit Risk Committee is responsible for approving the Expected Credit Losses as well as the methodologies developed by the Bank for calculating the expected credit loss (ECL Methodology) for loan portfolio.

ii. Impairment on Treasury products

For debt treasury instruments that are measured at amortized cost or at fair value through other comprehensive income under IFRS 9, the impairment loss will be based on the expected credit losses associated with the probability of default within the next twelve months, unless there has been a significant increase in credit risk since initial recognition in which case the impairment loss recognized will be equal to the lifetime expected credit loss.

- **Significant Increase in Credit Risk**

  The Bank defines as low credit risk all investment grade securities, which will be classified in Stage 1 provided that they remain in this grade. The Bank will apply specific methodology and criteria to determine whether significant increase in credit risk has occurred since initial recognition for all non-investment grade debt securities.

  The classification into stages for the purpose of Expected loss computation. s is based on the credit rating of rating agencies or, for corporate securities issued by Greek issuers which are also included in loan portfolio, on the issuer's internal rating.

  Determining the significant credit risk increase for non-investment grade securities is based on the following two conditions:

  - Downgrade in the issuer / counterparty's credit rating on the reporting dates compared to the credit rating on the date of the initial recognition.
  - Increase in the probability of default of the issuer / counterparty for the 12-month period compared to the corresponding probability of default at initial recognition.

  Additionally, the Bank will monitor the change in the credit spread since the initial recognition date.

  A change in the credit spread at the reporting date that exceeds a specific threshold compared to the credit margin prevailing at the date of initial recognition is a trigger for reviewing the securities classification stage. Based on the result of the above review, the security remains in Stage 1 or is transferred to Stage 2, regardless of whether the original Stage 2 criteria have been met or not.

- **Calculation of Expected Credit Loss**

  For the calculation of the expected credit loss, the following parameters will be used:

  - Probability of default (PD): the probability of default over the next 12 months will be used to calculate the expected credit loss for 12 months, and the probability of default over the life of the instrument will be used to calculate the lifetime expected credit losses.
  - Exposure at default (EAD): In the case of securities, the Bank estimates the future unamortized cost in order to calculate the EAD. In particular, for each period, EAD is the maximum loss that would result from issuer / counterparty potential default.
  - Loss given default (LGD) is the percentage of the total exposure that the Bank estimates as unlikely to recover at the time of the default. The Bank distinguishes sovereigns from non-sovereign issuers / counterparties as regards to the LGD estimation. In case, the Bank has also granted a loan to the issuer / counterparty of the security, the estimated LGD should be in line with the corresponding estimate for the loan portfolio (taking into account any potential collaterals the loan portfolio is likely to have against the unsecured debt securities).

  A debt security will be recognized as purchased or originated credit-impaired (POCI) in the following cases:

  - The debt instrument (or the issuer) has an external rating that corresponds to default at the time of acquisition.

- Corporate bonds resulting from debt restructuring will be classified as credit impaired on initial recognition, based on the guidelines applicable to the loan portfolio.

When a debt security has been purchased at a large discount and does not fall into any of the categories mentioned above, the Bank examines the transaction in detail (transaction price, recovery rate, issuer's financial condition at the time of purchase, etc.) in order to determine whether it should be recognised as a purchased or originated credit-impaired security (POCI). Classification in this category requires documentation and approval by the relevant committees of the Bank.

Capital and money market financial instruments are considered impaired when their rating is equivalent to default. In the case, a debt security corporate issuer / counterparty has also been granted a loan which has been classified as impaired, then the classification of the debt securtity is aligned to the classification of the loan exposure.

Hedge Accounting

With respect to hedge accounting, the Bank has opted , as a policy permitted by IFRS 9, to continue to apply the provisions of IAS 39.

Transition

The Bank will not restate the comparative information for 2017 for financial instruments that are within the scope of IFRS 9 and the differences arising from the adoption of IFRS 9 will be recognized directly in Equity as at 1 January 2018.

Estimated Impact from the implementation of IFRS 9

The following table presents the reconciliation of the transition from IAS 39 to IFRS 9 as of 1 January 2018.

	Balance at 31.12.2017	Reclassification	Estimated Valuation Impact	Balance under IFRS 9 at 1.1.2018
ASSETS				
Cash and balances with central banks	774,882			774,882
Due from banks	2,227,791		(269)	2,227,522
Trading securities	6,544	6,495		13,039
Derivative financial assets	628,133			628,133
Loans and advances to customers, at amortized cost	38,521,136	(425,149)	(1,241,023)	36,854,964
Loans and advances to customers, at fair value through profit and loss		425,149	1,204	426,353
Investment securities				
- Available for sale	4,887,356	(4,887,356)		
- Held to maturity	319	(319)		
- Loans and receivables				
- Fair value through other comprehensive income		4,726,933		4,726,933
- Fair Value through profit and loss		154,246	(224)	154,022
LIABILITIES				
Due to banks	13,751,850			13,751,850
Derivative financial liabilities	1,037,174			1,037,174
Due to customers	30,255,030			30,255,030
Debt securities in issue and other borrowed funds	557,949			557,949
Provisions	175,307		79,881	255,188

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The following table presents the estimated impact after tax, of the transition to IFRS 9 on Reserves and Retained earnings.

Reserve of AFS portfolio balance (IAS 39) Balance as at 31.12.2017	**296,850**
Reclassification of bonds of the investment portfolio to fair value through profit and loss	71,812
Reclassification of shares of the investment portfolio to fair value through other comprehensive income	(11,894)
Reclassification of other securities of the investment portfolio at fair value through profit and loss	(1,728)
Recognition of expected credit loss in accordance with IFRS 9 for bonds at fair value through other comprehensive income	79,732
Income tax	(40,499)
Balance as at 1.1.2018 in accordance with IFRS 9	**394,273**
Retained earnings IAS 39 Balance as at 31.12.2017	**(2,691,284)**
Reclassification in accordance with IFRS 9 of shares of the investment portfolio to fair value through other comprehensive income	11,894
Reclassification in accordance with IFRS 9 of other securities of the investment portfolio at fair value through profit and loss	1,728
Reclassification in accordance with IFRS 9 of bonds of the investment portfolio at fair value through profit and loss	(71,812)
Expected credit loss and valuation of financial assets in accordance with IFRS 9	(1,399,924)
Income tax	422,882
Balance at 1.1.2018 in accordance with IFRS 9	**(3,726,516)**

The following table presents loans and advances to customers measured at amortised cost by IFRS 9 stage as reported after the estimated impact of IFRS 9:

	Stage 1		Stage 2		Stage 3		Loans impaired at initial recognition		Total loans and advances to customers at amortized cost		
	Gross amount	Expected Credit Losses	Gross amount	Expected Credit Losses	Gross amount	Expected Credit Losses	Gross amount	Expected Credit Losses	Gross amount	Expected Credit Losses	Net Value after impairment
Retail lending	6,415,059	(19,736)	4,488,483	(362,969)	11,198,554	(4,500,070)	5,885,089	(2,287,770)	27,987,185	(7,170,545)	20,816,640
Corporate lending	9,094,536	(195,108)	2,283,205	(147,517)	6,624,641	(3,274,570)	1,555,500	(969,142)	19,557,882	(4,586,337)	14,971,545
Public sector	623,319	(3,492)	465,039	(28,417)	10,735	(7,296)	30,736	(23,845)	1,129,829	(63,050)	1,066,779
Total	**16,132,914**	**(218,336)**	**7,236,727**	**(538,903)**	**17,833,930**	**(7,781,936)**	**7,471,325**	**(3,280,758)**	**48,674,896**	**(11,819,932)**	**36,854,964**

In addition to the estimated Expected credit losses presented in the above table, a provision for Expected credit losses for off-balance sheet items has been accounted for amounting to €91,593. As a result, total estimated provision for Expected credit losses amounts to € 11,911,525.

"Loans impaired at initial recognition" include loans amounting to €865,004 which as at 1.1.2018 are not credit impaired/ Non Performing Exposures.

The following table presents investment securities at Fair value through Other Comprehensive Income by IFRS 9 stage as reported after the estimated impact of IFRS 9.

	Investment securities at fair value through other comprehensive income				
	Stage 1	Stage 2	Stage 3	Loans impaired at initial recognition	Total
Balance as at 1.1.2018 in accordance with IFRS 9	4,636,454	28,832			4,665,286
Expected Credit Losses	(76,633)	(3,099)			(79,732)

However, the Bank is continuing to assess, test and refine the new accounting processes, internal controls and governance framework necessitated by the adoption of IFRS 9. The new accounting policies, assumptions, judgments and estimations remain subject to change until the Bank finalizes its audited financial statements as at 31.12.2018. Therefore, the impact disclosed in these financial statements may be amended during 2018.

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Supervisory impact of the implementation of IFRS 9

On 25 October 2017 the European Parliament, the Council and the Commission agreed on the proposed amendment of the Regulation (EU) No 575/2013 as regards transitional arrangements for mitigating the impact of the introduction of IFRS 9 on own funds. The agreed Regulation (2395/2017) was approved by the European Parliament and the Council and published in the Official Journal of the European Union on 12 December 2017.

According to the transitional arrangements, institutions are allowed, beginning from the date of initial application of IFRS 9 and for a duration of 5 years, to add back to their CET1 capital the after tax amount of the difference between the loss allowances as of the date of transition to IFRS 9 and the loss allowances as of 31.12.2017 in accordance with IAS 39 ("static" amount). The amount of the difference that would be added to the ratio should decrease on an annual basis based on scaling factors, in order for the amount of loss allowances to decrease over time down to zero to deliver full implementation of the IFRS 9 impact after the end of the 5-year period (phase-in). The factors to be applied per year are the following:0.95 the 1st year, 0.85 the 2nd, 0.7 the 3rd, 0.5 the 4th and 0.25 the last year.

In addition, the institutions are allowed, for a duration of 5 years beginning from the date of initial application of IFRS 9, to add back to the CET1 capital the amount, weighted by the aforementioned scaling factors, of the after tax loss allowances of impairment stages 1 and 2 as of the reporting date to the extent that this amount exceeds the amount of the respective allowances as of the initial application of IFRS 9 (1.1.2018). Stages 1 and 2 are defined respectively as the 12 month expected credit losses and lifetime expected credit losses excluding credit impaired financial assets.

Alpha Bank intends to make use of Article 473a of the above Regulation and apply the transitional arrangements foreseen for the calculation of Capital Adequacy both on an individual basis and consolidated basis. Based on the above, the Common Equity Tier 1 (CET 1) ratio is estimated to be affected by approximately 0.1% and will stand at 18.25% for the first year, while the impact from full implementation is estimated at approximately 2.5% and the ratio will stand at 15.9% as at 31.12.2017, for the Group. The Bank is adequately capitalized to meet the needs arising from the application of the new standard as the Group Common Equity Tier 1 (CET 1) ratio stood at 18.33% as at 31.12.2017.

40. Capital adequacy

The Bank's policy is to maintain a robust capital base to safeguard the Bank's development and retain the trust of depositors, shareholders, markets and business partners.

Share capital increases are performed after Shareholders' General Meeting or Board of Directors' decisions in accordance with the articles of association or the relevant laws.

For the period that the Hellenic Financial Stability Fund (HFSF) participates in the Share Capital of the Bank, the purchase of own shares is not allowed without its approval, according to the Relationship Framework Agreement (RFA) which has been signed between the Bank and the HFSF.

The capital adequacy is supervised by Single Supervising Mechanism of ECB, to which reports are submitted every quarter. The minimum requirements regarding Tier I ratio and the capital adequacy ratio of the Bank are stipulated by Bank of Greece Governor's Acts.

The capital adequacy ratio compares regulatory capital with the risks assumed by the Bank (risk-weighted assets). Regulatory capital includes Tier I capital (share capital, reserves and non-controlling interests), additional Tier I capital (hybrid securities) and Tier II capital (subordinated debt, real estate properties revaluation reserves). Risk-weighted assets include the credit risk of the investment portfolio, the market risk of the trading portfolio and operational risk.

Alpha Bank, as a systemic bank, falls within the Single Supervisory Mechanism (SSM) since November 2014 of European Central Bank (ECB), to which reports are submitted every quarter. The supervision operates along with the European Regulation 575/2013 (CRR) and the relevant European Directive 2013/36 (CRD IV), which was incorporated into the Greek Law 4261/2014. The framework is well known as Basel III.

According to the above regulatory framework, for the calculation of capital adequacy ratio the effective transitional arrangements are followed. Moreover:

- Besides the 8% capital adequacy limit, there are limits of 4.5% for Common Equity ratio and 6% for Tier I ratio, and
- Is required the maintenance of capital buffers additional to the Common Equity Capital, from 01.01.2016 and gradually until 31.12.2019.

In particular:

- Since 1.1.2017 a conservation capital buffer of 1.25% exists which will gradually rise to 2.5% on 31.12.2019.
- The Bank of Greece through the acts issued by the Executive Committee settled the following capital buffers:
  - Countercyclical capital buffer rate for the year 2017, "zero percent" (0%).
  - Other systemically important institutions (O-SII) buffer for 2017 "zero percent" (0%).

These limits should be met both on a standalone and on a consolidated basis.

	31.12.2017 (estimation)	31.12.2016
Common Equity Tier I	18.70%	17.30%
Tier I	18.70%	17.30%
Capital Adequacy Ratio	**18.70%**	**17.30%**

In 2018, a stress-testing exercise will be conducted for the European Banks by EBA for the largest European banks and by ECB for the banks which are not included in the first group. The results of the stress testing exercise will be factored into the overall assessment within the 2018 Supervisory Review and Evaluation Process (SREP). Both exercises will be held at the highest level of consolidation and with common methodology published on November 17, 2017, according to EBA. Alpha Bank participates in stress testing under the supervision of the European Central Bank, launching at the begging of 2018, while results are to be announced in May 2018.

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41. Related-party transactions

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

a. The outstanding balances of the Bank's transactions with key management personnel consisting of members of the Bank's Board of Directors and Executive Committee, their close family members and the entities controlled by them, as well as, the results related to these transactions are as follows:

	31.12.2017	31.12.2016*
Assets		
Loans and advances to customers	1,339	1,320
Liabilities		
Due to customers	5,129	6,256
Employee defined benefit obligations	244	260
Total	**5,373**	**6,516**
Letters of guarantee and approved limits	**2,244**	**2,315**

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016*
Income		
Interest and similar income	47	96
Fee and commission income	1	72
Total	**48**	**168**
Expenses		
Interest expense and similar charges	15	42
Fees paid to key management and close family members	3,581	3,647
Total	**3,596**	**3,689**

b. The outstanding balances with the Bank's subsidiaries, associates and joint ventures as well as the results related to these transactions are as follows:

i. Subsidiaries

	31.12.2017	31.12.2016
Assets		
Due from banks	962,305	1,355,378
Derivative financial assets	5,609	10,112
Loans and advances to customers	2,258,075	3,186,755
Available for sale securities	379,434	365,899
Other assets	16,160	2,769
Total	**3,621,583**	**4,920,913**
Liabilities		
Due to banks	706,045	358,694
Due to customers	902,807	979,120
Derivative financial liabilities	7,752	1,333
Debt securities in issue and other borrowed funds	550,229	534,160
Other liabilities	8,770	5,702
Total	**2,175,603**	**1,879,009**
Letters of guarantee and other guarantees	**374,074**	**780,870**

* Several figures of the previous year have been restated in order to be comparable.

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In addition to the financing of the Bank's subsidiaries companies which have issued bonds, from the Bank, guarantees have been given for the issuance of these bond loans on 31.12.2017 amounting to €15,542 (31.12.2016: €15,542).

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Income		
Interest and similar income	57,070	70,478
Fee and commission income	16,798	13,616
Dividend Income	35,128	448,443
Gains less losses on financial transactions		13,089
Other income	4,390	4,100
Total	**113,386**	**549,726**
Expenses		
Interest expense and similar charges	26,936	20,879
Commission expense	948	2,507
Gains less losses on financial transactions	5,502	
General administrative expenses	18,109	17,146
Total	**51,495**	**40,532**

ii. Joint ventures

	31.12.2017	31.12.2016
Assets		
Loans and advances to customers	94,195	175,135
Other assets		6
Total	**94,195**	**175,141**
Liabilities		
Due to customers	**7,383**	**21,551**

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Income		
Interest and similar income	2,698	5,931
Fee and commission income	15	4
Other income	14	21
Total	**2,727**	**5,956**
Expenses		
Interest expense and similar charges	**67**	**142**

iii. Associates

	31.12.2017	31.12.2016
Assets		
Loans and advances to customers	55,515	54,240
Other assets	1,427	
Total	**56,942**	**54,240**
Liabilities		
Due to customers	19,240	924
Other Liabilities	1,270	
Total	**20,510**	**924**

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	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Income		
Interest and similar income	841	428
Fee and commission income	4	
Other income	13	1
Total	**858**	**429**
Expenses		
General administrative expenses	5,555	

For the impairments of participations and loans to subsidiaries, joint ventures and associates there are references in the relevant notes.

c. The Employees Supplementary Fund maintains deposits with the Bank amounting to €7 (31.12.2016: €296). Periods' interest expenses relating to deposits amount to €1(31.12.2016: €18).

d. The Hellenic Financial Stability Fund (HFSF) exerts significant influence on the Bank. In particular, in the context of Law 3864/2010 and based to Relationship Framework Agreement (RFA) signed on 23.11.2015, which replaced the previous signed in 2013, HFSF has participation in the Board of Directors and other significant Committees of the Bank. Therefore, according to IAS 24, HFSF and its related entities are considered related parties for the Bank.

The outstanding balances and the results related to these transactions are analyzed as follows:

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Income		
Fee and commission income	10	10

42. Auditors' fees

The total fees of "Deloitte Certified Public Accountants S.A.", statutory auditor of the Bank, are analyzed below, as stated in paragraph 2 and 32, article 29, of Law 4308/2014.

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Fees for statutory audit*	1,362	1,200
Fees for the issuance of tax certificate	195	165
Fees for other non-audit services	135	105
Total	**1,692**	**1,470**

* The statutory audit fee for the compulsory audit of financial statements includesrelated expenses amounting to 2% of the approved fee.

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43. Assets held for sale and discontinued operations

	31.12.2017	31.12.2016
APE Fixed Assets A.E., APE Commercial Property A.E., APE Investment Property A.E.	87,001	96,070
Alpha Bank Srbija AD		50,561
Alpha Investment Property Attikis II A.E.	21,782	
Loans and receivables	108,502	
Total	**217,285**	**146,631**

The Bank, under the approved by the European Committee Restructuring Plan (note 44),has began the process of the sale of the subsidiaries Ape Fixed Assets A.E., APE Investment Property A.E. and Alpha Investment Property Attikis II A.E. as well as a retail and wholesale portfolio, the balances of which are presented in the table above and described below.

Additionally, during 2017, the sale of the subsidiary Alpha Bank Srbija A.D was completed as well as the sale of APE Commercial Property A.E participation in EL.P.ET. Balkaniki A.E. During 2016, the sales of the subsidiaries Alpha Bank AD Skopje and Ionian Hotel Enterprises A.E. were completed as well as the sale of the operations of the Bulgarian Branch, as described below.

Investment in companies APE Fixed Assets AE,APE Commercial Property AE, APE Investment Property AE

Consultants were engaged in 2016 and the liquidation procedure of the Bank's participations in APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE began. APE Fixed Assets AE is a Bank's subsidiary, while APE Commercial Property AE and APE Investment Property AE are joint ventures, where the control is exercised jointly by the Bank and the other shareholder.

The abovementioned investments have been classified as "held for sale" in accordance with IFRS 5. As regards to APE Fixed Assets and APE Investment Property AE, the Bank is upon discussions with potential investors, who have expressed interest for the purchase of holdings, and considers very likely the completion of the transactions in the near future. During the fourth quarter of 2017, the sale of APE Commercial Property participation in EL.P.ET. Balkaniki A.E. was completed, which was (in addition to deposit in banks) its only asset. The Bank and the other shareholder have agreed to proceed with the liquidation of APE Commercial Property A.E. during 2018, as the company does not have other business activity.

According to IFRS 5 the assets held for sale or disposal groups are valued at the lower of carrying amount and fair value less cost to sell and they are presented in the balance sheet separately from other assets and liabilities. The Bank proceeded to the measurement of the fair value of the participation as well as of loans and receivables from these companies which consist a part of its net investment.

From the abovementioned valuation during the prior year losses amounting to €51,211 arose and they were recognized in caption "Gains less losses on financial transactions" in the Income Statement. In the current year a capital return of €9,399 was made by APE Commercial Property A.E. while the fair value adjustment was positively adjusted by €330.

In the table below an analysis of the specific assets regarding APE Fixed Assets AE, APE Commercial Property AE and APE Investment Property AE is presented which are classified in the Balance Sheet as assets held for sale.

	31.12.2017	31.12.2016
Loans and advances to customers	49,600	47,570
Investment in subsidiaries associates and joint ventures	37,401	48,500
Total assets held for sale	**87,001**	**96,070**

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Investment in subsidiary Alpha Investment Property Attikis II A.E

During 2017, the Bank and its subsidiary Alpha Group Investments Ltd signed with an interested investor a memorandum of understanding, for the sale of Alpha Investment Property Attikis II and proceeded to negotiate the details of the terms of the sale. The main terms of transfer of 100% of the share capital of Alpha Investment Property Attikis II were agreed with the investor in the fourth quarter and it is estimated that the sale will be completed within the next year.

During the fourth quarter of 2017, the Bank acquired 99.74% of Alpha Investment Property Attikis II shares through the capitalization of a loan that was granted to the company, and based on the above, the participation was classified as held for sale in the financial statements as of 31.12.2017. The participation was valued at the lower of the carrying amount and fair value less costs to sell, recognizing a loss amounting to €17,118 in "Gains less losses of financial transactions". The carrying amount of the participation after the abovementioned valuation amounted to €21,782.

Loans and receivables

During the fourth quarter of 2017, the Bank started the process for the sale of Non- Performing Retail Portfolio, which includes consumer loans, credit cards, loans to professionals, and corporate loans.

On 31.12.2017 the aforementioned loans met the criteria for their classification as «assets held for sale» in accordance with IFRS 5. For financial reporting purposes as at 31.12.2017, the tota of the aforementioned loans were impaired in their recoverable amount, in accordance with the current credit impairment assessment methodology, which was calculated as the estimated sale price less costs to sell, recognizing the difference as «Impairment losses and provisions to cover credit risk» of the income statement. On 31.12.2017, the carrying amount of the Retail Portfolio amounted to €64,600 and the wholesale Loans Portfolio amounted to €43,902.

During the first quarter of 2018, for the retail and part of the wholesale portfolio the Bank entered into a definitive sale agreement, while for the rest of the wholesale portfolio the sale transaction was completed.

Investment in Alpha Bank Srbija A.D.

In the fourth quarter of 2016, the Bank, initiated procedures, in order to sell its subsidiary company, Alpha Bank Srbija A.D.

On 30.1.2017, the Bank agreed with a potential buyer, to sell all the shares owned. On 11.4.2017 the transfer of all shares of the company was completed for a total price of € 53 million. In addition to the transfer of all shares of the subsidiary, the agreement includes the assignment of a subordinated debt contract, which amounts to €27.111 and was granted to the subsidiary by the Bank.

According to the above, on 31.12.2016, the bank's investment in the subsidiary as well as the subordinated loan meet the criteria set under IFRS 5 to be classified as assets held for sale. Therefore, for the purposes of preparation of financial statements of 31.12.2016, investment in the subsidiary, was valued at the lower of carrying amount and fair value less selling costs, amounting to €50,561. A loss was recognized from the above valuation, which reached the amount of €82,000 and was classified to "Gains less losses on financial transactions".

The final sale price was not different from the calculated fair value.

Investment in subsidiary Alpha Bank AD Skopje

The Bank, during the fourth quarter of 2015, began the process of selling its subsidiary Alpha Bank Skopje (ABS). ABS was the smallest Group subsidiary in the Balkans and it had a small presence in the local market in Skopje (market share<2%). As part of this process, investors, which were shortlisted from a broader investor list, were invited to submit their bids on the acquisition of the 100% of ABS shares and on the 100% of the hybrid instrument (subordinated loan) which was granted to ABS from the parent company (both of them combined the "Perimeter Transaction").

The disposal was completed on 10.5.2016 for a total amount of € 3.200.

On 31.12.2015 the Bank's participation in the subsidiary and the hybrid instrument satisfy the conditions for classification as "held for sale" in accordance with IFRS 5.

Investment in subsidiary Ionian Hotel Enterprises A.E.

On 22.8.2016 the Bank proceeded to the acquisition of 97.27% of shares of Ionian Hotel Enterprises A.E. from the related companies Alpha Group Investments Ltd, Ionian Equity Participations Ltd, Ionian Holding A.E., Oceanos A.T.O.E.E. and Alpha Supporting Services A.E. by 89.77%, 1.87%, 1.87%, 1.87% and 1.87% respectively. The participation in the subsidiary was classified directly to assets held for sale as it met the criteria set by IFRS 5, considering the public announcement of the Bank's intention to sale the company, through an invitation for expression of interest, on 17.2.2016. On 27.10.2016 the Bank signed the final sale agreement of the subsidiary, which was completed on 16.12.2016. The final price of the transaction, including the refinancing of the subsidiary's existing loans (€67.2million), amounted at €143.3 million.

In addition, with the signature of the transfer agreement, the Bank acquired the right to invest €5.2 million against preference shares issued by the subsidiary or shares of the company that will emerge after the merger of the subsidiary with the buyer. The issuance of preference shares will be accompanied by sale/purchase option contracts between the Bank and the buyer's shareholders. This mechanism enables the Bank to collect an additional amount depending on how the value of the company will develop and therefore represents a contingent consideration. This right was recorded to other assets, at fair value, which was amounted to €4.5 million on 31.12.2016. This fair value remained stable during 2017.The result of sale of Ionian Hotel Enterprises SA was loss of €35 million and was classified in "Gains less losses on financial transactions".

Bank's branch in Bulgaria

On 17.7.2015, the Bank and Eurobank, with a joint statement, announced their agreement, in main terms, for the transfer of operations of the Bank's Branch in Bulgaria to Eurobank's subsidiary in Bulgaria (PostBank). On 6.11.2015 the Bank and Postbank signed the relevant contract, finalizing the terms of the transfer which provided for a transfer price of Euro 1 and the partial undertaking of the Branch's debt obligations by the buyer. The transfer was completed on 1.3.2016.

From 30.6.2015 the assets of Bulgaria Branch, and directly related liabilities, meet the requirements to be classified as "Held for sale" in accordance with IFRS 5, as at that date the management had decided to sell the unit and was already in the process of negotiations with the prospective buyer. At the same time, Bulgaria Branch is a distinct geographical area of operations for the Bank which is included in the Southeast Europe segment for operating segment disclosure purposes. After the classification of the Bulgaria Branch, which is the only company in the banking sector through which the Bank operates in Bulgaria, as an asset held for sale, its activities are classified as "discontinued operations" for the Bank.

Therefore, on 31.12 2015, in the preparation of financial statements, the Bank valued the assets and liabilities of the Bulgaria Branch at the lowest price between the book value and fair value less costs to sell recognizing the difference which was amounted to € 34,007 as "Loss after income tax from discontinued operations" in the Income Statement.

On 1.3.2016 the disposal and the transfer of shares was completed and the Bank adjusted prior recorded loss from the disposal of the Branch with the final net assets as of that date.

Income Statement and Statement of Comprehensive Income

The following table shows the results of Bulgaria Branch from 1.1.2016 until the date of the transfer. The results and cashflows arising from Bulgaria Branch are presented as "discontinued operations" in the Income Statement and the Statement of Cash Flows.

	FROM 1 JANUARY TO	
	31.12.2017	31.12.2016
Interest and similar income		3,123
Interest expense and similar charges		(592)
Net interest income		2,531
Fee and commission income		841
Commission expense		(74)
Net fee and commission income		767
Dividend income		
Gains less losses on financial transactions		64
Other income		78
		142
Total income		**3,440**
Staff costs		(1,574)
General administrative expenses		(2,581)
Depreciation and amortization		(397)
Other expenses		(29)
Total expenses		**(4,581)**
Impairment losses and provisions to cover credit risk		1,563
Profit/(loss) before income tax		**422**
Income tax		
Profit/(loss) after income tax		**422**
Difference due to valuation at fair value		
Loss from sale after income tax		(748)
Profit /(loss) after income tax, from discontinued operations		**(326)**

The amount of cash and cash equivalent of Bulgaria Branch, which was transferred at the disposal, amounted to €9,942.

In addition, the Bank's participations to the companies "Selonda A.E.G.E.","Nireus A.E.G.E." and «Unisoft» have been classified to Assets held for sale, since it intends to transfer these companies in the near future at their fair value, which was determined in the amount of one Euro.

The Bank, at each reporting date, assesses the actions taken within the context of the implementation of the Restructuring Plan in cases where criteria under IFRS 5 are met (note 1.16 of financial statements on 31.12.2017) in order assets and liabilities that are directly associated to be classified as assets held for sale.

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44. Restructuring Plan

The Bank continues the implementation of the Restructuring Plan, the revised version of which was approved by the DG Comp on 26 November 2015. The final date for the completion of the Restructuring Plan is 31 December 2018.

Some of the main commitments of the Restructuring Plan that had final date of completion the 31 December 2017, are presented below:

- Reduction of the number of branches in Greece up to a maximum of 563.
- Limitation of the number of employees in Greece, in banking and non-banking activities, up to a maximum of 9,504.
- Reduction of the total costs of the Bank in Greece (Greek banking and non-banking activities) up to a maximum amount of € 933 million with the exemption of separation scheme costs and costs related to the Bank's contribution in favor of deposit guarantee funds or resolution funds.
- Apply a maximum limit of annual remuneration packages that the Bank pays to any employee or manager.
- Reduction of the Bank's venture portfolio to € 40 million.

Alpha Bank has undertaken significant restructuring activities in order to restore its sustainability, in accordance to the European Commission's regulation for financial institutions that have receive government support. As a result of the relevant activities, the Bank has succeeded the full compliance with the abovementioned commitments.

The following commitments are still in force:

- Reduction of the cost of funding through the decrease of cost of deposits collected in Greece, taking into account the macroeconomic factors at each time.
- To further strengthen of Bank's balance sheet through compliance to net loans to deposits ratio, up to a maximum of 119% on 31 December 2018, as regards to Greek banking activities.
- Reduction of the total size of the portfolio of foreign assets by 30 June 2018.
- Restriction on providing additional capital to foreign subsidiaries.
- Divestment of listed and unlisted companies' securities portfolio (except for specific cases).
- Restriction on the purchase of non-investment grade securities.
- Adoption of guidelines regarding Group credit policy, and the corporate governance framework, as well as, other commitments, which include restrictions on Bank's ability to proceed to specific acquisitions.

The Bank continues to meet the above commitments and has, to a large extent, covered the necessary adaptation to achieve the relevant objectives.

It is noted that in the Restructuring Plan there are no longer restrictions on the distribution of dividends over securities included in equity or subordinated securities. Also there are no restrictions on repurchases or the exercise of prepayment options for securities included in equity or subordinated securities.

The macroeconomic estimates and assumptions on which the provisions of the revised Restructuring Plan were based, are listed below:

	2014	2015	2016	2017	2018
Nominal GDP (%)	(1.8)	(3.2)	(0.7)	3.4	4.1
Real GDP (%)	0.8	(2.3)	(1.3)	2.7	3.1
Unemployment rate(%)	26.5	26.9	27.1	25.7	24.2
Inflation rate (%)	(1.4)	(0.4)	1.5	0.9	1.0

The Bank's progress towards the full compliance with the commitments included in the Restructuring Plan is monitored and reported to the European Commission on a quarterly basis by Mazars LLP, who has been designated as the Monitoring Trustee of the Restructuring Plan.

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45. Disclosures of Law 4151/2013

According to Article 6 of Law 4151/2013, the capitals from dormant deposit accounts will be used by the Greek State to cover government needs, after the write off of rights of depositors or their legal heirs.

According to Law 3601/2007, dormant deposit account to credit Institution is an account on which no transaction by depositors has been recorded for a period of 20 years from the day following the last transaction. The crediting or capitalizing of interest to an account will not constitute a transaction and not interrupt the prescription.

Following the expiry of the 20-year period, the credit institutions in Greece are obliged to: a) transfer to the State the aggregate balance of dormant deposit accounts, including any interest, by the end of April of each year by depositing the relevant amount in a special account in the Bank of Greece b) notify the General Accounting Office (GAO) and the General Directorate of Public Property to fulfill the obligations arising from the Law 4151/2013 and c) to provide information to beneficiaries and heirs after the lapse of 20 years for the transfer of the respective amounts, if asked. The abovementioned amounts will be recorded as income in the Annual State Budget.

The auditors in the notes to the published annual financial statements of credit institutions will confirm whether or not they complied with the provisions of the law on dormant deposits indicating the amount that was transferred to the State.

Based on the ratified by the Law 4350/2015 from 18/7/2015 PNP (B' 84/18.07.2015 combined with A' 90/31.07.2015), from 20.07.2017 (commencement of Restrictive Measures) the suspension of the deadline of Articles 7 and 8 of the Law 4151/2013 about dormant deposit accounts started.

The Bank returned, at the end of April 2016, the balances of the dormant deposit accounts that recorded the 20-year period until Friday the 17th of July 2015, after which date as mentioned before, the 20- year deadline of Articles 7 and 8 of that Law N. 4151/2013 suspended, while, during the abovementioned suspension, the Bank did not return principal of the dormant deposit accounts for the fiscal year 2016.

Given the power of the abovementioned suspension of Articles 7 & 8 of Law 4151/2013 until 13.11.2017, combined with the provisions of article 257 of the Civil Code, about the calculation of the write off time after suspension, the Bank will not transfer, until the end of April 2018, the balances of the dormant deposit accounts for the fiscal year 2017, due to the non- complession of the 20-years period.

46. Corporate events

a. On 16.1.2017 the Bank participated in the share capital increase of its subsidiary, Alphalife A.A.E.Z with the amount of €25,000.

b. On 24.1.2017 Aktua Hellas Holding SA., was renamed to Cepal Holdings SA.

c. On 30.1.2017 the Bank reached an agreement with the Serbian MK Group for the entire disposal of shares (100%) of its investment in the share capital of Alpha Bank Srbija A.D.

d. On 23.2.2017 following the exercise of the option of conversion from the total bondholders, the Bank proceeded in the capital increase due to the conversion of the convertible bond issue of 1.2.2013, in the context of the agreement with Credit Agricole S.A. for the acquisition of Former Emporiki Bank. From the conversion, 6,818,181 common shares issued corresponding to the 0.44% of total shares

e. On 3.3.2017, following the Group's subsidiary AGI-Cypre Ermis Ltd debt capitalisation, the Bank participated in the share capital increase of the subsidiary, acquiring the 75% of its share capital.

f. On 7.3.2017 following the restructuring plan, the Bank acquired the 47.04% of the share capital of Famar S.A. (note 19).

g. On 11.4.2017 the sale of all shares of the Bank's subsidiary, Alpha Bank Srbija A.D. was completed.

h. On 4.5.2017, the Bank proceeded to the sale of 1% Cepal Holdings S.A. shares, and participated in its share capital increase by issuing preferred shares, paying an amount of € 8,333, whilst on 18.5.2017 the Bank proceeded to the sale of 1.23% Cepal Holdings S.A. shares (note 19).

i. On 9.5.2017, a capital repayment of € 28.652 of Bank's subsidiary, Emporiki Development and Real Estate Management A.E., was completed (note19).

j. On 18.7.2017, following Cepal Holdings S.A. share capital increase with the issue of 138,367 ordinary shares, the Bank's participation was formed at 42.48% of Cepal Holdings S.A. share capital.

k. On 28.7.2017, a capital repayment of € 9,500 of Bank's subsidiary, Ionian Equity Participations Ltd, was completed (note 19).

l. On 1.8.2017, the Bank proceeded to the coverage of its participation to the joint venture, Alpha TANEO AKES, by increasing the joint venture's share capital with an amount of € 83.

m. On 11.9.2017, the sale of all shares of the Bank's subsidiary, Ionian Equity Participation Ltd, to Alpha Ventures A.E., was completed for an amount of 27,426 (note 19)

n. On 13.9.2017, the Bank proceeded to the coverage of its participation to its subsidiary, APE Fixed Assets A.E., by increasing the subsidiary's share capital with an amount of € 94.

p. On 31.10.2017, and due to share capital increase with cash and capitalization of debt facilities of the joint venture APE Investment Property A.E., the Bank's participation on the share capital was formed in 71,08%.

q. On 11.12.2017 the sale of all shares of Bank's subsidiary EVISAK A.E. was completed, for a consideration of €2.136 (note 19).

r. On 15.12.2017 the return of share capital of Bank's joint venture APE Commercial Property A.E. was completed, amounting to €9.399.

s. On 20.12.2017 due to the merger of the Group's Companies, AEP Amarousion II A.E., AEP Chalandri A.E. and Okeanos ATOEE, by their absorption by AEP Amarousion I A.E., a new associate of the Bank was formed under the name of Alpha Investment Property I A.E. (note 19).

t. On 20.12.2017 the Bank participated in the share capital increase of its subsidiary, Alpha Group Investments Ltd (note 19).

u. On 22.12.2017 the Group's subsidiaries, Alpha Investment Properties Attikis A.E. and Alpha Investment Properties II A.E., increased their share capital, by capitalizing Bank's debt facilities (note 19).

47. Restatement of financial statements

The Bank during 2017 modified the presentation of bond's income in the cash flow statement and transferred € 223,542 from net cash flows from continuing operating activities to net cash flows from continuing investing activities.

	Published amounts	Restatement	Restated amounts
	31.12.2016		**31.12.2016**
Net cash flows from continuing operating activities	(2,717,077)	(223,542)	(2,940,619)
Net cash flows from continuing investing activities	2,457,966	223,542	2,681,508
Net cash flows from continuing financing activities	167,999		167,999
Net increase/(decrease) in cash flows from continuing activities	(89,817)		(89,817)
Net increase/(decrease) in cash flows from discontinued activities	(27,340)		(27,340)
Cash and cash equivalents at the beginning of the year	765,248		765,248
Cash and cash equivalents at the end of the year	648,091		648,091

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48. Events after the balance sheet date

a. On 25.1.2018, the Bank issued a € 500 million covered bond, with a 5-year tenor and 2.75% yield to maturity as part of its Euro 8 billion direct issuance Covered Bond Programme I. The bond is listed on the Luxembourg Stock Exchange and is rated B3 and B by Moody's and Fitch respectively.

Athens, 20 March 2018

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE GENERAL MANAGER AND CHIEF FINANCIAL OFFICER	THE ACCOUNTING AND TAX MANAGER
VASILEIOS T. RAPANOS ID No AI 666242	DEMETRIOS P. MANTZOUNIS ID No I 166670	VASILEIOS E. PSALTIS ID No AI 666591	MARIANNA D. ANTONIOU ID No X 694507

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Appendix

According to European Securities and Markets Authority (ESMA) guidelines in relation to Alternative Performance Measures (APMs) which published in October 2015 and came into force on 3 July 2016 on the following tables are disclosed the definitions and the calculations of the related (APMs) which are included in the Board of Directors' Annual Management Report as at 31.12.2017 and in the note Disclosures of Law 4261/5.5.2014, of the Annual Report.

(Amounts in millions of Euro)

	Definition	Calculation			31.12.2017	31.12.2016
Loans and Receivables to Deposit Ratio	The indicator reflects the relationship loans and advances to customers before impairment to due to customers	Numerator	+	Loans and advances to customers	54,356	56,967
		Denominator	+	Due to customers	34,890	32,946
		Ratio	=		**155.8%**	**172.9%**

(Amounts in millions of Euro)

	Definition	Calculation			31.122017	31.12.2016
Cost/Income Ratio	The indicator reflects the relationship between recurring expenses and income of the period	Numerator	+	Total Expenses of the period	1,293	1,225
			-	Non recurring expenses	191	117
		Denominator	+	Total Income of the period	2,467	2,387
			+	Share of profit/(loss) of associates and joint ventures	(3)	(3)
			-	Gains less losses on financial transactions	145	85
		Ratio	=		**47.5%**	**48.2%**

(Amounts in millions of Euro)

	Definition	Calculation			31.12.2017	31.12.2016
Cost of Risk Ratio	The indicator reflects the relationship between impairment losses and provisions to cover credit risk, and average balances of loans and advances to customers before impairment losses and fair value adjustments	Numerator	+	Impairment losses and provisions to cover credit risk	1,005	1,168
		Denominator	+	Average balances of loans and advances to customers before impairment losses and fair value adjustments	58,464	61,166
		Ratio	=		**172%**	**191%**

(Amounts in millions of Euro)

	Definition	Calculation			31.12.2017	31.12.2016
Return on Assets Ratio	The indicator reflects the relationship profit/(losses) after income tax to average total assets (arithmetic average opening and closing balance)	Numerator	+	Profit/(losses) after income tax	21	42
		Denominator	+	Average total assets	62,843	67,085
		Ratio	=		**0.03%**	**0.1%**

Non recurring expenses include extraordinary events which do not occur with a certain frequency, and events that are directly affected by the current market conditions and present significant variation between the reporting periods.

The non recurring expenses of 31.12.2017 are mainly related to the provision for the separation scheme of the Bank amounting to €92.7 million and the impairment losses of fixed assets amounting to €79 million. The amounts are included in captions "Provision/Cost for separation schemes" and "Other expenses" of the Consolidated Income Statement respectively.

Disclosures of Law 4374/2016

According to article 6 of Law 4374/1.4.2016 “Transparency among credit institutions, media companies and subsidized persons” introduced to all credit institutions established in Greece the obligation to publish annually and in a consolidated database:

a) all payents made in the relevant fiscal year, to direct or indirect media company recipient and its related parties according to IAS 24 or communication and advertising company.

b) all payments made in the relevant fiscal year due to donation, subsidy, grant or other grantis to individuals and legal entities.

The information required is presented below, in Euro:

PAYMENTS TO MEDIA COMPANIES	
Name*	**Amounts**
1984 PRODUCTIONS AE	21,006.18
24 MEDIA ΨΗΦΙΑΚΩΝ ΕΦΑΡΜΟΓΩΝ ΑΕ	55,838.28
ADWEB LTD ΕΤΑΙΡΕΙΑ ΠΕΡΙΟΡΙΣΜΕΝΗΣ ΕΥΘΥΝΗΣ	5,200.00
AGRO BROKERS LTD	1,250.00
AIRLINK-ΕΛΛ/ΚΕΣ ΕΠΙΧ/ΣΕΙΣ ΕΚΔ.& ΟΠΤΙΚ/ΚΩΝ ΜΕΣΩΝ ΑΕ	19,621.55
ALPHA ΔΟΡΥΦΟΡΙΚΗ ΤΗΛΕΟΡΑΣΗ ΑΕ	710,274.64
ALPHA ΡΑΔΙΟΦΩΝΙΚΗ ΑΕ	37,397.78
ANTENNA TV AE	628,056.95
ASM PUBLICATIONS PC	14,000.00
B2B TECH A.E.	500.00
BANKINGNEWS AE	32,500.00
CLOCKWORK ORANGE MINDTRAP LIMITED	11,000.00
CPAN CONNECT - ED PUPLIC AFFAIRS NETWORK LTD BANKWARS.GR	15,300.00
CREATIVE INTERNET SERVICES ΜΟΝ.ΕΠΕ	5,250.00
D.G. NEWSAGENCY AE	13,196.00
DA ΑΝΩΝ.ΕΜΠΟΡ.ΕΚΔΟΤ.ΣΥΜΜ.ΕΤΑΙΡΕΙΑ	88,250.00
DAM ΠΑΡΑΓΩΓΕΣ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ	13,600.00
DAS MEDIA ΕΠΕ	700.00
DIMERA ΕΚΔΟΤΙΚΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΙΑ	4,500.00
DOCUMENTO MEDIA ΜΟΝΟΠΡΟΣΩΠΗ ΙΚΕ	67,000.00
DPG DIGITAL MEDIA AE	48,903.00
ETHOS MEDIA	13,265.00
EUROMEDIA ACTION AE	2,000.00
FAROSNET AE	21,290.00
FINANCIAL PRESS ΙΔΙΩΤΙΚΗ ΚΕΦΑΛΑΙΟΥΧΙΚΗ ΕΤΑΙΡΕΙΑ	4,000.00
FINANCIAL MARKETS VOICE AE ΕΦΗΜΕΡ. FM VOICE	7,500.00
FORTHNET MEDIA AE	150,264.85
FREE SUNDAY ΕΚΔΟΤΙΚΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΙΑ & ΣΙΑ ΕΕ	48,000.00
FREENET AE SOFOKLEOUSIN.GR	18,900.00
FRONTSTAGE ΨΥΧΑΓΩΓΙΚΗ ΑΕ	51,626.89
GM COMMUNICATION IKE	24,070.54
GREEK INFOGRAPHICS LTD	3,082.00
GREEN BOX ΕΚΔΟΤΙΚΗ ΑΕ	12,400.00

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HIGH BOOKS IKE	377.76
ICAP GROUP AE	3,200.00
IDENTITY AE	6,700.00
INFOMARKET IKE	22,000.00
INTERBUS AE	42,000.00
INTERNATIONAL RADIO NETWORKS AE DEE JAY	40,982.23
KISS AE ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ	24,052.76
KONTRA IKE	6,000.00
LEFT MEDIA ΑΝΩΝΥΜΟΣ ΡΑΔΙΟΦΩΝΙΚΗ ΤΗΛΕΟΠΤΙΚΗ ΑΕ	12,757.98
LIQUID MEDIA AE	44,987.50
LOVE RADIO BROADCASTING AE	15,850.77
M PRESS ΕΚΔΟΤΙΚΗ ΑΕ	5,306.39
M.N.MARKETNEWS LIMITED	8,685.00
MEDIA2DAY ΕΚΔΟΤΙΚΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΙΑ	133,563.09
MEDIHOLD ΕΚΔΟΤΙΚΗ ΔΙΑΦΗΜΙΣΤΙΚΗ ΑΕ	11,500.00
MIGNATIOU COM INC	600.00
MONOCLE MEDIA LAB MONONEWS M.IKE	6,000.00
N.S.P RADIO ΡΑΔΙΟΦΩΝΙΚΗ ΑΕ	2,063.80
NEW MEDIA NETWORK SYNAPSIS AE	98,280.30
NEWPOST PRIVATE COMPANY NEWPOST.GR	27,125.01
NEWSFRONT NAFTILIAKI GREEK SHIPPING REVIEW	370.00
NEWSIT ΕΠΕ	95,150.00
NK HOLDING M. IKE	569.25
NK MEDIA GROUP ΕΠΕ	42,625.54
OATH (EMEA) LIMITED	2,215.03
ODEON ENTERTAINMENT AE	100,000.00
OLIVE MEDIA AE	31,900.01
PEGASUS MAGAZINES PUBLICATIONS AEE (P.M.P. MEDIA AE) "ELLE"	3,500.00
PHAISTOS NETWORKS AE	20,316.00
PIKELLOW TRADING LTD	1,507.50
PLAN A ΤΗΛ/ΚΕΣ & ΕΚΔΟΤΙΚΕΣ ΕΠΙΧ/ΣΕΙΣ ΙΚΕ	6,050.00
PREMIUM AE	51,146.60
PRIME APPLICATIONS AE	65,835.04
PROJECT AGORA LTD	4,675.00
PUBLICITAS AE	114,502.17
REAL MEDIA ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗ ΑΕ	50,102.00
SABD ΕΚΔΟΤΙΚΗ ΑΕ	77,000.00
SBC SINGLE MEBMER PRIVATE COMPANY	12,981.70
SBC TV ΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΑΕ	343.00
SFERA RADIO AE	33,517.04
SOL DE GRECIA MON.IKE	2,500.00
SOLAR ΡΑΔΙΟΤ/ΚΕΣ & ΨΥΧ/ΚΕΣ ΥΠΗΡΕΣΙΕΣ ΑΕ	2,719.00
SONTEVIA LTD	12,400.00
SPACE FM STEREO AE AEGEAN VOICE / ΑΓΡΟΤΙΚΟΣ ΣΥΝ.ΝΑΞΟΥ	4,500.00
SPORT TV ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΗ ΠΡΟΒΟΛΗ ΑΕ	31,778.70
SPORTNEWS ΥΠΗΡΕΣΙΕΣ ΔΙΑΔΙΚΤΙΟΥ ΑΕ	10,975.00
SYSTEM MEDIA ART ΙΔΕΕΣ ΔΗΜΙΟΥΡΓΙΑ ΕΠΙΚΟΙΝΩΝΙΑ ΑΕ	1,500.00
TELIA COMMUNICATIONS AE	5,997.00
THE TOC DIGITAL MEDIA ΥΠΗΡΕΣΙΕΣ ΕΝΗΜΕΡΩΣΗΣ ΑΕ	31,134.40
THESS NEWS IKE	3,000.23

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THESSALONIKI 89 RAINBOW MON.ΕΠΕ	1,963.08
THINK DIGITAL INTERNET & ΔΙΑΦΗΜΙΣΗ ΜΟΝΟΠΡΟΣΩΠΗ ΑΕ	3,440.00
TONY PRODUCTION M ΕΠΕ & ΣΙΑ ΕΕ	761.60
TRIBUNE IKE	4,200.00
U MEDIA ΕΞΕΙΔΙΚΕΥΜΕΝΕΣ ΔΙΑΦ. ΥΠΗΡΕΣΙΕΣ ΙΚΕ	31,474.70
UNIQUE MEDIA AE	2,000.00
USAY Σ.ΠΑΥΛΟΠΟΥΛΟΣ ΜΟΝ.ΕΠΕ	9,700.00
VAGMA MEDIA DEVELOPMENT ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	10,000.00
W.S.F. WALL STREET FINANCE IKE	9,900.00
Α. ΠΑΠΑΔΟΠΟΥΛΟΥ & ΣΙΑ ΕΕ THEA BY MAKEDONIA PALACE	1,500.00
Α.Π.Ε.-Μ.Π.Ε. ΑΕ	14,000.00
ΑΓΡΟΤΥΠΟΣ ΑΕ	3,160.00
ΑΘΑΝΑΣΙΑΔΗΣ Ε. ΧΡΗΣΤΟΣ	600.00
ΑΘΑΝΑΣΙΟΣ ΑΛ. ΑΡΑΜΠΑΤΖΗΣ ΠΑΝΣΕΡΡΑΪΚΗ ΕΒΔΟΜΑΔΙΑΙΑ	5,000.00
ΑΘΕΝΣ ΒΟΙΣ ΕΚΔΟΤΙΚΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ	41,000.00
ΑΘΗΝΑΙΚΕΣ ΡΑΔ. ΕΠΙΧ. Π. ΚΩΣΤΑΚΗΣ ΜΟΝ.ΕΠΕ	1,000.00
ΑΚΟΗ ΑΝΩΝΥΜΗ ΔΙΑΧΕΙΡΙΣΤΙΚΗ ΕΤ.ΡΑΔ/ΚΩΝ ΠΡΟΓ/ΤΩΝ	400.00
ΑΛΤΕΡ ΕΓΚΟ ΕΠΙΧΕΙΡΗΣΗ ΜΕΣΩΝ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ ΑΕ	1,607.00
ΑΝΑΣΤΑΣΙΟΣ ΚΑΡΑΜΗΤΣΟΣ & ΣΥΝΕΡΓΑΤΕΣ ΕΕ OLIVEMAGAZINE.GR	9,990.00
ΑΝΕΞΑΡΤΗΤΑ ΜΕΣΑ ΜΑΖΙΚΗΣ ΕΝΗΜΕΡΩΣΗΣ ΑΕ	82,975.00
ΑΝΤΑΡΗΣ ΙΔΙΩΤΙΚΗ ΚΕΦΑΛΑΙΟΥΧΙΚΗ ΕΤΑΙΡΕΙΑ	11,000.00
ΑΡΒΑΝΙΤΙΔΗΣ ΑΒΕΕ	415.00
ΑΤΤΙΚΕΣ ΕΚΔΟΣΕΙΣ ΑΕ	39,200.00
ΒΑΡΟΥΞΗΣ ΕΛΕΥΘΕΡΙΟΣ & ΥΙΟΙ ΟΕ	3,000.00
ΒΑΣΙΛΟΠΟΥΛΟΣ Χ - ΠΕΤΡΟΠΟΥΛΟΣ Δ. ΟΕ (NEMA PROBLEMA)	4,550.00
ΒΕΛΙΣΣΑΡΙΔΟΥ Σ. & ΣΙΑ ΟΕ	3,000.00
ΒΟΡΕΙΑ ΕΝΗΜΕΡΩΤΙΚΗ ΑΕ	4,375.00
Γ.ΝΤΟΥΠΗΣ - Γ.ΠΑΡΗΓΟΡΑΚΗΣ ΟΕ (ENTRUST)	1,600.00
ΓΕΝΙΚΕΣ ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧ.ΑΕ	10,550.00
ΓΕΩΡΓΙΟΣ ΠΑΠΑΤΡΙΑΝΤΑΦΥΛΛΟΥ & ΣΙΑ ΕΕ	4,600.00
ΓΙΑΝΝΟΠΟΥΛΟΣ ΧΑΡ.ΝΙΚΟΛΑΟΣ WOMANDOL	500.00
ΓΙΩΡΓΟΣ ΔΗΜΗΤΡΟΜΑΝΩΛΑΚΗΣ THE MONOCLE MEDIA LAB	14,000.00
ΔΕΣΜΗ ΑΕ ΕΜΠ.ΔΙΑΦ.ΡΑΔ.ΕΤΑΙΡΕΙΑ & ΕΦ.ΔΙΑΔΙΚΤΥΟΥ	16,093.00
ΔΗΜ.ΡΟΥΧΩΤΑΣ & ΣΙΑ Ο.Ε. ΑΣΦΑΛΙΣΤΙΚΗ ΑΓΟΡΑ	141.51
ΔΗΜ/ΚΟΣ ΟΡΓΑΝΙΣΜΟΣ ΕΛΕΥΘΕΡΙΑ ΛΑΡΙΣΑΣ ΑΕ	3,254.00
ΔΗΜΗΤΡΙΟΣ ΑΛ. ΑΡΑΜΠΑΤΖΗΣ ΣΕΡΡΑΪΚΟΝ ΘΑΡΡΟΣ	5,000.00
ΔΗΜΟΚΡΑΤΙΚΟΣ ΤΥΠΟΣ ΑΕ ΔΗΜΟΚΡΑΤΙΑ ESPRESSO	94,030.00
ΔΗΜΟΣΙΟΓΡΑΦΙΚΟΣ ΟΡΓΑΝΙΣΜΟΣ ΛΑΜΠΡΑΚΗ	187,928.00
ΔΙΟΓΕΝΗΣ ΜΚΟ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ	4,500.00
ΔΙΦΩΝΟ ΡΑΔΙΟΦΩΝΙΚΕΣ ΕΚΜΕΤΑΛΛΕΥΣΕΙΣ ΑΕ	23,576.00
ΔΟΛ DIGITAL AE	1,730.00
ΔΟΥΣΗΣ ΑΝΑΣΤΑΣΙΟΣ & ΣΙΑ ΕΕ - DOUSIES COM EE	11,998.50
ΔΥΟ ΔΕΚΑ ΑΝΩΝ.ΕΚΔΟ.ΕΤΑΙΡΕΙΑ	44,200.00
ΕΘΝΙΚΟ ΑΣΤΕΡΟΣΚΟΠΕΙΟ ΑΘΗΝΩΝ	3,000.00
ΕΙΔΗΣΕΙΣ ΝΤΟΤ ΚΟΜ ΑΕ	1,090,090.41
ΕΚΔΟΣΕΙΣ ΠΡΩΤΟ ΘΕΜΑ ΕΚΔΟΤΙΚΗ ΑΕ	547,734.37
ΕΚΔΟΣΕΙΣ ΕΘΝΟΣ ΑΕ	172,712.16
ΕΚΔΟΣΕΙΣ ΕΠΕΝΔΥΣΗ ΑΕ	35,000.00
ΕΚΔΟΣΕΙΣ Ν.ΠΑΠΑΝΙΚΟΛΑΟΥ ΑΕ	387.09
ΕΚΔΟΣΕΙΣ ΝΕΟ ΧΡΗΜΑ ΑΕ NEWMONEY.GR	48,500.00

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ΕΚΔΟΣΕΙΣ ΠΑΠΑΖΗΣΗ ΑΕΒΕ	800.00
ΕΚΔΟΣΕΙΣ ΡΕΥΜΑΤΑ ΑΕ	15,000.00
ΕΚΔΟΣΕΙΣ ΣΤΑΜΟΥΛΗ ΑΕ	4,000.00
ΕΚΔΟΣΕΙΣ ΣΤΟ ΚΑΡΦΙ ΑΕ	7,000.00
ΕΛΕΥΘΕΡΙΑ ΜΑΚΕΝΑΤΖΗ ΝΟΜΙΔΗ & ΣΙΑ ΕΕ ΕΚΔΟΣΕΙΣ ΕΦΗΜΕΡΙΔΩΝ	300.00
ΕΛΕΥΘΕΡΙΑ ΤΟΥ ΤΥΠΟΥ ΕΚΔΟΤΙΚΗ ΑΕ	73,612.00
ΕΛΛΗΝΙΚΕΣ ΡΑΔΙΟΦΩΝΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΑΕ	1,620.00
ΕΛΛΗΝΙΚΟ ΙΝΣΤΙΤΟΥΤΟ ΕΞΥΠΗΡΕΤΗΣΗΣ ΠΕΛΑΤΩΝ	400.00
ΕΝΙΚΟΣ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ	50,000.00
ΕΝΤΥΠΟΕΚΔΟΤΙΚΗ ΑΕΒΕΤ	10,456.00
ΕΞΕΡΕΥΝΗΤΗΣ-ΕΞΠΛΟΡΕΡ ΑΕ	175,576.72
ΕΠΙΘΕΩΡΗΣΙΣ ΕΡΓΑΤΙΚΟΥ ΔΙΚΑΙΟΥ/ΧΡΟΝΗΣ Π. ΤΣΙΜΠΟΥΚΗΣ	707.55
ΕΠΙΚΟΙΝΩΝΙΑ ΕΠΕ	20,000.00
ΕΡΓΑΤΙΚΗ & ΑΣΦΑΛΙΣΤΙΚΗ ΝΟΜΟΘΕΣΙΑ ΑΛΕΞ.Δ. ΤΣΙΝΙΑΣ	207.78
ΕΡΩΤΙΚΟΣ ΡΑΔΙΟ ΑΕ	1,249.84
ΕΦΗΜΕΡΙΣ ΕΣΤΙΑ ΑΝΩΝΥΜΗ ΕΚΔΟΤΙΚΗ ΕΤΑΙΡΕΙΑ	52,846.16
ΖΟΥΓΚΛΑ ΤΖΙ ΑΡ ΑΕ ΜΕΣΩΝ ΗΛΕΚΤΡΟΝΙΚΩΝ ΜΑΖ.ΕΠΙΚ/ΝΙΑΣ	59,535.29
Η ΑΥΓΗ ΑΕ	54,838.87
Η ΓΝΩΜΗ - Ε. ΛΑΣΚΑΡΑΚΗΣ & ΣΙΑ ΕΕ	120.97
Η ΚΑΘΗΜΕΡΙΝΗ ΑΕ	399.19
Η ΝΑΥΤΕΜΠΟΡΙΚΗ - Π. ΑΘΑΝΑΣΙΑΔΗΣ & ΣΙΑ ΑΕ	79,715.04
ΗΛΙΑΣ ΚΑΝΕΛΛΗΣ & ΣΙΑ ΕΕ	1,900.00
HT PRESS ONLINE ΜΟΝΟΠΡΟΣΩΠΗ ΙΚΕ	2,000.00
ΗΧΟΣ ΚΑΙ ΡΥΘΜΟΣ ΑΕ	22,510.87
ΗΧΩ ΕΚΔΟΤΙΚΗ ΜΟΣΧΑΝΔΡΕΟΥ & ΣΙΑ ΕΕ	3,257.11
ΗΧΩ ΤΩΝ ΔΗΜΟΠΡΑΣΙΩΝ ΕΚΔΟΣΕΙΣ ΣΟΦΙΑ ΜΟΣΧΑΝΔΡΕΟΥ & ΣΙΑ ΕΕ	4,686.88
Θ. & Μ. ΡΑΦΤΟΠΟΥΛΟΥ ΟΕ	2,000.00
ΘΕΜΑ ΡΑΔΙΟ ΑΕ	1,950.96
ΘΩΜΑ Δ. ΑΝΤΩΝΙΑ ΤΥΠΟΣ ΘΕΣΣΑΛΟΝΙΚΗΣ	3,717.75
Ι. ΤΟΜΕΛΙΤΟΥ - ΚΑΣΤΟΡΙΝΗ	1,880.61
Ι.ΔΙΟΝΑΤΟΣ & ΣΙΑ ΕΕ	11,000.00
Ι.Η.Τ. - ΚΑΘΗΜΕΡΙΝΗ ΑΕ	811.32
ΙΚΑΡΟΣ ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧ/ΣΕΙΣ ΑΕ	1,056.00
ΙΝΣΤΙΤΟΥΤΟ ΕΡΕΥΝΩΝ & ΜΕΛ. ΤΗΣ ΚΕΝΤ.ΕΝ.ΕΠΙΜ.ΕΛΛ/ΔΟΣ	3,000.00
ΙΟΝΙΚΕΣ ΕΚΔΟΣΕΙΣ ΑΕ	3,000.00
ΙΩΑΝΝΗΣ-ΒΛΑΔΙΜΗΡΟΣ Χ. ΚΑΛΟΓΡΙΤΣΑΣ ΤΗΛ.ΠΑΝ.ΚΑΛ.Μ. ΑΕ	8,500.00
ΚΑΘΗΜΕΡΙΝΕΣ ΕΚΔΟΣΕΙΣ ΑΕ	249,194.30
ΚΑΜΠΟΥΡΟΠΟΥΛΟΣ ΝΙΚΟΛΑΟΣ & ΣΙΑ ΕΕ	5,000.00
ΚΑΠΑ ΣΙΓΜΑ ΔΕΛΤΑ ΑΕ	735.15
ΚΑΠΙΤΑΛ.GR ΑΕ	129,030.11
ΚΙΝΗΜΑΤΟΓΡΑΦΙΚΗ ΕΤΑΙΡΕΙΑ ΑΘΗΝΩΝ ΚΙΝΗΜ/ΚΟ ΦΕΣΤΙΒΑΛ	2,500.00
ΚΟΙΝΩΝΙΚΗ ΣΥΝΕΤΑΙΡΙΣΤΙΚΗ ΕΠΙΧΕΙΡΗΣΗ ΠΡΟΤΑΣΙΣ	550.00
ΚΟΣΜΟΡΑΔΙΟ ΕΕ	2,322.00
ΚΟΤΡΩΤΣΟΣ ΠΑΥΛ.ΣΕΡΑΦΕΙΜ	11,400.00
ΚΥΚΛΟΣ ΑΕ /ΝΕΑ ΚΡΗΤΗ ΗΡΑΚΛΕΙΟΥ	2,500.00
ΚΥΡΙΑΚΑΤΙΚΕΣ ΕΚΔΟΣΕΙΣ ΜΟΝΟΠΡΟΣΩΠΗ ΙΚΕ	6,000.00
ΛΑΜΙΑΚΟΣ ΤΥΠΟΣ ΑΕ	340.00
ΛΑΜΨΗ ΕΚΔΟΤΙΚΕΣ & ΡΑΔ/ΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΑΕ	15,954.15
ΛΕΩΝΙΔΑΣ ΑΝΤΩΝΟΠΟΥΛΟΣ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	1,000.00
ΛΟΓΙΣΤΗΣ/ΟΜΙΛΟΣ ΕΠΙΧΕΙΡΗΣΕΩΝ ΤΟΤΣΗ ΑΕΒΕ ΠΑΜΙΣΟΣ ΑΕ	339.62

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Μ.ΠΕΤΙΝΗ & ΣΙΑ ΕΕ	317.93
ΜΑΚΕΔΟΝΙΚΗ ΕΚΔ.ΕΚΤΥΠ. ΑΕ	7,720.00
ΜΑΛΤΕΖΟΣ ΑΝΔ.ΔΗΜΗΤΡΙΟΣ ΕΚΗΒΟΛΟ	610.00
ΜΑΝΕΣΙΩΤΗΣ ΝΙΚ. - ΨΩΜΙΑΔΗΣ ΚΩΝ. ΟΕ FMVOICE.GR	29,000.00
ΜΑΡΙΑ ΒΑΣΙΛΑΚΗ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	5,800.00
ΜΑΡΙΑ ΧΑΛΚΟΥ ΕΚΔΟΣΕΙΣ - ΨΗΦΙΑΚΑ ΜΕΣΑ	8,530.00
ΜΑΡΙΝΑ Γ.ΤΟΥΛΑ & ΣΙΑ ΟΕ	3,600.00
ΜΕΓΑΡΟ ΜΟΥΣΙΚΗΣ ΑΘΗΝΩΝ	4,800.00
ΜΕΛΩΔΙΑ ΑΕ	12,245.33
ΜΕΤΡΟΝΤΗΛ ΜΟΝ. ΙΚΕ	10,608.36
ΜΠΟΥΣΙΑΣ ΕΠΙΚΟΙΝΩΝΙΕΣ ΕΠΕ	3,461.11
ΝΕΑ ΤΗΛΕΟΡΑΣΗ ΑΕ	432,850.67
ΝΕΟΤΥΠΟΓΡΑΦΙΚΗ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ Ο ΛΟΓΟΣ	2,533.20
ΝΙΚΟΛΑΟΣ ΣΤΑΣΙΝΟΣ ΚΑΙ ΣΙΑ ΟΕ	3,400.00
ΝΟΜΙΚΗ ΒΙΒΛΙΟΘΗΚΗ	1,311.81
ΝΣΚ ΕΚΔΟΤΙΚΗ ΕΠΕ ΕΚΔ.ΕΝΤ.ΥΛ.ΚΑΡΑΜΑΝΟΓΛΟΥ	1,600.00
ΟΡΓΑΝΙΣΜΟΣ ΜΕΣΩΝ ΜΑΖΙΚΗΣ ΕΠΙΚ/ΝΙΑΣ ΑΕ	24,856.00
ΟΤΕ ΑΕ	124,311.84
Π. ΛΕΩΤΣΑΚΟΣ ΚΑΙ ΣΙΑ Ο.Ε BANKINGNWES.GR	32,500.00
Π.Δ. ΕΚΔΟΣΕΙΣ ΕΠΕ	26,880.00
Π.ΚΟΥΤΣΟΥΚΟΣ Α.ΜΠΟΥΣΤΡΑΣ ΑΕ	5,000.00
ΠΑΛΟ ΕΠΕ ΨΗΦΙΑΚΕΣ ΤΕΧΝΟΛΟΓΙΕΣ	10,000.00
ΠΑΝΑΓΙΩΤΗΣ ΓΑΛ. ΜΕΝΤΖΕΛΟΠΟΥΛΟΣ	504.73
ΠΑΠΑΔΟΓΙΑΝΝΗ ΧΡ.ΜΑΡΙΑ	896.00
ΠΑΠΑΛΙΟΣ ΚΩΝΣΤΑΝΤΙΝΟΣ & ΣΙΑ ΕΕ	1,722.13
ΠΑΠΑΡΟΥΝΗΣ ΦΑΝ.ΜΙΧΑΛΗΣ	250.00
ΠΑΡΑΕΝΑ ΕΠΕ	77,961.78
ΠΑΡΑΠΟΛΙΤΙΚΑ ΕΚΔΟΣΕΙΣ ΑΕ	82,150.00
ΠΕΛΟΠΟΝΝΗΣΟΣ ΠΑΤΡΩΝ ΕΚΔΟΣΕΙΣ ΑΕ	18,243.94
ΠΕΤΡΟΠΟΥΛΟΣ Θ.ΔΗΜΗΤΡΙΟΣ	6,100.00
ΠΗΓΑΣΟΣ INTERACTIVE ΑΕ E-GO.GR	9,994.21
ΠΟΛΙΤΗ-ΣΙΑΦΑΚΑ ΜΑΡΙΕΛΙΖΕ-ΒΑΣΙΛΙΚΗ	3,000.81
ΠΡΟΒΟΛΗ ΠΡΟΩΘΗΣΗ ΠΩΛΗΣΕΩΝ ΑΕ	8,500.00
ΠΡΟΤΑΓΚΟΝ ΑΕ	19,625.00
ΠΡΩΙΝΟΣ ΤΥΠΟΣ - ΣΤΕΛΛΑ Ι. ΣΤΑΥΡΙΔΟΥ	290.00
ΠΥΘΑΓΟΡΑΣ ΕΚΔΟΤΙΚΗ ΑΕ	2,000.00
Ρ.Η.Ε.Μ.Ε.Α.Ε Ρ/Τ ΗΛΕΚΡΟΝ. ΕΚΔΟΤΙΚΑ ΜΕΣΑ ΕΛΛ. Α.Ε	4,000.00
ΡΑΔΙΟ 1 ΑΕ	1,120.98
ΡΑΔΙΟ ΘΕΣΣΑΛΟΝΙΚΗ ΑΕ	12,923.40
ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧΕΙΡ. ΑΛΗΘΙΝΟ ΡΑΔΙΟΦΩΝΟ ΑΕ REAL FM ΑΘΗΝΑ REAL GR	204,408.63
ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΑΕ	22,750.15
ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΕΣ ΠΑΡΑΓΩΓΕΣ ΑΚΤΙΝΑ Α.Ε. GALAXY FM	6,732.60
ΡΑΔΙΟΤΗΛΕΟΠΤΙΚΗ ΑΕ	22,123.72
ΡΑΔΙΟΦΩΝΙΚΕΣ ΕΠΙΧΕΙΡΗΣΕΙΣ ΒΗΜΑ FM ΑΕ	821.88
ΡΑΔΙΟΦΩΝΙΚΕΣ ΠΑΡΑΓΩΓΕΣ ΑΕ	2,294.00
ΡΑΔΙΟΦΩΝΙΚΗ ΕΠΙΚΟΙΝΩΝΙΑ ΑΕ ΔΙΕΣΗ FM	25,922.22
Σ. & Α. ΝΕΜΟ ONLINE ΥΠΗΡΕΣΙΕΣ ΕΠΙΚ. & ΤΕΧΝΟΛ. ΕΠΕ	3,000.00
ΣΑΡΙΣΑ ΕΠΕ	33,600.00
ΣΕΛΑΝΑ ΑΕ	2,000.00
ΣΙΝΕ ΝΙΟΥΖ ΑΕ	100,950.00

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ΣΙΤΙ ΚΟΝΤΑΚΤ Μ.ΕΠΕ	800.00
ΣΥΓΧΡΟΝΗ ΕΠΟΧΗ - ΕΚΔΟΤΙΚΗ ΑΕΒΕ ΡΙΖΟΣΠΑΣΤΗΣ	13,957.50
ΤΟ ΚΟΥΤΙ ΤΗΣ ΠΑΝΔΩΡΑΣ MEDIA ΕΕ	29,790.00
ΤΣΑΡΑΓΚΛΗΣ ΓΕΩ. ΙΩΑΝΝΗΣ	7,400.00
ΤΣΙΝΙΑ ΜΑΡΙΑ (ΔΕΛΤΙΟ ΦΟΡΟΛΟΓΙΚΗΣ ΝΟΜΟΘΕΣΙΑΣ)	200.00
ΤΣΙΤΑΣ Χ. ΠΡΟΔΡΟΜΟΣ	600.00
ΦΕΛΝΙΚΟΣ ΗΛΕΚΤΡ. ΜΕΣΩΝ ΕΝΗΜΕΡΩΣΗΣ Μ.ΕΠΕ	16,120.00
ΦΙΛΑΘΛΟΣ ΙΚΕ	10,000.00
ΦΙΛΕΛΕΥΘΕΡΟΣ ΕΚΔΟΤΙΚΗ ΑΕ	49,500.00
ΦΟΞ ΔΙΕΘΝΗ ΚΑΝΑΛΙΑ ΕΛΛΑΣ ΑΕ	2,002.00
Χ. ΘΕΟΦΡΑΣΤΟΥ ΤΗΛΕΟΠΤΙΚΕΣ ΠΑΡΑΓΩΓΕΣ ΙΚΕ EPITROHON.GR	60,000.00
ΧΑΝΔΑΞ ΑΕ	16,250.00
ΧΑΡΤΗΣ ΜΟΝΟΠΡΟΣΩΠΗ ΕΠΕ	129.04
ΨΗΦΙΑΚΕΣ ΜΕΤΑΔΟΣΕΙΣ ΙΚΕ	762.00
	8,843,778.09

PAYMENTS TO MEDIA COMPANIES OF AMOUNTS LESS THAN € 100 PER MEDIA COMPANY
Name*
ΑΠΟΣΤΟΛΟΣ ΚΑΡΑΜΠΕΡΟΠΟΥΛΟΣ ΜΟΝ. ΕΠΕ - WEBLINES
ΕΛΝΑΒΙ ΕΠΕ
ΙΩΑΝΝΙΔΗΣ Α.ΝΙΚΟΛΑΟΣ
ΚΑΛΛΙΟΠΗ ΚΟΖΥΡΗ-ΜΙΧΑΛΗΣ ΚΟΖΥΡΗΣ ΟΕ ΑΝΑΤΟΛΗ
ΚΟΜΗΤΟΥΔΗΣ Δ.ΒΑΣΙΛΕΙΟΣ Η ΠΡΟΟΔΟΣ
Ν. & Ι. ΑΓΓΕΛΑΚΗΣ ΚΡΗΤΙΚΑ ΜΕΣΑ ΕΝΗΜΕΡΩΣΗΣ ΕΠΕ

The above table refers to payments to media companies of amounts less than €100, with total amount € 293.89.

TOTAL FOR MEDIA COMPANIES	**8,844,071.98**

	Amounts
ΠΛΗΡΩΜΕΣ ΦΟΡΟΥ ΤΗΛΕΟΡΑΣΗΣ	553.564,78
ΠΛΗΡΩΜΕΣ ΕΙΔΙΚΟΥ ΤΕΛΟΥΣ 0,02%	1.842,19
ΠΛΗΡΩΜΕΣ ΔΗΜΟΤΙΚΟΥ ΤΕΛΟΥΣ 2%	19.523,03

DONATIONS TO LEGAL ENTITIES	
Name*	**Amounts**
14ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΛΑΜΑΤΑΣ	562,90
21ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΛΑΜΑΤΑΣ	1.170,00
5ο ΧΕΛΜΕΙΟ ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ	315,00
A.A. UNILINK EDUCATION SERVICES LTD	3.000,00
AGNA GROUP ACADEMY - LEADERSHIP SYMPOSIUM	3.020,31
ALBANIAN ASSOSIATION OF BANKS - ΠΑΡΟΥΣΙΑΣΗ ΜΑΘΗΤΙΚΩΝ ΙΔΕΩΝ ΓΙΑ ΤΗΝ ΟΙΚΟΝΟΜΙΑ	1.898,00
ALBANIAN WATER SPORTS AND TOURISM SHKODER MUNICIPALITY - SPONSOR OF THE BUILDING OF A LIFEGUARD TOWER	6.000,00
ANNUAL REUNION OF HRCC	1.000,00
ASOCIATIA CULTURALA CONCERTO ROMANIA	6.100,00
BALKANS AND BLACK SEA COOPERATION FORUM	7.500,00
BEACH TENNIS LARNACA CLUB - ΤΟΥΡΝΟΥΑ	200,00
ΒΡΑΒΕΙΑ FINTECH CHALLENGE	9.000,00
CARITAS ATHENS	1.000,00

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CHILDREN IN NEED	293,80
CHR.HJI CHRISTOFI (ATHIENITIS) LTD	500,00
CYPRUS ALLIANCE FOR RARE DISORDER	500,00
DIFFERENT WEEKEND DONATION OF 200 SCHOOL BAGS AMIR SALIANJI	2.001,68
FOUNDATION DOWN SYNDROME ALBANIA	997,97
EMBASSY OF GREECE SPONSORING THE GREEK ALUMNI REUNION	2.000,00
EMG STRATEGIC CONSULTING	6.000,00
ENGLISH SCHOOL CYPRUS - CYBARK	300,00
EUROPA DONNA ΚΥΠΡΟΥ	1.000,00
EUROPEAN CHESS CHAMPIONSHIP 2017 AT MAMAIA	5.000,00
ΕΛΛΗΝΙΚΗ ΕΝΩΣΗ ΔΙΚΑΙΟΥ ΜΟΔΑΣ ΚΑΙ ΕΠΙΧΕΙΡΗΜΑΤΙΚΟΤΗΤΑΣ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ FASHION LAW BUSINESS ASSOCIATION	500,00
FINANCIAL EDUCTION PROGRAM FOR CHILDREN IN PRIMARY SCHOOLS	8.000,00
GLOBAL SUSTAIN A.E.	5.000,00
GR DESIGN	1.000,00
GREEK SCHOOL IN BUCHAREST SCOALA GRECEASCA DIN BUCUREST	5.000,00
GREEK EMBASSY IN KORCA	10.000,00
GREEK ROMANIAN CHAMBER FIRST GREEK FORUM	1.875,00
GUIDE DOGS CHARITY	568,61
HARICLEA DARCLÉE INTERNATIONAL VOICE COMPETITION_FUNDATIA INTERNATIONALA ATENEUL ROMAN	3.140,00
HIGH BOOKS ΙΔΙΩΤΙΚΗ ΚΑΦΑΛΑΙΟΥΧΙΚΗ ΕΤΑΙΡΕΙΑ	377,36
HOPE GENESIS ΑΣΤ ΜΚΕ	1.000,00
ICARO ΈΚΘΕΣΗ ΚΕΡΑΜΙΚΩΝ	11.312,75
IMH C.S.C. LTD ΚΥΠΡΟΥ	20.000,00
INSTITUTE OF VISUALLY IMPAIRED CHILDREN	2.002,71
KARIERA SA INTERNET AND HR SERVICES - ΗΜΕΡΕΣ ΚΑΡΙΕΡΑΣ	3.441,00
MACMILLIAN	563,55
MEDASSET ΜΕΣΟΓΕΙΑΚΟΣ ΣΥΝΔΕΣΜΟΣ ΓΙΑ ΤΗ ΣΩΤΗΡΙΑ ΤΩΝ ΘΑΛΑΣΣΙΩΝ ΧΕΛΩΝΙΩΝ	1.500,00
MINISTERY OF CULTURE - RECONSTRUCTION OF LIBOHOVA CASTLE FOR THE VOLUNTEER DAY	7.556,10
MINISTRY OF AGRICULTURE AND THE CHAMBER OF COMMERCE ALBANIA	5.027,83
MINISTRY OF EDUCATION / REGIONAL DIRECTORIES OF EDUCATION- DONATION OF BOOKS FOR SCHOOL LIBRARIES ALBANIA	34.074,21
MISCARRIAGE ASSOCIATION	284,31
MOBILE ENGAGEMENT FORUM 2017	460,00
NATIONAL DAY OF GREECE GREEK EMBASSY IN ROMANIA CELEBRATION	1.000,00
NATIONAL GEOGRAPHIC ROMANIA	19.940,00
ΟΡΓΑΝΩΤΙΚΗ ΕΠΙΤΡΟΠΗ ΖΑΚΥΝΘΟΥ	500,00
OBSERVATION CENTER OF VACARESTI NATURAL PARK	11.000,00
OLYMPIADA MICILOR BANCHERI	683,00
ORTHODOX CHURCH OF ALBANIA - ΟΡΘΟΔΟΞΗ ΑΥΤΟΚΕΦΑΛΗ ΕΚΚΛΗΣΙΑ ΤΗΣ ΑΛΒΑΝΙΑΣ	1.496,95
PIERCE THE AMERICAN COLLEGE OF GREECE	1.612,90
POLYPHONICA AMKE	20.000,00
PROAM 2017	10.000,00
REGIONAL DIRECTORY OF EDUCATION -VLORE	1.875,00
SAFER INTERNET HELLAS	3.000,00
SPONSORSHIP FOR THE FINANCIAL EDUCATION PROGRAM ASOCIATIA PENTRU PROMOVAREA PERFORFANTEI IN EDUCATIE	10.000,00
STARTUPPER.GR	1.000,00
SWIFT SCRL ΣΥΝΕΔΡΙΟ	5.000,00
TCS EDUCATIONAL CONSULTANTS LTD	3.000,00
THE BUSINESS AWARD ΑΙΩΝΟΒΙΑ ΒΡΑΒΕΙΑ	3.550,00
THE CYPRUS INSTITUTE LIMITED	2.000,00
TIRANA INTERNATIONAL GUITAR FESTIVAL 2017	3.019,86

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UNICEF ΕΛΛΗΝΙΚΗ ΕΘΝΙΚΗ ΕΠΙΤΡΟΠΗ	4.000,00
WRO HELLAS ΟΡΓΑΝΙΣΜΟΣ ΕΚΠΑΙΔΕΥΤΙΚΗΣ ΡΟΜΠΟΤΙΚΗΣ ΕΠΙΣΤΗΜΗΣ ΚΑΙ ΤΕΧΝΟΛΟΓΙΑΣ	8.920,00
ZIUA VOLUNTARULUI GRADINA BOTANICA	2.610,00
ΑΘΛΗΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΑΤΟΜΩΝ ΜΕ ΑΝΑΠΗΡΙΑ Ο ΚΟΤΙΝΟΣ	1.000,00
ΑΚΑΔΗΜΙΑ ΠΑΙΔΩΝ ΝΕΑ ΝΙΚΗ ΚΑΜΙΝΑΔΩΝ FC	1.000,00
ΑΜΑΛΙΕΙΟΝ ΟΙΚΟΤΡΟΦΕΙΟΝ ΘΗΛΕΩΝ	2.500,00
ΑΜΥΜΩΝΗ ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ ΚΗΔΕΜΟΝΩΝ ΚΑΙ ΔΙΛΩΝ ΑΤΟΜΩΝ ΜΕ ΠΡΟΒΛΗΜΑΤΑ ΟΡΑΣΗΣ ΚΑΙ ΠΡΟΣΘΕΤΕΣ ΑΝΑΠΗΡΙΕΣ	1.000,00
ΑΝΑΔΥΣΗ ΑΜΚΕ ΠΡΟΣΤΑΣΙΑΣ ΑΥΤΙΣΤΙΚΩΝ ΠΑΙΔΙΩΝ	1.000,00
ΑΝΟΙΧΤΗ ΠΟΡΤΑ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΙΑ ΓΙΑ ΤΗΝ ΤΕΧΝΗ ΤΟΥ ΘΕΑΤΡΟΥ	6.000,00
ΑΝΤΙΚΑΡΚΙΝΙΚΟΣ ΣΥΝΔΕΣΜΟΣ ΚΥΠΡΟΥ	200,00
ΑΝΤΙΜΕΤΩΠΙΣΗ ΠΑΙΔΙΚΟΥ ΤΡΑΥΜΑΤΟΣ ΣΩΜΑΤΕΙΟ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΟΥ ΧΑΡΑΚΤΗΡΑ	8.000,00
ΑΝΩΤΑΤΗ ΣΧΟΛΗ ΚΑΛΩΝ ΤΕΧΝΩΝ ΕΡΓΑΣΤΗΡΙΟ ΧΑΡΑΚΤΙΚΗΣ	4.029,80
ΑΡΓΩ ΕΚΔΟΤΙΚΗΣ - ΔΙΑΦΗΜΙΣΤΙΚΗ ΕΤΑΙΡΙΑ ΕΠΕ	2.160,00
ΑΡΙΟΝΑ ΕΛΛΑΣ (ΣΤΕΓΗ ΓΡΑΜΜΑΤΩΝ ΚΑΙ ΤΕΧΝΩΝ)	51.135,00
ΑΡΧΗΓΕΙΟ ΠΥΡΟΣΒΕΣΤΙΚΟΥ ΣΩΜΑΤΟΣ	4.050,00
ΑΣΤΙΚΗ ΕΤΑΙΡΕΙΑ ΔΕΟΝΤΟΛΟΓΙΑΣ ΤΗΣ ΕΠΙΚΟΙΝΩΝΙΑΣ ΣΥΜΒΟΥΛΙΟ ΕΛΕΓΧΟΥ ΕΠΙΚΟΙΝΩΝΙΑΣ	3.000,00
ΑΣΥΛΟ ΑΝΙΑΤΩΝ	999,98
Γ.Ν.ΕΛΕΝΑ ΒΕΝΙΖΕΛΟΥ - Γ.Ν.Α. ΑΛΕΞΑΝΔΡΑ	4.206,69
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΑΘΗΝΩΝ ΚΟΡΓΙΑΛΕΝΕΙΟ - ΜΠΕΝΑΚΕΙΟ ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ	5.228,23
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΑΘΗΝΩΝ Ο ΕΥΑΓΓΕΛΙΣΜΟΣ	9.310,00
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΠΑΙΔΩΝ Α. ΚΑΙ Π. ΚΥΡΙΑΚΟΥ	10.900,00
ΓΙΑΤΡΟΙ ΧΩΡΙΣ ΣΥΝΟΡΑ	1.000,00
ΓΥΜΝΑΣΙΟ ΣΠΕΤΣΩΝ	180,00
ΔΕΣΜΟΣ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΟ ΣΩΜΑΤΕΙΟ	300,00
ΔΗΜΟΚΡΙΤΕΙΟ ΠΑΝΕΠΙΣΤΗΜΙΟ ΘΡΑΚΗΣ	1.500,00
ΔΗΜΟΣ ΑΙΓΙΝΗΣ	1.000,00
ΔΗΜΟΣ ΑΛΜΗΡΟΥ	300,00
ΔΗΜΟΣ ΔΙΔΥΜΟΤΕΙΧΟΥ	500,00
ΔΗΜΟΣ ΕΛΛΗΝΙΚΟΥ ΑΡΓΥΡΟΥΠΟΛΕΩΣ	24.192,52
ΔΗΜΟΣ ΘΕΣΣΑΛΟΝΙΚΗΣ	3.509,70
ΔΗΜΟΣ ΙΚΑΡΙΑΣ	5.410,23
ΔΗΜΟΣ ΚΑΡΔΙΤΣΑΣ	300,00
ΔΗΜΟΣ ΚΩ	5.171,40
ΔΗΜΟΣ ΜΑΝΔΡΑΣ	12.975,00
ΔΗΜΟΣ ΜΕΓΑΡΕΩΝ	1.000,00
ΔΗΜΟΣ ΠΑΠΑΓΟΥ ΧΟΛΑΡΓΟΥ	2.000,00
ΔΗΜΟΣ ΣΠΕΤΣΩΝ	2.500,00
ΔΗΜΟΣ ΣΥΜΗΣ	7.000,00
ΔΗΜΟΣ ΤΡΟΙΖΗΝΙΑΣ ΜΕΘΑΝΩΝ	1.000,00
ΔΙΑΖΩΜΑ ΑΜΚΕ	5.000,00
ΔΙΕΥΘΥΝΣΗ ΑΣΤΥΝΟΜΙΑΣ ΛΕΣΒΟΥ	300,00
ΔΙΚΗΓΟΡΙΚΟΣ ΣΥΛΛΟΓΟΣ ΧΑΝΙΩΝ	1.500,00
ΔΡ. ΑΝΔΡΕΣΤΙΝΟΣ ΠΑΠΑΔΟΠΟΥΛΟΣ	125,00
ΔΡ. ΧΑΡΑΛΑΜΠΟΣ ΑΝΑΣΤΑΣΙΑΔΗΣ	120,00
ΔΡΟΜΟΙ ΖΩΗΣ ΑΜΚΕ	300,00
ΔΥΟ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΙΑ	29.800,00
EBEN GR ΕΛΛΗΝΙΚΟ ΙΝΣΤΙΤΟΥΤΟ ΕΠΙΧΕΙΡΗΜΑΤΙΚΗΣ ΗΘΙΚΗΣ	4.000,00
ΕΘΕΛΟΝΤΙΚΕΣ ΔΥΝΑΜΕΙΣ ΔΑΣΟΠΥΡΟΣΒΕΣΗΣ ΚΑΙ ΔΙΑΣΩΣΗΣ	5.000,00
ΕΘΝΙΚΗ ΕΤΑΙΡΙΑ ΤΩΝ ΕΛΛΗΝΩΝ ΛΟΓΟΤΕΧΝΩΝ	1.500,00
ΕΘΝΙΚΗ ΛΥΡΙΚΗ ΣΚΗΝΗ	50.000,00

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ΕΘΝΙΚΗ ΠΙΝΑΚΟΘΗΚΗ ΜΟΥΣΕΙΟ ΑΛΕΞΑΝΔΡΟΥ ΣΟΥΤΖΟΥ	35.500,00
ΕΘΝΙΚΟ ΑΣΤΕΡΟΣΚΟΠΕΙΟ ΑΘΗΝΩΝ	2.000,00
ΕΘΝΙΚΟ ΙΔΡΥΜΑ ΕΡΕΥΝΩΝ ΝΠΙΔ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΟ	2.000,00
ΕΘΝΙΚΟ ΚΑΙ ΚΑΠΟΔΙΣΤΡΙΑΚΟ ΠΑΝΕΠΙΣΤΗΜΙΟ ΑΘΗΝΩΝ	10.375,00
ΕΘΝΙΚΟΣ ΓΥΜΝΑΣΤΙΚΟΣ ΣΥΛΛΟΓΟΣ	3.000,00
ΕΙΔΙΚΟ ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΔΗΜΟΥ ΑΛΜΩΠΙΑΣ	403,51
ΕΚΚΛΗΣΙΑΣΤΙΚΕΣ ΚΑΤΑΣΚΗΝΩΣΕΙΣ Η ΦΑΝΕΡΩΜΕΝΗ ΙΕΡΑΣ ΜΟΝΗΣ ΛΕΥΚΑΔΟΣ ΚΑΙ ΙΘΑΚΗΣ	845,69
ΕΛΙΞ ΠΡΟΓΡΑΜΜΑΤΑ ΕΘΕΛΟΝΤΙΚΗΣ ΕΡΓΑΣΙΑΣ	1.000,00
ΕΛΚΕ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΠΑΤΡΩΝ	7.000,00
ΕΛΚΕ ΠΟΛΥΤΕΧΝΕΙΟΥ ΚΡΗΤΗΣ	1.000,00
ΕΛΛΗΝΙΚΑ ΧΡΗΜΑΤΙΣΤΗΡΙΑ ΑΕ	37.200,00
ΕΛΛΗΝΙΚΗ ΕΤΑΙΡΕΙΑ ΕΠΙΧΕΙΡΗΣΙΑΚΩΝ ΕΡΕΥΝΩΝ	300,00
ΕΛΛΗΝΙΚΗ ΔΗΜΟΚΡΑΤΙΑ ΥΠΟΥΡΓΕΙΟ ΕΣΩΤΕΡΙΚΩΝ ΚΑΙ ΔΙΟΙΚΗΤΙΚΗΣ ΑΝΑΣΥΓΚΡΟΤΗΣΗΣ ΑΡΧΗΓΕΙΟ ΕΛΛΗΝΙΚΗΣ ΑΣΤΥΝΟΜΙΑΣ	34.292,17
ΕΛΛΗΝΙΚΗ ΕΠΙΤΡΟΠΗ ΔΙΕΘΝΟΥΣ ΕΜΠΟΡΙΚΟΥ ΕΠΙΜΕΛΗΤΗΡΙΟΥ	2.500,00
ΕΛΛΗΝΙΚΗ ΕΤΑΙΡΕΙΑ ΑΠΕΙΚΟΝΙΣΗΣ ΜΑΣΤΟΥ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ	750,00
ΕΛΛΗΝΙΚΗ ΕΤΑΙΡΕΙΑ ΠΕΡΙΒΑΛΛΟΝΤΟΣ ΚΑΙ ΠΟΛΙΤΙΣΜΟΥ	5.000,00
ΕΛΛΗΝΙΚΗ ΕΤΑΙΡΙΑ ΕΠΙΣΤΗΜΟΝΩΝ ΚΑΙ ΕΠΑΓΓΕΛΑΜΤΙΩΝ ΠΛΗΡΟΦΟΡΙΚΗΣ ΚΑΙ ΕΠΙΚΟΙΝΩΝΙΩΝ ΕΠΥ	1.500,00
ΕΛΛΗΝΙΚΗ ΕΤΑΙΡΙΑ ΠΡΟΣΤΑΣΙΑΣ ΤΗΣ ΦΥΣΗΣ	5.000,00
ΕΛΛΗΝΙΚΗ ΟΜΑΔΑ ΔΙΑΣΩΣΗΣ ΜΚΟ	3.500,00
ΕΛΛΗΝΙΚΗ ΣΧΟΛΗ ΣΚΥΛΩΝ ΟΔΗΓΩΝ ΛΑΡΑ	8.000,00
ΕΛΛΗΝΙΚΟ ΙΔΡΥΜΑ ΕΡΕΥΝΑΣ ΚΑΡΚΙΝΟΥ	4.000,00
ΕΛΛΗΝΙΚΟ ΙΔΡΥΜΑ ΚΑΡΔΙΟΛΟΓΙΑΣ	3.000,00
ΕΛΛΗΝΙΚΟ ΙΝΣΤΙΤΟΥΤΟ ΕΞΥΠΗΡΕΤΗΣΗΣ ΠΕΛΑΤΩΝ	2.500,00
ΕΛΛΗΝΙΚΟ ΙΝΣΤΙΤΟΥΤΟ ΠΑΣΤΕΡ	4.500,00
ΕΛΛΗΝΙΚΟ ΠΑΙΔΙΚΟ ΜΟΥΣΕΙΟ ΣΩΜΑΤΕΙΟ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΟΥ ΧΑΡΑΚΤΗΡΑ	5.000,00
ΕΛΛΗΝΟΑΜΕΡΙΚΑΝΙΚΟ ΕΜΠΟΡΙΚΟ ΕΠΙΜΕΛΗΤΗΡΙΟ	5.000,00
ΕΛΛΗΝΟΓΑΛΛΙΚΗ ΣΧΟΛΗ ΟΥΡΣΟΥΛΙΝΩΝ	1.500,00
ΕΜΠΟΡΙΚΟΣ ΣΥΛΛΟΓΟΣ ΛΙΒΑΔΕΙΑΣ	500,00
ΕΜΠΟΡΟΕΠΑΓΓΕΛΜΑΤΙΚΟΣ ΚΑΙ ΒΙΟΤΕΧΝΙΚΟΣ ΣΥΛΛΟΓΟΣ ΤΗΝΟΥ	100,00
ΕΝΙΑΙΟ ΣΩΜΑΤΕΙΟ ΓΕΝΙΚΟΥ ΝΟΣΟΚΟΜΕΙΟΥ ΚΟΡΙΝΘΟΥ	1.000,00
ΕΝΩΣΗ ΑΣΤΥΝΟΜΙΚΩΝ ΑΡΓΟΛΙΔΟΣ	3.200,00
ΕΝΩΣΗ ΜΑΖΙ ΓΙΑ ΤΟ ΠΑΙΔΙ	2.000,00
ΕΝΩΣΗ ΜΑΣΤΙΧΟΠΑΡΑΓΩΓΩΝ ΧΙΟΥ	18.000,00
ΕΝΩΣΗ ΣΥΝΤΑΚΤΩΝ ΚΥΠΡΟΥ	200,00
ΕΠΑΓΓΕΛΜΑΤΙΚΟ ΕΠΙΜΕΛΗΤΗΡΙΟ ΘΕΣΣΑΛΟΝΙΚΗΣ	1.000,00
ΕΠΙΓΡΑΦΙΚΟ ΚΑΙ ΝΟΜΙΣΜΑΤΙΚΟ ΜΟΥΣΕΙΟ	2.200,00
ΕΠΙΜΕΛΗΤΗΡΙΟ ΚΑΒΑΛΑΣ	500,00
ΕΠΙΜΕΛΗΤΗΡΙΟ ΞΑΝΘΗΣ	300,00
ΕΠΙΜΕΛΗΤΗΡΙΟ ΣΕΡΡΩΝ	315,00
ΕΡΓΑΣΤΗΡΙ ΕΙΔΙΚΗΣ ΑΓΩΓΗΣ ΜΑΡΓΑΡΙΤΑ	1.000,00
ΕΡΕΥΝΗΤΙΚΟ ΚΕΝΤΡΟ ΣΤΡΑΤΗΓΙΚΗΣ ΔΙΟΙΚΗΣΗΣ ΤΩΝ ΕΠΙΧΕΙΡΗΣΕΩΝ ΚΑΙ ΕΠΙΧΕΙΡΗΜΑΤΙΚΟΤΗΤΑΣ ΝΠΙΔ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΟ	5.000,00
ΕΡΕΥΝΗΤΙΚΟ ΠΑΝΕΠΙΣΤΗΜΙΑΚΟ ΙΝΣΤΙΤΟΥΤΟ ΣΥΣΤΗΜΑΤΩΝ ΕΠΙΚΟΙΝΩΝΙΩΝ ΚΑΙ ΥΠΟΛΟΓΙΣΤΩΝ ΕΠΙΣΕΥ ΕΘΝΙΚΟΥ ΜΕΤΣΟΒΙΟΥ ΠΟΛΥΤΕΧΝΕΙΟΥ	1.000,00
ΕΤΑΙΡΕΙΑ ΠΡΟΣΤΑΣΙΑΣ ΣΠΑΣΤΙΚΩΝ "ΠΟΡΤΑ ΑΝΟΙΧΤΗ"	500,00
ΕΤΑΙΡΙΑ ΑΞΙΟΠΟΙΗΣΗΣ ΔΙΑΧΕΙΡΙΣΗΣ ΠΕΡΙΟΥΣΙΑΣ ΠΑΝΕΠΙΣΤΗΜΙΟΥ ΚΡΗΤΗΣ	30.000,00
ΕΤΑΙΡΙΑ ΚΟΙΝΩΝΙΚΗΣ ΥΠΟΣΤΗΡΙΞΗΣ ΑΝΗΛΙΚΩΝ ΚΑΙ ΕΦΗΒΩΝ Η ΣΤΕΓΗ	500,00
ΕΤΑΙΡΙΑ ΜΕΛΕΤΗΣ ΕΛΛΗΝΙΚΗΣ ΙΣΤΟΡΙΑΣ	5.000,00
ΕΦΗΜΕΡΙΔΑ ΚΑΘΗΜΕΡΙΝΗ ΚΥΠΡΟΥ	2.700,00
ΖΩΓΡΑΦΙΚΗ ΜΕ ΤΟ ΣΤΟΜΑ ΚΑΙ ΜΕ ΤΟ ΠΟΔΙ "ΖΩΣΠ"	100,00
Η ΕΝ ΑΘΗΝΑΙΣ ΦΙΛΕΚΠΑΙΔΕΥΤΙΚΗ ΕΤΑΙΡΕΙΑ	10.000,00

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ΙΑΣΙΣ ΑΜΚΕ	1.000,00
ΙΑΤΡΙΚΟΣ ΟΛΥΜΠΙΚΟΣ ΣΥΝΔΕΣΜΟΣ	500,00
ΙΑΤΡΙΚΟΣ ΣΥΛΛΟΓΟΣ "ΑΣΚΛΗΠΙΟΣ"	300,00
ΙΔΡΥΜΑ ΕΛΠΙΔΑ ΚΥΠΡΟΥ	1.500,00
ΙΔΡΥΜΑ Ι.Φ.ΚΩΣΤΟΠΟΥΛΟΥ	350,00
ΙΔΡΥΜΑ ΙΑΤΡΟΒΙΟΛΟΓΙΚΩΝ ΕΡΕΥΝΩΝ ΑΚΑΔΗΜΙΑΣ ΑΘΗΝΩΝ	3.000,00
ΙΔΡΥΜΑ ΜΟΥΣΕΙΟΥ ΜΑΚΕΔΟΝΙΚΟΥ ΑΓΩΝΑ	7.000,00
ΙΔΡΥΜΑ ΥΠΟΤΡΟΦΙΩΝ ΚΑΙ ΑΝΩΤΑΤΩΝ ΣΠΟΥΔΩΝ ΛΑΡΝΑΚΑΣ	300,00
ΙΕΡΑ ΚΟΙΝΟΒΙΑΚΗ ΓΥΝΑΙΚΕΙΑ ΜΟΝΗ ΜΟΔΙ ΦΘΙΩΤΙΔΟΣ	441,00
ΙΕΡΑ ΜΗΤΡΟΠΟΛΗ ΛΕΜΕΣΟΥ ΚΥΠΡΟΥ	1.000,00
ΙΕΡΟΣ ΝΑΟΣ ΑΓΙΑΣ ΒΑΡΒΑΡΑΣ	150,00
ΙΕΡΟΣ ΝΑΟΣ ΑΓΙΟΥ ΔΗΜΗΤΡΙΟΥ ΑΓΡΙΝΙΟΥ	325,60
ΙΕΡΟΣ ΝΑΟΣ ΑΓΙΟΥ ΔΗΜΗΤΡΙΟΥ ΠΕΙΡΑΙΩΣ	300,00
ΙΕΡΟΣ ΝΑΟΣ ΤΡΙΩΝ ΙΕΡΑΡΧΩΝ ΠΗΓΑΔΙΩΝ ΔΡΑΜΑΣ	403,51
ΙΚΑΡΟΣ ΕΚΔΟΤΙΚΗ Ν. ΚΑΡΥΔΗΣ ΚΑΙ ΣΙΑ ΕΠΕ	8.000,00
ΙΝΣΤΙΤΟΥΤΟ ΕΠΙΚΟΙΝΩΝΙΑΣ	350,00
ΙΝΣΤΙΤΟΥΤΟ ΥΓΕΙΑΣ ΤΟΥ ΠΑΙΔΙΟΥ	1.000,00
ΙΣΤΟΡΙΚΟ ΑΡΧΕΙΟ ΜΟΥΣΕΙΟ ΥΔΡΑΣ	2.000,00
ΚΑΛΛΙΤΕΧΝΙΚΗ ΕΤΑΙΡΕΙΑ ΑΞΑΝΑ ΑΜΚΕ	3.000,00
ΚΑΝΕ ΜΙΑ ΕΥΧΗ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ	1.500,00
ΚΑΤΑΣΚΗΝΩΣΕΙΣ ΧΑΡΟΥΜΕΝΑ ΠΑΙΔΙΑ ΧΑΡΟΥΜΕΝΑ ΝΙΑΤΑ	500,00
ΚΑΤΟΠΤΡΟΝ ΑΜΚΕ	3.500,00
ΚΕΒΕ - ΕΠΙΧΕΙΡΗΜΑΤΙΚΟΣ ΣΥΝΔΕΣΜΟΣ ΚΥΠΡΟΥ- ΕΛΛΑΔΑΣ	1.000,00
ΚΕΛΛΙΟΝ ΕΥΑΓΓΕΛΙΣΜΟΥ ΔΙΟΝΥΣΙΑΤΙΚΟΝ ΚΑΡΥΑΙ ΑΓΙΟΥ ΟΡΟΥΣ	300,00
ΚΕΝΤΡΟ ΕΙΔΙΚΩΝ ΑΤΟΜΩΝ Η ΧΑΡΑ	1.000,00
ΚΕΝΤΡΟ ΕΡΕΥΝΩΝ - ΕΠΕΙΓΟΥΣΑΣ ΙΑΤΡΙΚΗΣ ΘΩΡΑΚΟΣ "ΘΩΡΑΞ - THORAX"	1.000,00
ΚΕΝΤΡΟ ΖΩΗΣ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΟ ΣΩΜΑΤΕΙΟ	700,00
ΚΙΝΗΣΗ ΠΟΛΙΤΩΝ ΓΙΑ ΤΗΝ ΑΝΟΙΧΤΗ ΚΟΙΝΩΝΙΑ	3.000,00
ΚΟΡΓΙΑΛΕΝΕΙΟΣ ΒΙΒΛΙΟΘΗΚΗ ΑΡΓΟΣΤΟΛΙΟΥ	2.500,00
ΚΥΠΡΙΑΚΟΣ ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ - ΚΕΡΥΝΕΙΑΣ , ΛΑΡΝΑΚΑΣ	250,00
ΚΥΠΡΙΑΚΟΣ ΕΡΥΘΡΟΣ ΣΤΑΥΡΟΣ - ΚΛΑΔΟΣ ΛΑΡΝΑΚΑΣ	300,00
ΚΥΠΡΙΑΚΟΣ ΟΡΓΑΝΙΣΜΟΣ ΑΓΡΟΤΙΚΩΝ ΠΛΗΡΩΜΩΝ	5.000,00
ΚΩΝΣΤΑΝΤΟΠΟΥΛΕΙΟΣ ΟΙΚΟΣ	500,00
ΚΩΣΤΑΣ ΓΕΩΡΓΙΟΥ (ΒΙΒΛΙΟ)	300,00
ΛΑΟΓΡΑΦΙΚΟΣ ΣΥΛΛΟΓΟΣ ΠΑΡΑΛΙΑ ΑΥΛΙΔΑΣ	350,00
ΛΥΚΕΙΟ ΕΛΛΗΝΙΔΩΝ ΒΟΛΟΥ	200,00
ΜΑΡΙΟΠΟΥΛΕΙΟ ΚΑΝΑΓΚΙΝΕΙΟ ΙΔΡΥΜΑ	4.000,00
ΜΕΑΠ - ΠΕΡΑ ΧΩΡΙΟΥ ΝΗΣΟΥ	300,00
ΜΕΛΑΘΡΟΝ ΑΓΩΝΙΣΤΩΝ ΕΟΚΑ	100,00
ΜΙΑΟΥΛΕΙΑ 2017	1.000,00
ΜΙΧΑΛΗΣ ΜΑΚΡΗΣ ΟΜΙΛΟΣ ΜΕΛΙΟΣ	300,00
ΜΟΝΑΔΑ ΑΝΤΙΜΕΤΩΠΙΣΗΣ ΚΙΝΔΥΝΩΝ ΙΠΠΟΚΡΑΤΕΙΟΥ ΠΟΛΙΤΕΙΑΣ ΜΑΚΙΠ	1.260,00
ΜΟΥΣΕΙΟ ΓΟΥΛΑΝΔΡΗ ΦΥΣΙΚΗΣ ΙΣΤΟΡΙΑΣ	10.000,00
ΜΟΥΣΙΚΟΣ ΚΑΙ ΔΡΑΜΑΤΙΚΟΣ ΣΥΛΛΟΓΟΣ 1871 ΩΔΕΙΟ ΑΘΗΝΩΝ	25.000,00
ΜΟΥΣΙΚΟΣ ΣΥΛΛΟΓΟΣ ΟΡΦΕΥΣ	500,00
ΝΙΣΟ ΔΙΕΘΝΗΣ ΣΥΜΒΟΥΛΟΙ ΙΚΕ ΣΥΜΒΟΥΛΟΙ ΕΠΙΧΕΙΡΗΣΕΩΝ	5.000,00
ΝΟΜΙΚΗ ΒΙΒΛΙΟΘΗΚΗ ΑΕΒΕ	6.500,00
ΝΟΣΟΚΟΜΕΙΟ ΑΓΡΙΝΙΟΥ	5.001,00
ΟΙ ΦΙΛΟΙ ΤΗΣ ΤΗΝΟΥ ΚΟΙΝΩΦΕΛΕΣ ΣΩΜΑΤΕΙΟ	1.000,00
ΟΙ ΦΙΛΟΙ ΤΟΥ ΜΟΥΣΕΙΟΥ ΜΠΕΝΑΚΗ	2.500,00

* Names have not been translated into english.

ΟΙΚΟΝΟΜΙΚΟ ΠΑΝΕΠΙΣΤΗΜΙΟ ΑΘΗΝΩΝ	10.027,48
ΟΙΚΟΝΟΜΙΚΟ ΣΥΝΕΔΡΙΟ ΔΕΛΦΩΝ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΙΑ	8.000,00
ΟΙΚΟΥΜΕΝΙΚΗ ΟΜΟΣΠΟΝΔΙΑ ΚΩΝΣΤΑΝΤΙΝΟΥΠΟΛΙΤΩΝ	3.000,00
ΟΜΙΛΟΣ ΕΘΕΛΟΝΤΩΝ	3.000,00
ΟΜΙΛΟΣ ΜΕΤΑΛΥΚΕΙΑΚΗΣ ΕΚΠΑΙΔΕΥΣΗΣ ΚΑΙ ΚΑΤΑΡΤΗΣΗΣ	300,00
ΟΜΟΣΠΟΝΔΙΑ ΕΡΓΟΔΟΤΩΝ ΚΑΙ ΒΙΟΜΗΧΑΝΩΝ (ΟΕΒ)	300,00
ΟΡΓΑΝΙΣΜΟΣ ΜΕΓΑΡΟΥ ΜΟΥΣΙΚΗΣ ΑΘΗΝΩΝ	80.524,83
ΟΡΓΑΝΙΣΜΟΣ ΜΕΓΑΡΟΥ ΜΟΥΣΙΚΗΣ ΘΕΣΣΑΛΟΝΙΚΗΣ	40.000,00
ΟΡΦΑΝΟΤΡΟΦΕΙΟ ΘΗΛΕΩΝ ΛΑΜΙΑΣ	500,00
ΠΑΓΚΥΠΡΙΟΣ ΣΥΝΔΕΣΜΟΣ "ΕΝΑ ΟΝΕΙΡΟ ΜΙΑ ΕΥΧΗ"	1.000,00
ΠΑΓΚΥΠΡΙΟΣ ΣΥΝΔΕΣΜΟΣ ΚΑΡΚΙΝΟΠΑΘΩΝ ΚΑΙ ΦΙΛΩΝ	170,00
ΠΑΓΚΥΠΡΙΟΣ ΣΥΝΔΕΣΜΟΣ ΦΙΛΩΝ ΝΕΦΡΟΠΑΘΩΝ	3.000,00
ΠΑΝΕΛΛΗΝΙΑ ΟΜΟΣΠΟΝΔΙΑ ΝΟΣΟΥ ALZHEIMER ΚΑΙ ΣΥΝΑΦΩΝ ΔΙΑΤΑΡΑΧΩΝ	400,00
ΠΑΝΕΛΛΗΝΙΑ ΦΙΛΟΖΩΙΚΗ ΟΜΟΣΠΟΝΔΙΑ	5.000,00
ΠΑΝΕΛΛΗΝΙΟΣ ΣΥΛΛΟΓΟΣ Η ΚΑΡΔΙΑ ΤΟΥ ΠΑΙΔΙΟΥ	1.000,00
ΠΑΝΕΠΙΣΤΗΜΙΟ ΑΙΓΑΙΟΥ ΕΙΔΙΚΟΣ ΛΟΓ/ΣΜ	20.000,00
ΠΑΝΤΕΙΟ ΠΑΝΕΠΙΣΤΗΜΙΟ	1.056,00
ΠΕΙΡΑΪΚΗ ΕΝΩΣΗ ΓΟΝΕΩΝ ΚΗΔΕΜΟΝΩΝ ΚΑΙ ΦΙΛΩΝ ΑΜΕΑ ΠΕΙΡΑΪΚΟ ΕΚΠΑΙΔΕΥΤΙΚΟ ΚΕΝΤΡΟ ΠΕΚΑΜΕΑ	500,00
ΠΕΛΟΠΟΝΝΗΣΟΣ ΠΑΤΡΩΝ ΕΚΔΟΣΕΙΣ Α.Ε.	2.000,00
ΠΕΟ	200,00
ΠΟΛΙΤΙΣΤΙΚΟΣ ΟΜΙΛΟΣ ΘΕΟΔΩΡΟΣ ΦΩΚΕΥΣ	300,00
ΠΡΟΓΡΑΜΜΑ ΑΓΟΡΑΣ ΗΛΕΚΤΡΟΝΙΚΩΝ ΥΠΟΛΟΓΙΣΤΩΝ ΣΕ ΣΧΟΛΕΙΑ	25.200,00
ΠΡΟΓΡΑΜΜΑ ΜΑΖΙ ΜΕ ΣΤΟΧΟ ΤΗΝ ΥΓΕΙΑ (Αγορά ιατρικών μηχανημάτων και αναλωσίμων για περιφερειακά ιατρεία)	173.799,36
ΠΡΟΓΡΑΜΜΑ ΟΙ ΦΘΟΡΕΣ ΠΟΥ ΠΛΗΓΩΝΟΥΝ ΣΤΗΝ ΑΘΗΝΑ ΚΑΙ ΣΤΗ ΘΕΣΣΑΛΟΝΙΚΗ	35.128,00
ΠΡΟΓΡΑΜΜΑ ΧΕΡΙ ΒΟΗΘΕΙΑΣ	175.000,00
ΠΥΡΝΑ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΑΣΤΙΚΗ ΕΤΑΙΡΕΙΑ	1.000,00
ΠΥΡΟΣΒΕΣΤΙΚΗ ΥΠΗΡΕΣΙΑ ΚΟΖΑΝΗΣ	125,92
Σ. ΑΥΓΟΥΛΕΑΣ - ΛΙΝΑΡΔΑΤΟΥ ΑΕΕ ΙΔΙΩΤΙΚΑ ΕΚΠΑΙΔΕΥΤΗΡΙΑ	806,45
ΣΕΚ ΣΥΝΤΕΧΝΙΑ ΕΛΕΥΘΕΡΩΝ ΕΡΓΑΤΙΚΩΝ ΚΕΝΤΡΩΝ ΚΥΠΡΩΝ	200,00
ΣΚΑΚΙΣΤΙΚΟΣ ΟΜΙΛΟΣ ΗΡΑΚΛΕΙΟΥ	1.000,00
ΣΠΕΣΙΑΛ ΟΛΥΜΠΙΚΣ ΙΝΤΕΡΝΑΤΙΟΝΑΛ ΕΛΛΑΣ	2.000,00
ΣΥΛΛΟΓΟΣ ΑΠΟΦΟΙΤΩΝ ΟΥΡΣΟΥΛΙΝΩΝ ΑΘΗΝΩΝ	1.500,00
ΣΥΛΛΟΓΟΣ ΑΣΤΡΟΦΥΣΙΚΗΣ ΑΣΕΑΣ	1.000,00
ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ ΚΑΙ ΚΗΔΕΜΟΝΩΝ ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΑΓ. ΜΑΡΙΝΑΣ ΛΕΡΟΥ	500,00
ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ ΚΑΙ ΚΗΔΕΜΟΝΩΝ ΚΑΛΛΙΤΕΧΝΙΚΟΥ ΓΥΜΝΑΣΙΟΥ ΜΕ ΛΥΚΕΙΑΚΕΣ ΤΑΞΕΙΣ ΑΜΠΕΛΟΚΗΠΩΝ ΜΕΝΕΜΕΝΗΣ ΘΕΣΣΑΛΟΝΙΚΗΣ	360,61
ΣΥΛΛΟΓΟΣ ΓΥΝΑΙΚΩΝ ΕΡΓΑΖΟΜΕΝΩΝ ΣΠΕΤΣΩΝ	200,00
ΣΥΛΛΟΓΟΣ ΕΘΕΛΟΝΤΩΝ ΔΑΣΟΠΥΡΟΣΒΕΣΤΩΝ ΑΝΔΡΟΥ	400,00
ΣΥΛΛΟΓΟΣ ΕΜΠΟΡΩΝ ΚΑΙ ΒΙΟΤΕΧΝΩΝ ΓΑΡΓΑΛΙΑΝΩΝ	300,00
ΣΥΛΛΟΓΟΣ ΕΠΙΧΕΙΡΗΜΑΤΙΩΝ ΚΑΤΑΣΤΗΜΑΤΩΝ ΥΓΕΙΟΝΟΜΙΚΟΥ ΕΝΔΙΑΦΕΡΟΝΤΟΣ ΤΗΝΟΥ-TINOS FOOD PATHS 2017	250,00
ΣΥΛΛΟΓΟΣ ΝΙΚΟΣ ΚΑΒΒΑΔΙΑΣ	400,00
ΣΥΛΛΟΓΟΣ ΝΟΣΗΛΕΙΑ	1.500,00
ΣΥΛΛΟΓΟΣ ΦΙΛΩΝ ΑΜΕΡΙΚΑΝΙΚΗΣ ΓΕΩΡΓΙΚΗΣ ΣΧΟΛΗΣ	41.880,00
ΣΥΛΛΟΓΟΣ ΦΙΛΩΝ ΒΥΖΑΝΤΙΝΗΣ ΜΟΥΣΙΚΗΣ	200,00
ΣΥΛΛΟΓΟΣ ΦΙΛΩΝ ΓΕΝΙΚΟΥ ΟΓΚΟΛΟΓΙΚΟΥ ΝΟΣΟΚΟΜΕΙΟΥ ΟΙ ΑΓΙΟΙ ΑΝΑΡΓΥΡΟΙ	2.000,00
ΣΥΛΛΟΓΟΣ ΦΙΛΩΝ ΤΩΝ ΠΑΙΔΙΩΝ ΜΕ ΧΡΟΝΙΕΣ ΡΕΥΜΑΤΟΠΑΘΕΙΕΣ ΠΑΙΔΙΚΟΣ ΑΝΤΙΡΕΥΜΑΤΙΚΟΣ ΑΓΩΝΑΣ	2.000,00
ΣΥΜΠΛΕΥΣΗ ΑΣΤΙΚΗ ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ	2.000,00
ΣΥΝΔ.ΘΕΣΣΑΛΙΚΩΝ ΕΠΙΧΕΙΡΗΣΕΩΝ & ΒΙΟΜΗΧΑΝΙΩΝ	500,00
ΣΥΝΔΕΣΜΟΣ "ΜΩΡΑ ΘΑΥΜΑΤΑ"	200,00
ΣΥΝΔΕΣΜΟΣ ΑΝΟΙΚΤΗ ΑΓΚΑΛΙΑ	200,00

* Names have not been translated into english.

ΣΥΝΔΕΣΜΟΣ ΒΑΓΟΝΙ ΑΓΑΠΗΣ	700,00
ΣΥΝΔΕΣΜΟΣ ΒΙΟΜΗΧΑΝΙΩΝ ΘΕΣΣΑΛΙΑΣ ΚΑΙ ΚΕΝΤΡΙΚΗΣ ΕΛΛΑΔΟΣ	500,00
ΣΥΝΔΕΣΜΟΣ ΓΟΝΕΩΝ ΑΚΡΟΠΟΛΗΣ	200,00
ΣΥΝΔΕΣΜΟΣ ΓΟΝΕΩΝ ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΑΓΙΟΥ ΔΗΜΗΤΡΙΟΥ	200,00
ΣΥΝΔΕΣΜΟΣ ΓΟΝΕΩΝ Θ' ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΠΑΦΟΥ - ΚΟΥΠΑΤΕΙΟ	200,00
ΣΥΝΔΕΣΜΟΣ ΓΟΝΕΩΝ ΚΑΙ ΚΗΔΕΜΟΝΩΝ Ζ' ΔΗΜΟΤΙΚΟΥ ΣΧΟΛΕΙΟΥ ΑΠΟΣΤΟΛΟΥ ΑΝΔΡΕΑ ΛΕΜΕΣΟΥ	200,00
ΣΥΝΔΕΣΜΟΣ ΓΟΝΕΩΝ ΚΑΤΩ ΠΟΛΕΜΙΔΙΑ	200,00
ΣΥΝΔΕΣΜΟΣ ΔΙΑΦΗΜΙΖΟΜΕΝΩΝ ΕΛΛΑΔΟΣ	400,00
ΣΥΝΔΕΣΜΟΣ ΕΠΕΝΔΥΤΩΝ ΚΑΙ ΔΙΑΔΥΚΤΥΟΥ ΣΕΔ	1.000,00
ΣΥΝΔΕΣΜΟΣ ΕΥΗΜΕΡΙΑΣ ΑΤΟΜΩΝ ΜΕ ΝΟΗΤΙΚΗ ΑΝΑΠΗΡΙΑ	200,00
ΣΥΝΔΕΣΜΟΣ ΘΕΡΑΠΕΥΤΙΚΗΣ ΙΠΠΑΣΙΑΣ ΕΛΛΑΔΟΣ	5.000,00
ΣΥΝΔΕΣΜΟΣ ΚΑΡΔΙΟΠΑΘΩΝ ΛΕΥΚΩΣΙΑΣ	100,00
ΣΥΝΔΕΣΜΟΣ ΚΟΙΝΩΝΙΚΗΣ ΕΥΘΥΝΗΣ ΓΙΑ ΤΑ ΠΑΙΔΙΑ ΚΑΙ ΤΟΥΣ ΝΕΟΥΣ ΣΚΕΠ	500,00
ΣΥΝΔΕΣΜΟΣ ΟΙ ΦΙΛΟΙ ΤΗΣ ΛΕΥΚΩΣΙΑΣ	2.500,00
ΣΥΝΕΔΡΙΟ GOLDEN HOME	1.500,00
ΣΧΟΛΕΙΟ ΚΩΦΩΝ ΚΑΙ ΒΑΡΗΚΟΩΝ ΑΡΓΥΡΟΥΠΟΛΕΩΣ	290,72
ΣΧΟΛΙΚΗ ΕΠΙΤΡΟΠΗ ΔΕΥΤΕΡΟΒΑΘΜΙΑΣ ΕΚΠΑΙΔΕΥΣΕΩΣ ΙΛΙΟΥ - ΜΟΥΣΙΚΟ ΣΧΟΛΕΙΟ ΙΛΙΟΥ	400,00
ΣΩΜΑ ΕΛΛΗΝΩΝ ΠΡΟΣΚΟΠΩΝ	500,00
ΣΩΜΑΤΕΙΟ ΔΡΟΜΕΩΝ ΚΥΠΡΟΥ "ΠΕΡΙΚΛΗΣ ΔΗΜΗΤΡΙΟΥ"	150,00
ΣΩΜΑΤΕΙΟ ΚΟΙΝΩΝΙΚΗ ΜΕΡΙΜΝΑ ΑΓΙΩΝ ΟΜΟΛΟΓΗΤΩΝ	1.500,00
ΣΩΜΑΤΕΙΟ ΟΙ ΦΙΛΟΙ ΤΗΣ ΜΕΡΙΜΝΑ	1.500,00
ΤΕΙ ΔΥΤΙΚΗΣ ΕΛΛΑΔΟΣ	1.000,00
ΤΟ ΣΠΙΤΙ ΤΟΥ ΗΘΟΠΟΙΟΥ ΙΔΡΥΜΑ	2.000,00
ΤΟ ΧΑΜΟΓΕΛΟ ΤΟΥ ΠΑΙΔΙΟΥ	2.714,92
ΥΠΟΥΡΓΕΙΟ ΝΑΥΤΙΛΙΑΣ ΚΑΙ ΝΗΣΙΩΤΙΚΗΣ ΠΟΛΙΤΙΚΗΣ ΑΡΧΗΓΕΙΟ ΛΙΜΕΝΙΚΟΥ ΣΩΜΑΤΟΣ ΕΛΛΗΝΙΚΗ ΑΚΤΟΦΥΛΑΚΗ ΚΕΝΤΡΙΚΟ ΛΙΜΕΝΑΡΧΕΙΟ ΧΙΟΥ ΚΛΙΜΑΚΙΟ ΕΙΔΙΚΩΝ ΑΠΟΣΤΟΛΩΝ	1.860,00
ΦΕΣΤΙΒΑΛ ΜΕΓΑΡΟΥ ΓΚΥΖΗ	1.000,00
ΦΙΛΑΝΘΡΩΠΙΚΟ ΙΔΡΥΜΑ ΔΗΜΗΤΡΙΟΥ ΚΑΙ ΜΠΛΑΝΣ ΛΑΜΠΡΟΠΟΥΛΟΥ	3.000,00
ΦΙΛΟΔΑΣΙΚΗ ΕΝΩΣΗ ΑΘΗΝΩΝ	21.000,00
ΦΙΛΟΙ ΚΟΙΝΩΝΙΚΗΣ ΠΑΙΔΙΑΤΡΙΚΗΣ ΙΑΤΡΙΚΗΣ ΑΝΟΙΧΤΗ ΑΓΚΑΛΙΑ	10.000,00
ΦΛΟΓΑ ΣΥΛΛΟΓΟΣ ΓΟΝΙΩΝ ΠΑΙΔΙΩΝ ΜΕ ΝΕΟΠΛΑΣΜΑΤΙΚΕΣ ΑΣΘΕΝΕΙΕΣ	200,00
ΧΟΡΕΥΤΙΚΟΣ ΛΑΟΓΡΑΦΙΚΟΣ ΟΜΙΛΟΣ ΓΡΗΓΟΡΗ ΑΣΣΙΩΤΗ	300,00
ΧΡ.ΤΑΚΙΔΕΛΛΗΣ ΚΑΙ ΣΙΑ ΟΕ ΕΚΔΟΣΕΙΣ ΜΕΝΑΝΔΡΟΣ	320,79
	1.677.581,91

DONATIONS TO LEGAL ENTITIES OF AMOUNTS LESS THAN €100 PER LEGAL ENTITY
NAME*
BRITISH HEART FOUNDATION
DEMENDIA CHARITY
ΑΝΤΙΝΑΡΚΩΤΙΚΟΣ ΣΥΝΔΕΣΜΟΣ
ΑΝΩΤΑΤΗ ΣΧΟΛΗ ΚΑΛΩΝ ΤΕΧΝΩΝ
ΓΥΜΝΑΣΙΟ ΑΓΛΑΝΤΖΙΑΣ
ΕΛΠΙΔΑ ΓΑΛΗΝΗ & ΦΩΣ
ΙΔΡΥΜΑ ΑΣΠΡΕΣ ΠΕΤΑΛΟΥΔΕΣ
ΚΕΝΘΕΑ
ΚΙΒΩΤΟΣ ΣΤΟΡΓΗΣ & ΑΓΑΠΗΣ
Ο ΑΓΓΕΛΙΟΦΟΡΟΣ ΤΟΥ ΜΗΝΥΜΑΤΟΣ ΤΩΝ ΑΜΕΑ
ΟΙ ΦΙΛΟΙ ΤΟΥ ΜΟΥΣΕΙΟΥ ΑΡΧΑΙΑΣ ΕΛΕΥΘΕΡΝΑΣ
ΠΑΙΔΙΚΗ ΕΞΟΧΗ ΛΑΡΝΑΚΑΣ
ΠΑΙΔΙΚΟ ΧΑΜΟΓΕΛΟ

* Names have not been translated into english.

ΠΑΝΕΛΛΗΝΙΟΣ ΕΝΩΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΤΥΦΛΩΝ ΚΑΙ ΑΚΡΩΤΗΡΙΑΣΜΕΝΩΝ
ΠΑΝΕΛΛΗΝΙΟΣ ΣΥΛΛΟΓΟΣ ΣΥΜΠΑΡΑΣΤΑΣΗΣ & ΑΡΩΓΗΣ ΠΑΡΑΠΛΗΓΙΚΩΝ & ΑΤΟΜΩΝ ΜΕ ΕΙΔΙΚΕΣ ΑΝΑΓΚΕΣ ¨ΗΛΙΑΧΤΙΔΑ¨
ΠΑΝΕΛΛΗΝΙΟΣ ΣΥΛΛΟΓΟΣ ΤΥΦΛΩΝ
ΡΙΖΟΚΑΡΠΑΣΟ

The above table refers to donations to legal entities of amounts less than € 100 with total amount equal to € 699.64.

DONATIONS TO INDIVIDUALS - FOUR (4) BENEFICIARIES	**21.000,00**

DONATIONS OF FIXED ASSETS
Name*
1 ΕΡΓΑΣΤΗΡΙΑΚΟ ΚΕΝΤΡΟ ΚΟΖΑΝΗΣ
101ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΘΕΣΣΑΛΟΝΙΚΗΣ
12ο ΝΗΠΙΑΓΩΓΕΙΟ ΑΘΗΝΩΝ
132ο ΝΗΠΙΑΓΩΓΕΙΟ ΑΘΗΝΩΝ
135ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ
14ο ΓΥΜΝΑΣΙΟ ΠΕΡΙΣΤΕΡΙΟΥ
14ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΕΡΚΥΡΑΣ
14ο ΝΗΠΙΑΓΩΓΕΙΟ ΠΑΤΡΩΝ
15ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΘΕΣΣΑΛΟΝΙΚΗΣ
172ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ
18ο ΓΥΜΝΑΣΙΟ ΑΘΗΝΩΝ
19ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΟΖΑΝΗΣ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΗΡΑΚΛΕΙΟΥ
1ο 9/ΘΕΣΙΟ ΕΙΔ.ΔΗΜ.ΣΧΟΛΕΙΟ ΠΕΙΡΑΙΑ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΛΜΥΡΟΥ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΔΑΦΝΗΣ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΘΕΣΠΡΩΤΙΚΟΥ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΜΑΤΕΡΟΥ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΧΩΡΑΣ ΜΕΣΣΗΝΙΑΣ
1ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟΑΓ.ΠΑΡΑΣΚΕΥΗΣ
1ο ΕΙΔΙΚΟ ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΙΓΙΟΥ
1ο ΕΙΔΙΚΟ ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΛΛΙΘΕΑΣ
1ο ΕΠΑ.Λ. ΑΙΓΑΛΕΩ
1ο ΕΠΑΓΓΕΛΜΑΤΙΚΟ ΛΥΚΕΙΟ ΔΙΟΝΥΣΟΥ
1ο ΠΕΙΡΑΜΑΤΙΚΟ ΓΥΜΝΑΣΙΟ ΑΘΗΝΩΝ
1ο ΠΕΙΡΑΜΑΤΙΚΟ ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ
20ο ΔΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ
26οΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΧΑΛΚΙΔΟΣ
27ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΝΙΚΑΙΑΣ
2ο ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΚΑΛΛΙΘΕΑΣ
2ο ΓΕΛ ΓΑΛΑΤΣΙΟΥ
2ο ΓΕΛ ΣΥΚΕΩΝ ΘΕΣ/ΝΙΚΗΣ
2ο ΓΥΜΝΑΣΙΟ ΑΙΓΑΛΕΩ
2ο ΓΥΜΝΑΣΙΟ ΑΜΑΛΙΑΔΟΣ
2ο ΓΥΜΝΑΣΙΟ ΚΑΛΛΙΠΟΛΕΩΣ
2ο ΓΥΜΝΑΣΙΟ ΤΑΥΡΟΥ
2ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΝΑΒΥΣΣΟΥ
2ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΜΕΓΑΛΟΠΟΛΗΣ
2ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΥΜΗΤΤΟΥ

* Names have not been translated into english.

2ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΧΑΙΔΑΡΙΟΥ
2ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΩΡΑΙΟΚΑΣΤΡΟΥ
2ο Ε.Κ. ΚΟΖΑΝΗΣ
2ο ΕΡΓΑΣΤΗΡΙΑΚΟ ΚΕΝΤΡΟ Δ.ΑΘΗΝΑΣ
2ο ΛΥΚΕΙΟ ΕΔΕΣΣΗΣ
2ο ΝΗΠΙΑΓΩΓΕΙΟ ΓΑΡΓΑΛΙΑΝΩΝ
38ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΩΝ
3ο ΝΗΠΙΑΓΩΓΕΙΟ ΒΟΥΛΑΣ
3ο ΓΕΛ ΑΛΙΜΟΥ
3ο ΓΕΝ.ΛΥΚΕΙΟ ΚΑΒΑΛΑΣ
3ο ΓΥΜΝΑΣΙΟ ΚΗΦΙΣΙΑΣ
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΒΥΡΩΝΑ
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΖΑΚΥΝΘΟΥ
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΖΕΦΥΡΙΟΥ
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΛΥΜΝΟΥ
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΜΕΓΑΛΟΠΟΛΗΣ
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΝΑΟΥΣΑΣ
3ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΑΛ.ΦΑΛΗΡΟΥ
49ο ΓΕΛ ΑΘΗΝΩΝ
4ο ΓΥΜΝΑΣΙΟ ΣΕΡΡΩΝ
4ο ΓΥΜΝΑΣΙΟ ΑΛΙΜΟΥ
4ο ΓΥΜΝΑΣΙΟ ΧΑΛΑΝΔΡΙΟΥ
4ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΡΤΕΜΙΔΟΣ
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4ο ΝΗΠΙΑΓΩΓΕΙΟ ΚΙΛΚΙΣ
52ο ΝΗΠΙΑΓΩΓΕΙΟ ΠΑΤΡΩΝ
5ο ΓΥΜΝΑΣΙΟ ΣΕΡΡΩΝ
5ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΘΕΣΣΑΛΟΝΙΚΗΣ
5ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΙΓΑΛΕΩ
5ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΝΕΑΣ ΣΜΥΡΝΗΣ
5ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΑΛΛΗΝΗΣ
6 ΘΕΣΙΟ ΔΗΜ.ΣΧΟΛΕΙΟ ΑΡΣΕΝΙΟΥ
6ο ΓΥΜΝΑΣΙΟ ΑΘΗΝΩΝ
6ο ΓΥΜΝΑΣΙΟ ΚΑΛΑΜΑΡΙΑΣ
6ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΧΑΛΑΝΔΡΙΟΥ
7ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΙΑΤΟΥ
7ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΝΑΥΠΑΚΤΟΥ
7ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΑΛ.ΦΑΛΗΡΟΥ
7ο Ε.Κ. ΠΕΙΡΑΙΑ
8ο ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΠΕΙΡΑΙΑ
8ο ΓΥΜΝΑΣΙΟ ΓΛΥΦΑΔΑΣ
8ο ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΛΕΞΑΝΔΡ/ΛΕΩΣ
ΑΘΗΝΑΙΚΟΣΑΘΛ.ΣΥΛΛΟΓΟΣ ΒΥΡΩΝΑ
ΑΘΛΗΤΙΚΟΣ ΟΜΙΛΟΣ ΑΓΙΑΣ ΠΑΡΑΣΚΕΥΗΣ
ΑΘΛΗΤΙΚΟΣ ΟΜΙΛΟΣ ΜΠΟΥΝΤΟ
ΑΘΛΗΤΙΚΟΣ ΟΜΙΛΟΣ Ο ΜΙΛΩΝ
ΑΙΟΛΟΣ ΑΘΛΗΤΙΚΟΣ ΟΜΙΛΟΣ
ΑΡΧΗΓΕΙΟ ΠΥΡΟΣΒ/ΚΟΥ ΣΩΜΑΤΟΣ

* Names have not been translated into english.

ΒΙΒΛΙΟΘΗΚΗ ΤΟΠ.ΚΟΙΝΟΤΗΤΑ ΦΙΛΩΤΕΙΑ
Γ.Ο.Ν.Κ. "ΟΙ ΑΓΙΟΙ ΑΝΑΡΓΥΡΟΙ"
ΓΕΑ-ΓΕΝ-ΓΕΣ/50η ΤΑΞΙΑΡΧΙΑ ΠΕΖΙΚΟΥ
ΓΕΑ-ΓΕΝ-ΓΕΣ/ΓΕΝ Δ/ΝΣΗ ΕΘΙΜΟΤΥΠΙΑΣ &
ΓΕΝ.ΑΝΤΙΚΑΡΚ/ΚΟ ΝΟΣ."ΑΓ.ΣΑΒΒΑΣ"
ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΚΡΥΟΝΕΡΙΟΥ
ΓΕΝΙΚΟ ΛΥΚΕΙΟ ΝΑΟΥΣΑΣ ΠΑΡΟΥ
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΛΑΡΙΣΑΣ
ΓΕΝΙΚΟ ΝΟΣΟΚΟΜΕΙΟ ΛΑΡΙΣΑΣ
ΓΥΜΝΑΣΙΟ ΒΑΡΔΑΣ
ΓΥΜΝΑΣΙΟ ΓΟΥΜΕΝΙΣΣΑΣ
ΓΥΜΝΑΣΙΟ ΘΕΡΜΟΥ ΑΙΤΩΛ/ΝΙΑΣ
ΓΥΜΝΑΣΙΟ ΛΕΥΚΩΝΑ
ΓΥΜΝΑΣΙΟ ΠΡΙΝΟΥ ΘΑΣΟΥ
ΓΥΜΝΑΣΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΚΕΡΑΤΕΑΣ
Δ/ΝΣΗ 2οΒΑΘΜΙΑΣ ΔΥΤ.ΘΕΣ/ΝΙΚΗΣ
ΔΗΜΟΣ ΙΚΑΡΙΑΣ
ΔΗΜΟΣ ΦΥΛΗΣ-ΔΗΜ.ΕΝΟΤΗΤΑ ΖΕΦΥΡΙΟΥ
ΔΗΜΟΣ ΨΑΡΩΝ
ΔΗΜΟΣ ΩΡΑΙΟΚΑΣΤΡΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΑΡΙΟΣ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΚΑΤΟΧΗΣ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΜΕΣΑΡΓΟΥ-ΑΓ.ΜΑΡΙΝΑΣ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΝΗΣΙΟΥ ΕΔΕΣΣΗΣ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΠΕΝΤΑΛΟΦΟΥ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ ΣΤΑΥΡΟΥ ΗΜΑΘΙΑΣ
ΔΗΜΟΤΙΚΟ ΣΧΟΛΕΙΟ.ΞΕΧΑΣΜΕΝΗΣ-ΚΕΦΑΛΟΧΩΡΙΟΥ
'ΔΡΟΜΟΙ ΖΩΗΣ" ΜΗ ΚΕΡΔΟΣΚΟΠΙΚΗ ΕΤΑΙΡΕΙΑ
ΕΙΔ.ΔΗΜ)ΚΟ ΣΧΟΛΕΙΟ ΑΥΤ/ΚΩΝ ΠΕΙΡΑΙΑ
ΕΙΔ.ΕΠΑΓ/ΚΟ ΓΥΜΝ-ΛΥΚΕΙΟ ΙΩΑΝΝΙΝΩΝ
ΕΙΔ.ΕΠΑΓ/ΚΟ ΛΥΚΕΙΟ ΜΕΣΟΛΟΓΓΙΟΥ
ΕΛ.ΑΣ/ 2ο ΤΜ ΠΡΟΣΤΑΣΙΑΣ ΤΟΥ ΚΡΑΤΟΥΣ
ΕΛ.ΑΣ/ Α.Τ. ΝΕΟΥ ΚΟΣΜΟΥ
ΕΛ.ΑΣ/ Α' ΤΜ. ΜΕΤΡΩΝ ΤΑΞΗΣ ΔΑΕΑ
ΕΛ.ΑΣ/ Α.Τ. ΑΓ. ΠΑΝΤΕΛΕΗΜΟΝΑΣ
ΕΛ.ΑΣ/ Α.Τ. ΘΕΑΤΡΟΥ
ΕΛ.ΑΣ/ ΑΣΤ.ΤΜ. ΜΑΝΔΡΑΣ
ΕΛ.ΑΣ/ ΓΕΝ.ΔΝΣΗ ΠΡΟΣΤΑΣΙΑΣ ΕΠΙΣΗΜΩΝ ΠΡΟΣΩΠΩΝ
ΕΛ.ΑΣ/ Τ.Α. ΑΙΓΑΛΕΩ
ΕΛ.ΑΣ/ ΤΜ.ΑΣΦ. ΑΓ. ΠΑΡΑΣΚΕΥΗΣ
ΕΛ.ΑΣ/ ΤΜ.ΑΣΦ.ΠΑΓΚΡΑΤΙΟΥ
ΕΛ.ΑΣ/ ΤΜ.ΑΣΦ.ΠΕΡΙΣΤΕΡΙΟΥ
ΕΝΩΣΗ ΑΣΤΥΝΟΜΙΚΩΝ ΕΥΡΥΤΑΝΙΑΣ
ΕΝΩΣΗ ΑΣΤΥΝΟΜΙΚΩΝ ΥΠΑΛΛΗΛΩΝ ΘΕΣΠΡΩΤΙΑΣ
ΕΝΩΣΗ ΑΣΤΥΝΟΜΙΚΩΝ ΥΠΑΛΛΗΛΩΝ Ν.ΚΑΒΑΛ
ΕΝΩΣΗ ΣΥΝΟΡΙΑΚΩΝ ΦΥΛΑΚΩΝ ΕΛ.ΑΣ
ΕΠΑΓΓΕΛΜΑΤΙΚΟ ΛΥΚΕΙΟ ΚΟΡΥΔΑΛΟΥ
ΕΠΑΛ ΚΙΣΣΑΜΟΥ
ΕΡΓΑΣΤΗΡΙ ΕΠΑΓΓ/ΚΗΣ ΕΚΠΑΙΔΕΥΣΗΣ & ΚΑΤΑΡΤΙΣΗΣ ΡΟΔΟΥ
ΕΡΓΑΣΤΗΡΙ ΠΟΛΙΤΙΣΜΟΥ ΝΕΑΣ ΑΡΤΑΚΗΣ
ΘΕΑΤΡΙΚΟ ΕΡΓΑΣΤΗΡΙΟ ΚΩ-ΑCΤΑ
ΙΔΡΥΜΑ ΑΣΠΡΕΣ ΠΕΤΑΛΟΥΔΕΣ

* Names have not been translated into english.

ΚΑΤΣΑΝΟΥ ΜΑΡΙΑ
ΚΕΝΤΡΟ ΦΙΛΟΞΕΝΙΑΣ ΠΡΟΣΦΥΓΩΝ
ΛΙΜΕΝΑΡΧΕΙΟ ΧΙΟΥ
ΛΙΜΕΝΑΡΧΕΙΟ ΠΟΡΟΥ
ΛΥΚΕΙΟ ΕΛΛΗΝΙΔΩΝ ΒΟΛΟΥ
ΛΥΚΕΙΟ ΤΩΝ ΕΛΛΗΝΙΔΩΝ
ΜΟΝΑΔΑ ΦΡΟΝΤΙΔΑΣ ΗΛΙΚΙΟΜΕΝΩΝ ΕΔΕΣΣΗΣ"ΕΥΑΓΓΕΛΟΣ & ΑΜΑΛΙΑ ΔΙΖΑ"
ΜΟΥΣΙΚΟ ΣΧΟΛΕΙΟ ΑΘΗΝΑΣ
ΝΗΠΙΑΓΩΓΕΙΟ ΑΓ.ΠΑΝΤΕΛΕΗΜΟΝΑ ΑΧΑΡΝΩΝ
ΝΗΠΙΑΓΩΓΕΙΟ ΠΛΑΚΑΣ ΜΗΛΟΥ
ΝΟΣΚΟΜΕΙΟ Γ.Ν.Α ΑΛΕΞΑΝΔΡΑΣ
ΟΛΟΗΜΕΡΟ ΔΗΜ.ΣΧΟΛΕΙΟ ΚΕΦΑΛΑΡΙΟΥ
ΟΛΟΗΜΕΡΟ ΔΗΜΟΤ.ΣΧΟΛ.ΑΣΤΥΠΑΛΙΑΣ
ΟΛΟΗΜΕΡΟ ΝΗΠΙΑΓΩΓΕΙΟ ΚΗΡΙΝΘΟΥ
ΟΡΕΙΒΑΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΑΙΓΙΟΥ
ΠΑΝΕΥΡΩΠΑΙΚΟ ΣΩΜΑΤΕΙΟ ΑΝΑΠΗΡΩΝ ΑΜΕΑ "ΣΥΝΕΡΓΑΣΙΑ"
ΠΑΝΤΕΙΟ ΠΑΝΕΠΙΣΤΗΜΙΟ
ΠΕ ΣΩΦΡΟΝΙΣΤΙΚΟΥ ΕΝΗΛΙΚΩΝ ΚΟΡΙΝΘΟΥ
ΠΟΛ/ΚΟΣ ΣΥΛΛ.ΤΡΑΠ/ΚΩΝ ΥΠΑΛ/ΛΩΝ
ΠΟΛΙΤΙΣΤΙΚΟΣ ΚΑΙ ΛΑΟΓΡΑΦΙΚΟΣ
ΠΟΛΙΤΙΣΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΜΑΡΜΑΡΙΑΣ
ΠΟΛΙΤΙΣΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΦΑΝΑΡΙΤΩΝ
ΠΥΡΟΣΒΕΣΤΙΚΗ ΥΠΗΡΕΣΙΑ ΑΙΓΙΟΥ
ΠΥΡΟΣΒΕΣΤΙΚΗ ΥΠΗΡΕΣΙΑ ΘΕΣΣΑΛΟΝΙΚΗΣ
ΣΚΟΠΕΥΤΙΚΟΣ ΣΥΛΛΟΓΟΣ ΠΑΤΜΟΥ
ΣΥΛ. ΓΟΝ. & ΚΗΔΕΜ. 20ου ΔΗΜΟΤ.
ΣΥΛ.ΣΑΡΑΚΑΤΣΑΝΑΙΩΝ ΕΛΕΥΘΕΡΙΟΥ
ΣΥΛΛ. ΓΟΝΕΩΝ 1ο ΔΗΜ. ΣΧ. ΚΑΜΑΤΕΡΟΥ
ΣΥΛΛ.ΑΠΑΝΤΑΧΟΥ ΑΓΙΟΕΥΣΤΡΑΤΙΩΤΩΝ
ΣΥΛΛ.ΓΟΝ & ΚΗΔ. 9ο ΔΗΜ.ΣΧΟΛ.ΣΤΑΥΡΟΥΠΟΛΗΣ
ΣΥΛΛ.ΓΟΝ.& ΚΗΔ. 2ο ΝΗΠΙΑΓ.ΒΟΥΛΑΣ
ΣΥΛΛ.ΓΟΝ.& ΚΗΔ. 3ουΓΕΛ ΑΡΓΥΡΟΥΠΟΥΛΗΣ
ΣΥΛΛ.ΓΟΝ.& ΚΗΔΕΜ.2ου ΔΗΜ.ΚΟΖΑΝΗΣ
ΣΥΛΛ.ΓΟΝΕΩΝ & ΚΗΔΕΜΟΝΩΝ 2ο ΔΗΜ.ΣΧ.
ΣΥΛΛ.ΓΟΝΕΩΝ & ΚΗΔΕΜΟΝΩΝ 3ο ΓΕΛ ΑΓ.ΑΝΑΡΓΥΡΩΝ
ΣΥΛΛ.ΓΟΝΕΩΝ & ΚΗΔΕΜΟΝΩΝ 1ο ΓΕΛ ΠΑΝΟΡΑΜΑΤΟΣ
ΣΥΛΛ.ΓΟΝΕΩΝ ΓΥΜΝΑΣΙΟΥ ΕΡΕΣΣΟΥ
ΣΥΛΛ.ΓΟΝΕΩΝ/ΚΗΔΕΜΟΝΩΝ 14ο ΔΗΜ.ΣΧΟΛΕΙΟ ΑΙΓΑΛΕΩ
ΣΥΛΛ.ΕΠΙΣΤΗΜΟΝΙΚΟΥ ΠΡΟΣΩΠΙΚΟΥ
ΣΥΛΛΟΓΟΣ ΑΜΕΑ ΗΛΙΑΧΤΙΔΑ
ΣΥΛΛΟΓΟΣ ΓΟΝΕΩΝ & ΚΗΔΕΜΟΝΩΝ 1ο ΓΕΛ ΠΕΡΑΜΑΤΟΣ
ΣΥΛΛΟΓΟΣ ΝΕΦΡΟΠΑΘΩΝ ΕΔΕΣΣΑΣ
ΣΥΛΛΟΓΟΣ ΠΡΟΣΩΠΙΚΟΥ ALPHA BANK
ΣΧΟΛ.ΕΠΙΤΡ Δ/ΘΜΙΑΣ ΕΚΠΑΙΔ Δ.ΝΙΚΑΙΑΣ
ΣΩΜΑ ΕΘΕΛΟΝΤΩΝ Δ.ΚΑΛΑΜΑΡΙΑΣ
ΣΩΜΑΤΕΙΟ ΥΠΑΛΛΗΛΩΝ ΚΟΡΥΔΑΛΛΟΥ
ΤΖΑΝΕΙΟ ΝΟΣΟΚΟΜΕΙΟ
ΤΜΗΜΑ ΑΣΦΑΛΕΙΑΣ ΠΕΡΙΣΤΕΡΙΟΥ
ΤΟΠΙΚΗ ΚΟΙΝΟΤΗΤΑ ΚΟΣΚΙΝΩΝ
ΥΠ.ΔΙΚΑΙΟΣΥΝΗΣ/ΚΑΤ.ΚΡΑΤ.ΚΟΡΥΔΑΛΛΟΥ

The above table refers to donations of fully amortised fixed assets of the Bank, with total residual value of € 15.61.

* Names have not been translated into english.

Availability of Annual Financial Report

The Annual Financial Report as at 31.12.2017, which includes:

- The Statement by the Members of the Board of Directors
- The Board of Directors' report
- The Explanatory Report of the Board of Directors
- The Corporate Governance Report
- The Independent Auditors' Report
- The Annual Financial Statements of the Bank and the Group

are available on the website address: http://www.alpha.gr/page/default.asp?la=2&id=17524.

The Annual Financial Statements, the Independent Auditors' report and the Board of Directors' Report of consolidated companies are available on the website: http://www.alpha.gr/page/default.asp?la=1&id=18780.