ANNUAL REPORT
2009

NATIONAL BANK
OF GREECE

FINANCIAL HIGHLIGHTS

Profit & loss account (€ millions)	2009	2008	2007
Net interest income	3,940	3,580	3,051
Net fees & commissions	686	772	773
Net premiums from insurance contracts	96	123	93
Trading income & results from investment securities	428	427	480
Other income	-73	24	162
Total operating income	5,077	4,926	4,559
Total operating expenses	2,530	2,422	2,343
Provisions for credit and other risks	1,295	538	330
Share of profit/(loss) of associates	0,1	-29	17
Profit before tax and minorities	1,252	1,937	1,903
Tax expense (including tax on untaxed reserves)	289	352	259
Profit attributable to minority interests	41	39	19
Profit attributable to NBG equity shareholders	923	1,546	1,625

Key balance sheet data (€ millions)			
Dues from banks (net)	3,708	2,490	3,690
Loans & advances to customers (net)	74,753	69,898	54,693
Investment securities and financial assets	20,381	15,100	16,994
Other assets	14,552	13,835	15,009
Total assets	113,394	101,323	90,386
Dues to banks	21,643	14,840	10,374
Dues to customers	71,194	67,657	60,530
Debt securities in issue & other borrowed funds	3,085	3,737	4,013
Other liabilities	7,644	6,822	6,927
Total shareholder equity & other minority interests	9,828	8,267	8,542
Total equity & liabilities	113,394	101,323	90,386

Key figures & ratios			
Earnings per share (€)	1.48	2.71	3.10
Dividend per ordinary share (€) adjusted	-	-	0,36
Return on average equity (after tax)	13.0%	25.0%	26.1%
Cost/income (efficiency) ratio (1)	49.0%	48.0%	51.0%
Net interest margin	4.09%	4.25%	4.25%
Tier I CAD ratio	11.3%	10.0%	9.2%
Total CAD ratio	11.3%	10.3%	10.2%
Staff numbers (year end)	36,314	36,589	34,623

(1) Excludes Amortization of intangible assets recognised on business combinations and Finance charge put options of minority interests.

Credit ratings	Long-term	Short-term
Moody's	Baa2	P-2
Standard & Poor's	BB+	B
Fitch Ratings	BBB-	F3

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LETTERS TO SHAREHOLDERS

Dear Shareholder,

For some months now, Greece has been living through an unprecedented fiscal and economic crisis. The unexpectedly high general government deficit for 2009, coupled with soaring public debt, placed unprecedented pressure on the prices of government bonds, leading the country to the verge of bankruptcy.

The measures announced by the Government within the context of the agreement with the European Union and the IMF create a new environment of stability, while the conditions are being forged for Greece to make a new start. The current crisis demonstrates that the growth model pursued by our country has exhausted its potential. Accordingly, in addition to implementing fiscal adjustment, Greece needs to seek out new sources of growth that will generate new competitive advantages and enhance employment.

A more dynamic and competitive economy requires more sophisticated and larger-scale firms, which in turn will need the financial support of the banking system. Under these new conditions, the challenge for the banking industry is twofold. On the one hand, we have to channel private savings into strong performing and innovative investments, which should be primarily export-oriented; on the other, the banking sector is duty bound to help businesses and households cope with the difficulties caused by the downturn in economic activity in 2009 and which will continue this year.

All of this will have to be done within a new environment for banks, where the rules of risk management will be more rigorous, where liquidity will be tighter and more costly, and where society at large will be more demanding. The new conditions require banks to change their business model so as to become more innovative, to adapt to the real needs of their customers, to become more transparent in their dealings. True to its long history, National Bank of Greece will lead the way in meeting these challenges. Despite the difficulties of daily management within an environment of economic crisis, the new Management has already set the trend by adopting a policy of greater transparency in banking transactions, eliminating the small print and commissions on a range of transactions. Furthermore, the Bank has launched a new line of products relating to the rescheduling of loans of both businesses and households.

With the implementation of government measures for fiscal adjustment and a far-reaching structural reform package in the pipeline an entirely different framework of economic orientation for the country is established. The level of uncertainty is being reduced and all the signs indicate that calm will be restored to the markets and liquidity conditions in the banking system will normalize. NBG, as the leading bank of the country and possessing the largest liquidity, will once again play a key role in financing the economy.

To close, I wish to emphasize that after a difficult 2009, yet another difficult year lies ahead, but it is a year that poses great challenges as well as opportunities for all of us and for our bank. I can assure you that NBG will prove, yet again, to be equal to the challenge: both the Bank and the national economy will emerge stronger from the current ordeal.

Chairman of the Board

Vassilios Rapanos

Dear Shareholder,

2009 was a particularly difficult year for both the global banking system and the Greek economy. The challenges for the domestic banking sector will remain substantial in 2010 as well, in view of the turbulence currently afflicting the Greek economy. However, it should be stressed that Greek banks are in sound health in terms of capital adequacy and liquidity.

Under these particularly stressful conditions, NBG managed to sustain its solid performance and play a leading role in developments in Greece and the wider region in 2009, thereby forging the conditions necessary to meet the challenges and exploit the opportunities that are emerging.

During the course of 2009, NBG conducted a rights issue that boosted its share capital by €1.25 billion, enhancing its capital adequacy to levels that are among the highest Europe-wide (Tier I: 11.3% and Core Tier I: 9.5%). In addition, it launched a covered bond worth €1.5 billion, the first such issue by a Greek bank to be placed in the market. Furthermore, NBG succeeded in boosting its lending, on a consolidated basis, by €5.5 billion (+8%), reflecting the leading role that the Bank plays in funding Greek businesses and households, despite the adverse macroeconomic environment that continues to assail the banking industry. It is notable that the Group showed resilience in the face of these challenges, with its cost/income ratio standing at 49% and profit before provisions covering 2.5 times the increased provisions for NPLs. At the same time, we maintained our significant competitive advantage of diversified sources of income, as 41% of consolidated earnings before tax derived from our international activities.

The problems of the Greek economy during the first months of 2010 compelled us to focus on sustaining liquidity and funds. The combination of the slowdown in economic activity and the increase in the cost of liquidity meant that we had to tighten our credit criteria and adjust lending and, mostly, deposit rates so as to stay in line with the higher cost of liquidity in Greece. Further, we created surplus liquidity in an attempt to shield our balance sheet from the repercussions of a likely deterioration in market conditions. In light of these developments, the NBG Group is focusing on the following priorities:

1) Enhancing liquidity and capital adequacy: In view of the greater challenges now facing the Greek economy, the fundamental endeavour of the Group will be to keep its liquidity robust. To this end, the Group is focusing on securing deposits so as to strengthen its leading position in this sphere in Greece. In addition, it aims at leveraging its networks in order to penetrate further retail and corporate deposits in SE Europe and Turkey, as liquidity in these markets is growing and, accordingly, be able to meet the funding needs of these loan books. The Group also aims at enhancing existing liquidity by leveraging further its assets. Finally, the decision, taken in unison with the other major Greek banks, to participate in the reactivation of the liquidity enhancement programme for the Greek economy, originally launched in 2008, will further strengthen the Bank's liquidity.

2) Enhancing operational efficiency. This target will be achieved by reducing the operating costs of our domestic business. In contrast, in the sphere of our international operations, particularly Turkey, we are looking at organic expansion as these economies show signs of accelerating recovery.

3) Active management of loans in arrears. We have released various loan restructuring products that cater for all customer categories in retail and business banking. Our aim is to restructure loans for an amount over €1 billion so as to ease pressure on our healthy customers, while efforts are also being made to improve our mechanisms for recovering dues.

4) Sustaining the momentum in business growth in our neighbouring economies. In SE Europe and Turkey credit is likely to expand, by around 10% and 20%-plus, respectively, on the back of strengthening deposits in the respective markets. To this end Finansbank is planning on opening more branches in Turkey in 2010. While the Group's SE European network is already extensive we intend to continue this expansion as soon as there are sure signs that the region has returned to a growth trajectory. In essence, further consolidation of these investments constitutes part of the Group's medium-term strategy, which involves the provision of support to our subsidiaries in their pursuit of organic growth.

5) Ongoing policy of active and efficient management of funds and the balance sheet.

Within the new environment that is emerging as a result of the major reform effort of the country the NBG Group is redefining its relationship with the community at large, its customers and its staff, in line with four key pillars:

- Households and SMEs

We intend to support businesses and households that are facing the crisis and servicing normally their obligations to the banking system, and restructure the debts of struggling households and SMEs.

- Lending

We shall support investment initiatives in innovative, know-how intensive industries, and fund research programmes for technologies that contribute to the country's efforts to achieve a greener environmental footprint. Likewise, we shall boost financing for renewable energy sources, public/private partnerships and healthy, forward-looking sectors of the economy.

- Customers and the community at large

We shall renew our relationship with customers, offering products that meet real needs and repayment ability. We are committed to absolute transparency in transactions and adoption of new standards of transactional ethics.

- Staff

We are upgrading our relationship with our workforce in Greece by means of open lines of communication under a regime of complete transparency.

Great challenges in the domestic markets are offset by the dynamic growth in profits before provisions. Even under extreme conditions, NBG's profitability can absorb the potential increase in provisions that would occur because of adverse conditions in the country. It is important to stress that the contribution of our international business to Group profits vindicates our strategic decision to develop our activities in the wider region over the past decade. In particular, credit expansion in Turkey and SE Europe, combined with the eventual improvement in the outlook for Greece should help sustain interest income by the end of 2010 and absorb the cost of provisions in Greece thereby maintaining the strong capital position of the Group to the benefit of our shareholders.

The Group's long-term strategy continues to focus on:

- enhancement of liquidity;
- operational and capital efficiency;
- the aspiration to be the leading credit institution in the wider region of Greece, Turkey and SE Europe.

Finally, within this highly challenging environment we wish to stress that we are committed to ensuring that NBG not only withstands the crisis that is currently afflicting the Greek economy, but also emerges from it in a yet stronger position, contributing to the recovery of the country. The Bank's staff have worked hard and efficiently under difficult conditions and intense pressure over the past 18 months, when the timing of the exit was still hard to discern. For this in particular we owe them our gratitude.

Chief Executive Officer

Apostolos Tamvakakis

BOARD OF DIRECTORS

Vassilios Rapanos
Chairman of the Board of Directors (non-executive member)

Apostolos Tamvakakis
Chief Executive Officer (executive member)

NON-EXECUTIVE MEMBERS

Ioannis Giannidis
Professor, University of Athens School of Law and Legal Counsellor

Ioannis Panagopoulos
Employees' Representative, Chairman of the General Confederation of Greek Workers

Avraam Triantafyllidis
Employees' Representative

INDEPENDENT NON-EXECUTIVE MEMBERS

H.E. the Metropolitan of Ioannina
Theoklitos

Stefanos Vavalidis
Member of the Board of the European Bank for Reconstruction & Development

George Zanias
Economist, President of the Greek Association of Chartered Valuers

Vassilios Konstantakopoulos
Ship-owner

Alexandra Papalexopoulou-Benopoulou
Member of the Board of Titan Cement SA

Petros Sabatacakis
Economist

Maria Sklavenitou
Chairman of the Board of J. & S. Sklavenitis SA

REPRESENTATIVE OF THE HELLENIC REPUBLIC

Alexandros Makridis
Chairman of the Board & CEO of Chryssafidis SA

Notes:

Board members are elected by the General Meeting of Shareholders for a term of 3 years, and can be re-elected. The term of office of the members listed above will expire in 2013, as they were appointed by the General Meeting on 14 January 2010.

Following the Bank's decision to join the government's liquidity support programme, the Hellenic government appointed Mr Alexandros Makridis as its representative on the Board of the Bank.

On 18 March 2010, Mr Avraam Triantafyllidis, employee of the Bank and elected staff representative to the Board, was elected to the Board in replacement of Mr Alexandros Stavrou.

NBG MANAGEMENT

EXECUTIVE COMMITTEE
Chairman: Apostolos Tamvakakis – CEO

Members:
Omer Aras – Chairman & CEO, Finansbank
Anthimos Thomopoulos – Chief Financial & Chief Operations Officer
Dimitrios Lefakis – Chief Risk Officer
Alexandros Tourkolias – General Manager, Corporate & Investment Banking

Secretary: Paul Mylonas – General Manager, Chief of Strategy & Chief Economist

GENERAL MANAGERS

Andreas Vranas
Group Human Resources

Dimitrios Dimopoulos
Corporate Banking

Aristotelis Karytinos
NBG Real Estate

Agis Leopoulos
Head of International

Michael Oratis
Group Risk Management

Lambros Papakonstantinou
Investment Banking

Georgios Paschas
Group Chief Internal Auditor

Miltiadis Stathopoulos
General Counsel

Eleni Tzakou-Lambropoulou
Operations

Leonidas Frangiadakis
Group Treasurer

THE GROUP'S MAIN ACCOMPLISHMENTS IN 2009

Managing the crisis

With Greece going through its most critical phase since joining the euro, the NBG Group is facing significant challenges. The Group's long-term strategy continues to be supported by four main pillars:

1) ensuring sound quality of the loan book, with active management of loans in arrears;

2) enhancing operational efficiency;

3) sustaining the momentum of our business growth in the neighbouring economies of SE Europe and Turkey;

4) continuing our policy of active and efficient management of our funds and balance sheet.

At the same time, we are implementing stricter credit rules and further improving our procedures for managing arrears, upgrading our debt management system and launching new loan restructuring products for customers with temporary loan repayment problems.

Special financing programmes and facilities for businesses

Through its various financing operations, NBG continued to provide support to the national economy. Standing by its commitment to help professionals and SMEs, NBG participated in the Small Business Loan Guarantee Fund (TEMPME), granting 1/3 of the loans from this programme.

At the invitation of various trade associations in Greece we have also undertaken to work with small and medium enterprises by launching a special programme to help them strengthen their liquidity. Specifically, we have launched an open credit facility for working capital with obligatory payment only of the interest while payment of the principal is flexible.

In addition, after a tender procedure, NBG was chosen by the European Investment Fund to participate in the handling in Greece of funds stemming from the JEREMIE (Joint European Resources for Micro to Medium Enterprises) initiative, which aims at supporting investments in modernization or expansion in various sectors such as industry, the environment, services, and information and communication technologies.

Upgrade of operations

In 2009, we deployed our new i-bank product line, reflecting a change in approach to customer service. Alternative delivery channels for banking services (e.g., ATM network, phone banking, internet banking) are being developed on a shared platform that promotes interactive communication and offers unprecedented speed and security. This strategy is unfolding at Group level in all the countries where we operate, so as to ensure harmony of networks and effective leverage of the platform for cross-border products and services.

In September 2009, NBG's brand new IT and Operations Support facility opened in Gerakas, Attica, close to Athens. The building complex, with a surface area of 38,000 square meters, meets the highest security standards and is equipped with state-of-the-art technology. The Group's Data Centre, the largest in the Balkans, covers a surface area of 5,000 square meters and comprises the heart of the facility. At present it serves the IT systems of NBG, but will gradually incorporate the systems of the Group's Greek and international subsidiaries.

In the meantime, we continue to deploy systems that generate savings and enhance the efficiency of procedures: for example, the electronic document management system in the Bank's central services, now available to some 13,500 users, the full implementation of which should lead to a substantial reduction in the consumption of paper and other materials.

Launch of a real estate management company

The Bank has completed the process of establishing its 100% subsidiary company NBG Pangaea Real Estate Investment Co. The company's real estate portfolio comprises 241 commercial premises (mainly bank branches and office buildings) located in prime urban areas, the majority of which are leased to National Bank. According to the recent valuation carried out by the Greek Association of Chartered Valuers, the market value of the company's real estate portfolio amounts to about €914 million.

The principal objectives of this new investment vehicle are: 1) to attract investors that seek a fixed income through dividends in a company whose quality is assured as a member of the NBG Group, and 2) to engage in real estate investment and active management and operation of real estate assets in the wider region where the Group is active, maximizing returns on the Bank's substantial real estate portfolio, taking into consideration ongoing conditions in the market.

Transparency policy for banking transactions

Within the context of the new strategy announced by Management, NBG has taken specific steps to enhance transparency and forge new standards of transactional ethics. It has adopted a transparent pricelist for its services and is currently in the process of reformulating the terms of its agreements and contracts in language that will be fully intelligible to the average reader with the charges on its services absolutely clear. Furthermore, the posting of contracts for transactions on the Bank's website will make them easily accessible.

In the same spirit, customer charges on Workers' Housing Organization mortgage loans have been discontinued; the terms allowing the adjustment of floating interest rates by up to double the change in the ECB basic rate have been abandoned; the one-off expense for (amortizing) consumer loans has been reduced; various charges on deposit accounts have also been discontinued, as well as the one-day value date for credits into interest-earning accounts of the Bank.

In its ongoing drive to enhance its relations with customers, and the spirit of mutual trust that it wishes to foster, the Bank has also created the position of an in-house Customer Ombudsman who will seek to achieve amicable settlement of disputes between the Bank and customers. The new service will also enhance the Bank's ongoing cooperation with the Hellenic Ombudsman for Banking-Investment Services, the independent agency of the Consumer Ombudsman, and the Committees for Amicable Settlement of consumer disputes.

Contributing to the community at large

In 2009, NBG decided to strengthen its Corporate Social Responsibility programme, particularly in view of the current conditions. The CSR programme supports actions in the three key areas of the Community, the Environment and Culture, while resources are available to assist vulnerable social groups.

In order to help mitigate the effects of youth unemployment, the Bank launched in March 2009 a rolling employment programme for out-of-work university graduates aged up to 30. The programme comprises employment cycles of six months duration each, and provides full-paid employment during that time for the graduates working in the Bank's services. The aim is to create employment opportunities for unemployed young people and in particular to provide knowledge and training that will be useful skills for their future integration into the labour market. The 308 selected for the initial cycle started working in the Bank in mid-June 2009.

NBG has always sought to improve people's overall standard of living and provide support for vulnerable social groups. To this end we support through targeted sponsorship initiatives the work of Health and Cultural bodies. In April 2009, it decided to allocate €30 million for the construction and equipping of a new surgical wing in Evangelismos Hospital, Athens, thereby solving chronic operational problems at the hospital and supporting medical research.

Similarly, we agreed a sponsorship programme to support the cost of recruiting nursing staff to meet the needs of a surgical clinic at Aretaeio Hospital, Athens, as well as the cost of purchasing equipment for a full anaesthesiology unit.

In addition, the Bank arranged a second donation to the Athens Municipality Shelter for the Homeless, to help upgrade the accommodation and living areas, thereby complementing the original donation of 2007 which concerned extensive reconstruction and modernization work to the Shelter's soup kitchen facilities.

As part of our Corporate Social Action "Responsibility" programme we decided to undertake the overall cost of preparing a comprehensive study for the restoration of the historic Castle of Karytaina. In addition, we have arranged to assume the cost of maintaining and restoring the Church of St. George in Ambelakia, Larissa, one of the most important ecclesiastical monuments of Thessaly. Lastly, the contract was signed to carry out the architectural study and supervise works, under NBG sponsorship, for the restoration and conversion into a museum of the historical home of the poet Angelos Sikelianos on the island of Lefkada. These are just some of the ways in which we have responded to the long-standing requests of local communities, demonstrating our concern for the heritage, culture and regional development of the country.

Awards & distinctions

NBG was named "Bank of the Year in Greece

2009" by *The Banker* in its annual "Bank of the Year" awards. In addition, we gained the distinction of "Best Bank in Greece", as part of *Euromoney*'s "Awards for Excellence 2009". The Bank's Investor Relations department was also voted "Best Investor Relations in Greece" in the context of the annual European Investor Relations rankings published by the industry journal *Institutional Investor*. These international distinctions reflect both the success of our strategic decisions and our solid financial position.

For the fifth year in succession we gained the distinction of "most famous brand" in Greece in a survey carried out by Tradelink in collaboration with the Reputation Institute. Moreover, we gained 67th place in the list of "Top 500 Banking Brands", the only Greek bank among the first 100 worldwide. In October of last year, we were also awarded two "Marketing Excellence Awards": one in the Development of New Services category for our new product "MyCash", and one in the Management of Customer Relations category for the new branch design we are developing throughout our network. These awards serve as recognition of our commitment to designing and implementing pioneering and effective marketing actions with a view to meeting the various needs of customers and supporting them with cutting-edge services.

In the context of the sixth annual Greek Shipping Awards organized by Lloyds List, NBG was named "Best Bank in Greece 2009 for shipping finance" following assessment of banks participating in the category of "Shipping Financier of the Year". Furthermore, industry journal *The New Economy* has named NBG "Best Shipping Financier" for 2010, in line with the programme of awards for the best companies active directly or indirectly in the shipping sector. These two important international distinctions reflect the support that NBG has traditionally provided to the shipping sector and the significance that the Bank places on financing investments aimed at building modern ocean-going vessels.

The Bank's Private Banking arm was awarded the distinction "Best Private Banking in Greece 2009" by *Euromoney*. Likewise, International custodian industry journal *Global Custodian* named NBG "Top rated and Highest Scoring Custodian" for

2009. NBG aspires to retain these top marks.

In 2009, NBG participated yet again in the Contact Center World conference for the region of Europe and the East Mediterranean, competing in the organisation's "Top Performer Awards", alongside 1,200 companies from various sectors. Excelling in the strict competition procedure, we succeeded in gaining no less than nine distinctions, more than any other participating organisation. The categories where we excelled include: Best Sales Agent, Best Customer Service Agent, Best Customer Service Supervisor, Best Support Professional IT, Best Innovative Technology Solution Internal, and Best Support Professional Workforce Planning.

FINANCIAL REVIEW 2009

Group net profit in 2009 totalled €971 million, down 37% on the previous year. After an extraordinary tax bill, the results stand at €923 million, burdened mainly by higher provisions totalling €1,057 million and write-downs in the bond and equities portfolio amounting to €238 million.

In contrast, core profitability (before provisions and taxes) stood at €2,585 million, up 2% year on year, underscoring the stability of the Group's business model even in periods of crisis, and highlighting the importance of the geographical dispersion of the Group's income sources.

At a time marked by extreme conditions in the global credit system and rapid deterioration in Greek public finances, the Group succeeded in further broadening its liquidity, strengthening its capital adequacy and sustaining solid profitability, while shielding its balance sheet with high provisions. This performance demonstrates the resilience of the Group in the face of particularly stressed conditions, and enables it to take on the challenges from a position of strength.

The Group's core sources of income (excluding trading income) posted growth of 6% mainly due to the further strengthening of interest income (up 10% on the previous year). Interest margin for the year as a whole remained above 4%, despite competitive pressure on the pricing of deposit products.

Operating expenses grew by 5% year on year, reflecting higher staff costs stemming from arbitration awards in Greece, the extraordinary expense of hiring young unemployed persons as part of NBG's efforts to help reduce the fallout of the economic crisis on the Greek economy, and the €25.5 million payment to the IKA social insurance fund with the integration into IKA of the Bank's staff pension fund. On the other hand, costs in Turkey and the countries of SE Europe dropped by 6% and 2%, respectively, on an annual basis.

The performance outlined above was achieved within an adverse environment that continues to impact negatively the banking sector and particularly the quality of banks' loan books. The Group displayed notable resilience in the face of these challenges. The ratio of NPLs to total loans stood at 5.4% while loans in arrears amounted to 6.4% of the total loan book. It is notable that in the final quarter of the year, growth in bad debt started to stabilize despite the fact that restructuring of these portfolios has not yet commenced.

The Group made provisions of over €1 billion in 2009. Accumulated provisions are now close to €2.5 billion, i.e. 3.4% of the Group's aggregate lending, and cover 64% of non-performing loans, before, of course, taking into consideration the various forms of collateral associated with the debt. The low level of debt in arrears, and the more than adequate provisions and collateral are the product of the Group's long-standing conservative risk management, by which the loan book is focused on low-risk, strong collateral sectors, which account for more than 82% of the aggregate lending of the Group.

The NBG Group maintains a policy of supporting the national economy and its customers in the wider region. Accordingly, in 2009 the Group increased its lending by €5.5 billion, up 8%, bringing total lending to over €71.5 billion.

This lending growth reflects first and foremost expansion of credit in Greece and Turkey, while the loan book in SE Europe posted a marginal decline.

Over the course of the year retail deposits in

Greece grew by 3%. It is particularly significant that savings deposits continue to show an upward trend, since these deposits comprise the main pool of funding for the Bank's activities; on the other hand, time deposits remained unchanged on the previous year.

The successful issue of 7-year covered bonds worth €1.5 billion in the last quarter of 2009, combined with the substantial size of the cover pool for potential covered bond issues in the years ahead, provides greater flexibility to the Group in raising long-term liquidity from the global markets at a very competitive cost. The volume and stability of the Group's liquidity sources, together with its low leverage (loan-to-deposit ratio: 97%), serve to give it a strong competitive edge, particularly under the present circumstances.

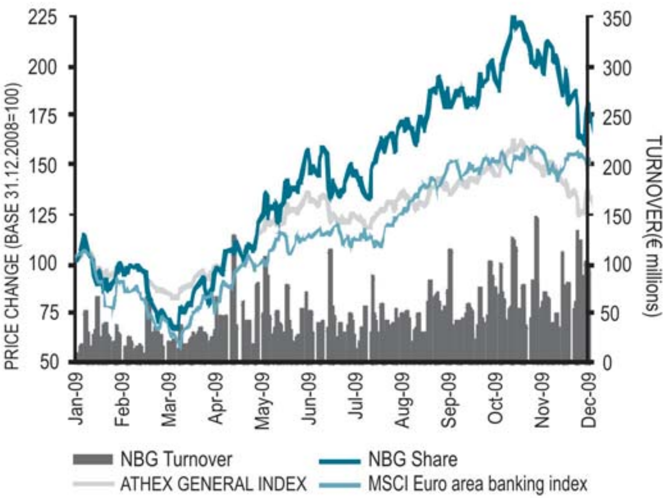
Total Group shareholders' equity at the end of 2009 stood at €8.5 billion, up €2.5 billion on the previous year. This level reflects the €1.2 billion increase in share capital, the issue of Hellenic Republic preference shares worth €350 million, and the profits for the year.

The Tier I capital adequacy ratio stands at 11.3%, thereby ranking NBG among the top European banks in terms of capital adequacy. The Core Tier I ratio, which excludes hybrid capital, the Hellenic Republic preference shares and minority rights, is calculated to be 9.5%, also ranking the NBG Group among the top European banks in terms of the structural quality of its equity.

NBG SHARE

In the first quarter of 2009, the NBG share price posted a decline, dragged down by the ongoing global financial crisis. Nevertheless, due to its relatively stronger performance compared with the rest of the market, NBG was one of the very few shares on the Athens Exchange that supported the General Index (GI-ATHEX) as well as the Greek banking index in this period of marked economic uncertainty. The share price picked up in the second and third quarters of the year, while it was under pressure again in the last

DIAGRAM 1
NBG SHARE PRICE & TURNOVER



quarter. Throughout the year, the share price displayed high volatility, hitting a high of €28.3 on 15 October 2009 and a low of €8.1 on 9 March 2009, while its average annual price was €17.7 and its closing price at 31 December 2009 was €18.1. The annual standard deviation of the share price stood at 4.0% compared with 4.4% in 2008, while the GI-ATHEX and the Greek banking sector posted corresponding ratios of 2.1% and 3.4% respectively, compared with 2.5% and 3.4% a year earlier.

The total trading volume of the NBG share amounted to €12 billion, relatively close to the level of the previous year, despite the fluctuations in its price, and equivalent to 26% of the annual trading volume of the domestic capital market, compared with 19% in 2008. The total trading volume of the NBG share in 2009 accounted for 41% of the annual volume of transactions of the domestic banking sector, compared with 39% in 2008. NBG's market capitalization at 31 December 2009 was €11.0 billion, while its average market capitalization for the year was €10.3 billion. Note that NBG's share of the total market capitalization of the Greek banking sector increased yet further, reaching 35% compared with 31% in 2008, reflecting the stronger performance of the NBG share compared with the rest of the banking sector. Likewise, NBG's share of the total capitalization of the Greek capital market rose from 10% at the end of 2008 to 17% at the end of 2009.

Finally, the stock's liquidity ratio (the ratio of the value of the stock's total trading volume to average capitalization) reflected the increased interest of domestic and international investors in NBG shares, since in 2009 the liquidity ratio stood at 113%, well above the corresponding ratio (70.4%) for the GI-ATHEX.

TABLE 1

NBG STOCK MARKET DATA [1]

	2009	2008	2007	2006	2005
Year-end price (€)	**18.1**	13.2	47.0	34.9	33.6
Year high (€)	**28.3**	45.6	48.0	40.9	34.5
Year low (€)	**8.1**	11.6	35.9	26.5	23.0
Mean price for the year (in €)	**17.7**	29.1	42.4	33.9	27.6
Yearly standard deviation for NBG's share price (%)	**4.0**	4.4	1.7	2.2	1.5
Yearly standard deviation for the banking sector (%)	**3.4**	3.4	1.3	1.5	1.2
Yearly standard deviation for ATHEX (%)	**2.1**	2.5	1.0	1.2	0.8
NBG market capitalization at year end (€ billions)	**11.0**	6.6	22.3	16.6	12.1
NBG-to- ATHEX market capitalization ratio at year end (%)	**17.1**	9.6	11.4	10.5	9.9
NBG-to- banking sector capitalization ratio at year end (%)	**35.4**	31.1	26.3	25.2	26.4
Annual trading volume (€ billions)	**11.6**	14.9	15.8	10.5	5.7
NBG-to- ATHEX trading volume ratio (%)	**26.2**	19.2	13.0	12.3	10.9
NBG-to- banking sector trading volume ratio	**41.4**	38.8	29.6	28.5	31.5
Annual liquidity ratio: NBG (%) [2]	**113.4**	103.6	78.2	65.3	57.0
Annual liquidity ratio: banking sector (%)	**96.6**	77.7	64.4	63.1	47.0
Annual liquidity ratio: ATHEX (%)	**70.4**	**62.7**	65.7	54.0	49.0

Sources: ATHEX, Bloomberg, NBG calculations

[1] *For ease of comparison, share prices have been adjusted to reflect capital increases (Bloomberg method),*

[2] *Ratio of annual trading volume to average capitalization.*

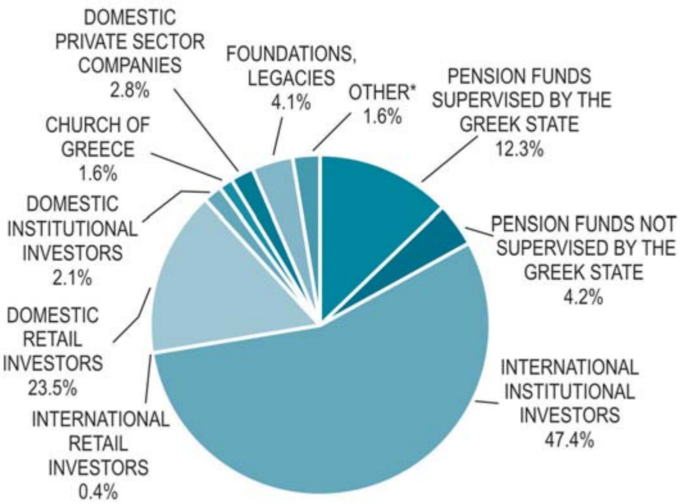
SHAREHOLDER STRUCTURE

At 31 December 2009, the share capital of NBG was divided into:

- 607,041,577 common shares of a par value of €5 each (compared with 496,654,269 shares at 31 December 2008);
- 25,000,000 redeemable preference shares with no voting or cumulative dividend rights, of a par value of €0.30 per share (the same number a year previously);
- 70,000,000 redeemable preference shares of a par value of €5 each, corresponding to the €350 million share capital increase carried out in the context of the government's liquidity enhancement programme for the Greek economy in response to the impact of the international financial crisis (Law 3723/2008).

DIAGRAM 2

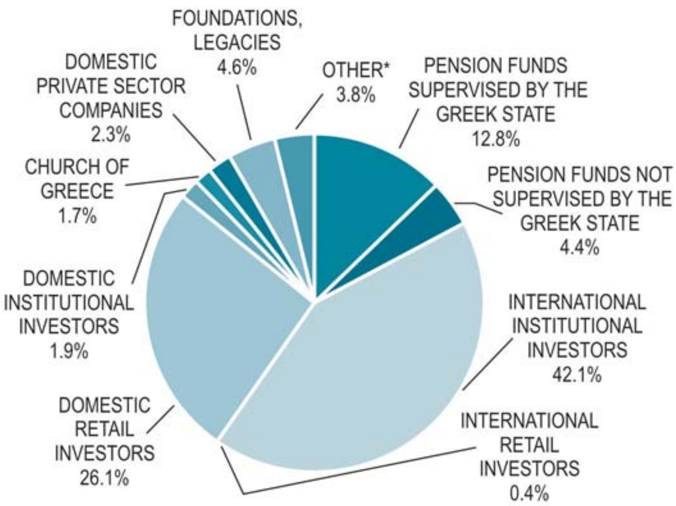
NBG SHAREHOLDER STRUCTURE
AT 31 DECEMBER 2009



* These include NBG subsidiaries, Banks, insurance companies, hospitals, associations, etc

DIAGRAM 3

NBG SHAREHOLDER STRUCTURE
AT 31 DECEMBER 2008



* These include NBG subsidiaries, Banks, insurance companies, hospitals, associations, etc

The changes in share capital in 2009 reflect:

1) the resolution of the General Meeting of shareholders held on 22 January 2009 to increase the share capital by €350 million, with the issue of 70,000,000 preference shares, of a nominal value of €5 each, taken up by the Hellenic Republic with the transfer, by the Hellenic Republic to the Bank, of state-issued bonds of equivalent value (Law 3723/2008);

2) the resolution, dated 18 June 2009, of the Bank's Board (pursuant to authorization granted to it by the 2nd Repeat General Meeting of shareholders held on 15 May 2009) to increase the share capital by €551,838,075 through payment in cash (the total gross proceeds of the share capital increase amounted to €1.25 billion), with the issue of 110,367,615 new common shares of a nominal value of €5 each, at a subscription ratio of 2 new shares for every 9 old shares;

3) the resolution, dated 22 December 2009, of the Bank's Board to increase the share capital by €96,465 with the issue of 19,693 new registered shares worth €5 each to beneficiaries of the Bank's stock options programme.

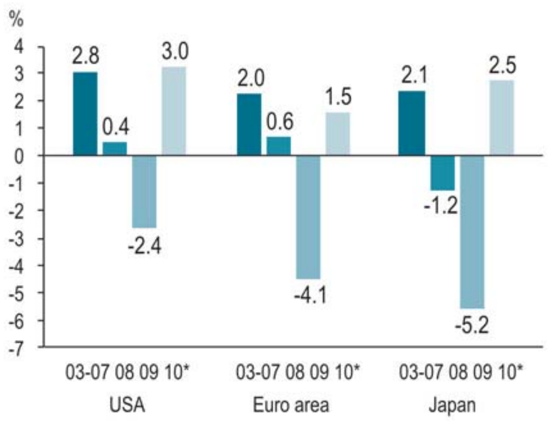
NBG has a widely dispersed shareholder base, spread across 165,430 retail and institutional shareholders. No single shareholder owns more than 3.5% of the share capital. NBG's shareholder data indicate (DIAGRAM 2) that as at 31 December 2009, 47.8% of its share capital is owned by international institutional and retail investors, compared with 42.5% in 2008 (DIAGRAM 3). The shareholding of domestic retail investors also posted a decline, from 26.1% at the end of 2008 to 23.5% at the end of 2009.

SECTION 1 FINANCIAL ENVIRONMENT

1.1 INTERNATIONAL DEVELOPMENTS

The growth rate of the global economy slowed to -0.6% in 2009, from 3.0% in 2008, as the credit crunch dragged the international economy into deeper recession during the first half of 2009. The developed economies contracted by 3.2% in 2009 from 0.5% a year earlier, while the emerging economies grew by 2.4% in 2009, compared with 6.1% in 2008, showing greater resilience in the face of the crisis than anticipated. The US economy contracted by 2.4% in 2009, as compared with marginal growth of 0.4% in 2008, with domestic demand severely dented and exports, for the most part, supporting economic performance. The euro area economy presented negative growth of around -4.1% in 2009, compared with 0.6% in 2008 (DIAGRAM 1.1.1), supported by government spending.

DIAGRAM 1.1.1
GDP GROWTH (YEAR-ON-YEAR)



*NBG Forecasts Sources: Eurostat and US Bureau of Economic Analysis

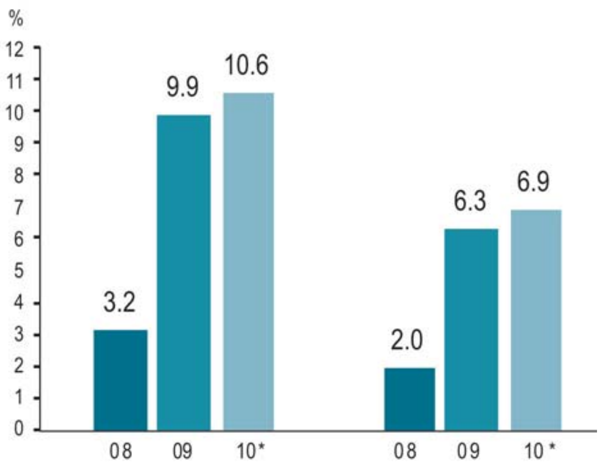
Nevertheless, global economies took timely steps to extend existing, or implement new, support measures within the context of extremely expansionary fiscal and monetary policy. As a result of these policies, the international economy posted substantial signs of improvement during the second half of 2009. The role of emerging economies, particularly Asia, in efforts to revive global growth were especially important, with China taking aggressive steps to boost domestic demand, thereby leading to growth of 8.7% in 2009, compared with 9.6% in 2008. Furthermore, from the third quarter onwards, the US economy (as well as the rest of the developed world, albeit at a slower pace) began to recover at a pace that may well prove to be self-sustaining.

International oil prices in 2009 generally tracked global growth. Accordingly, during the course of the year, the price of crude oil steadily rose from a low of USD46 per barrel at the beginning of the year to USD79 per barrel at year end, up 72%. However, in terms of average price over the whole year, the price of oil in 2009 was 38% lower, at USD62 per barrel compared with USD100 per barrel in 2008. Thus, as a result of the sudden slowdown in economic activity (with the output gap in the developed economies rising to -4.5% in 2009, from -0.2% in 2008), inflation in the developed economies fell to an annual rate of 0.1% in 2009, from 3.4% in 2008, while in the developing economies it declined to 5.2% in 2009, from 9.2% in 2008.

As anticipated, central banks boosted the various measures put in place to enhance liquidity and, in most cases, kept interest rates at historically low levels in 2009. In the US, the Federal Reserve held its intervention rate at the near zero level of 0.25% throughout the year. The ECB reduced its main policy interest rate by 150 bps to 1.0% within the first half of the year, keeping it unchanged through to the end of 2009. The contraction in the short-term interest rate differential between the two economies also led to a contraction in the long-term interest rate differential, from 35 bps in favour of the euro area bond to 2 bps, thereby contributing to the reduction in the euro/dollar currency rate from an average EUR1=USD1.47 in 2008 to an average USD1.40 in 2009. In 2009, expansionary fiscal policy measures led to a widening of the fiscal deficit by 6.7 percentage points in the US and 4.3 percentage points in the euro area (DIAGRAM 1.1.2).

Regarding 2010, annual GDP growth in real terms is forecast to be 3.0% in the US and 1.5% in the euro area, returning, generally speaking, to near its long-term trend. In the US, growth is likely to be driven primarily by domestic demand, while in the case of the euro area the main stimulating force will be exports. However, uncertainty regarding these forecasts is significant, as growth still appears to be insufficiently linked to the stimulus measures. Accordingly, the risk of early withdrawal of the support measures in the economies is the main cause for concern regarding the road to recovery for the global

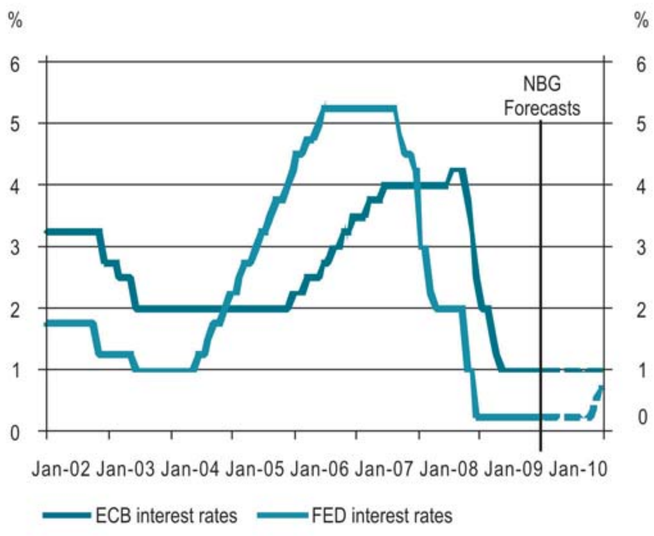
DIAGRAM 1.1.2
FISCAL DEFICIT (% of GDP)



*NBG Forecasts Sources: Eurostat and US Office of Management and Budget economy in 2010. Moreover, the emergence and rise of sovereign credit risk in international markets, as a result of the rollover of credit risk from the private to the public sector and consequent deterioration in the fiscal health of most developed economies, complicates the problem and poses obstacles to the smooth transition of the global economy to normalcy and growth.

Within this environment of fragile economic recovery, the Fed is likely to maintain interest rates at the minimum level until the end of 2010 (DIAGRAM 1.1.3), allowing at the same time a gradual exit from the liquidity stimulus measures. On the other side of the Atlantic, the ECB will most likely keep its interest rates at the current level of 1% throughout the year, while the unorthodox measures which it deployed – in response to the crisis – to provide liquidity will gradually be wound down, but at a slower pace than in the US.

DIAGRAM 1.1.3
SHORT-TERM INTEREST RATES

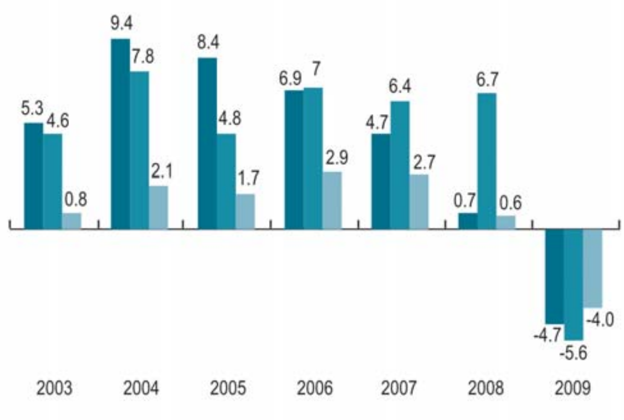


Southeast Europe (SEE-5) and Turkey: 2009 macroeconomic review and 2010 outlook

Macroeconomic review

In 2009, the macroeconomic status of the SEE-5 (Albania, Bulgaria, FYROM, Romania, Serbia) and Turkey was impacted negatively by the global recession and the deepening credit crisis. The growth rate for the area, which moved around its long-term trend of 6% in the period 2002-2008, fell to well below zero (-5.6% in the SEE-5 and -4.7% in Turkey) due to the reduced demand in the countries' main export markets, the slowdown in domestic demand, and limited and high-cost financing. It should be noted that the recession reflects the high level of international integration of these economies. The fallout, however, from the global financial crisis would have been substantially greater for these economies had they not already systematically implemented structural changes as part of their European orientation in recent years.

DIAGRAM 1.1.4
REAL GDP GROWTH (%)



Sources: NBG, national sources

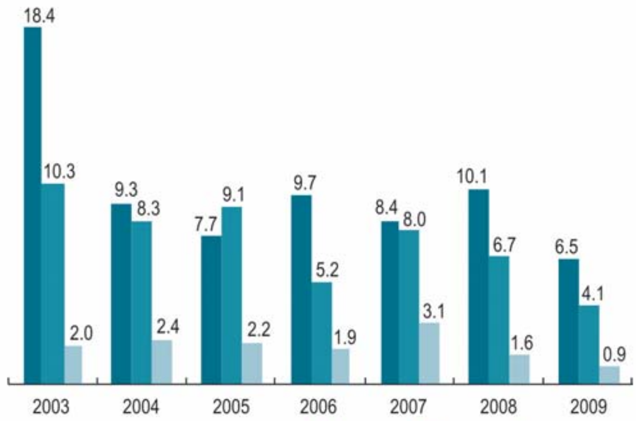
Nonetheless, the international financial crisis presents an opportunity for far-reaching adjustment of the imbalances that characterize these economies, including unsustainable current account deficits and high rates of inflation. Indeed, the current account deficit – the "Achilles heel" of the SEE-5 and Turkey in the past years – declined substantially in 2009 because of the slowdown in domestic demand, low international prices for oil and food, and the reduction in the level of government, bank and corporate financing. Specifically, the current account deficit shrank by approximately two thirds on an annual basis in both the SEE-5 and Turkey (to more sustainable levels: 6.2% of GDP and 2.3% of GDP, respectively). Another important development is that the funding of a large part of the current account deficit of the SEE-5 and Turkey stems from inflows of foreign direct investment (FDI), which reached 83.3% and 49.8%, respectively, in 2009.

Filling the external funding gap proved to be less difficult than initially anticipated, despite the debt refinancing problems experienced in the private sector as a result of the international dearth of liquidity and the lacklustre appetite for investment risk in emerging markets ("flight to quality"). In particular, the support of international financing organizations (IMF, World Bank, European Bank for Reconstruction and Development, European Investment Bank) and the European Union (in the case of Romania) contained the impact of the financing problems for certain countries. Note that Romania and Serbia signed financing agreements with the IMF for €20 billion (in collaboration with the EU and other international financers) and €3 billion, respectively.

Inflation declined significantly in 2009, mainly due to low domestic demand and favourable international commodity prices. Specifically, inflation stood at 4.1% and 6.5%, respectively, in the SEE-5 and Turkey in December 2009, compared with 6.7% and 10.1%, respectively, in December 2008.

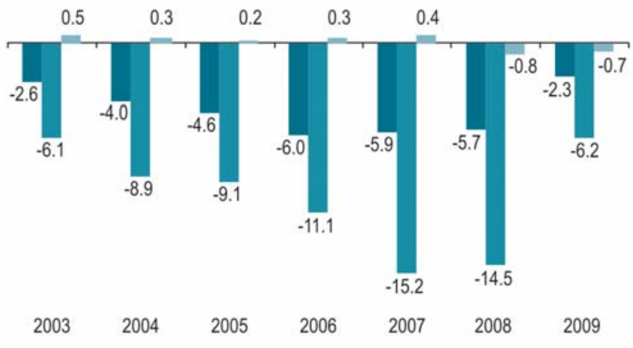
The rapid deceleration in inflation and the severe recession led to a substantial relaxation of monetary policy in 2009, which also involved a reduction in the legal reserve requirement for banks. The loosening of monetary policy,

DIAGRAM 1.1.5
INFLATION (end of period, %)

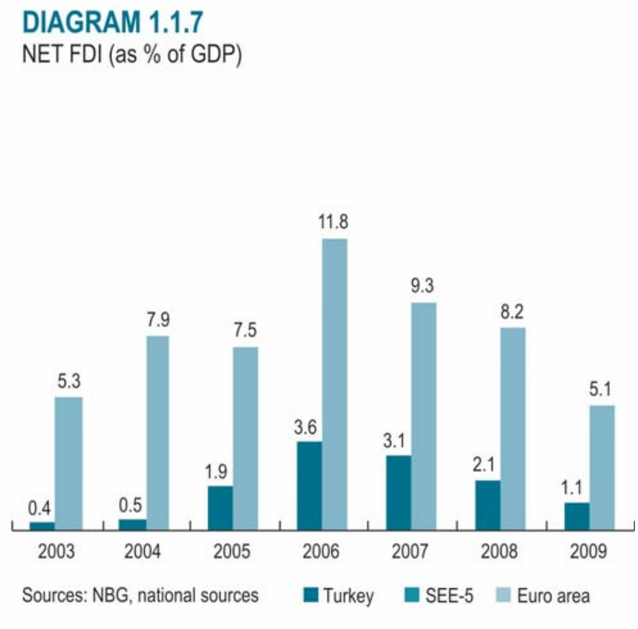


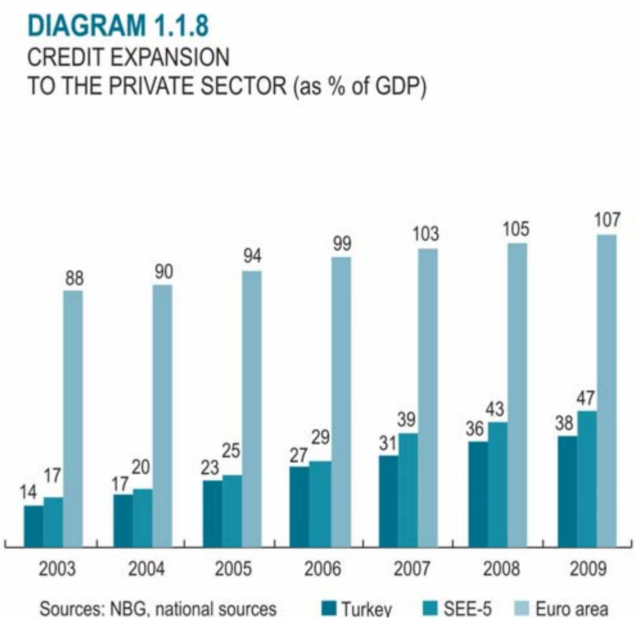
Sources: NBG, national sources

DIAGRAM 1.1.6
CURRENT ACCOUNT BALANCE
(% of GDP)



Sources: NBG, national sources





however, was constrained by efforts to prevent further depreciation of the domestic currencies. Specifically, the main policy rate fell by 8.5 percentage points to 6.5% in Turkey, by 8.3 percentage points to 9.5% in Serbia, and by 2.3 percentage points to 8% in Romania.

Macroeconomic outlook

In 2010, the SEE-5 and Turkey will most likely post an improvement in economic performance alongside the ongoing global recovery, the steady relaxation of the terms of providing international liquidity, and the ongoing funding from international financial organizations. The growth rate is expected to return to positive levels this year, due mainly to increased exports and the cyclical recovery in inventories, but will remain below its long-term trend (1% and 5.5%, respectively, in the SEE-5 and Turkey).

However, the expected mild revival in domestic demand and a recovery in imports in the current year are expected to lead to a modest increase in the current account deficit to 6.2% and 3.3% of GDP, respectively, in the SEE-5 and Turkey. These deficits will be financed through higher inflows of FDIs and loans, a development that will increase the likelihood of significant appreciation of the domestic currencies in some countries.

The main risk to the generally brighter outlook stems from a possible reversal in the recent positive progress of the international money markets and the global economic recovery.

SEE-5 and Turkey: banking activity

2009 saw further deepening of bank intermediation in the SEE-5 and Turkey, but at a slower pace than in previous years, mainly due to low liquidity and the need for banks to maintain their asset quality and capital adequacy in a stressed operating environment.

SEE-5

In December 2009, loans and deposits in the SEE-5 grew at a slow pace, i.e. 4.6% and 10.5% respectively year on year, with penetration rates reaching 46.6% and 37.2%. Business lending was the key driver of credit expansion in the SEE-5 as a whole, growing at 5.2% year on year in December 2009 and generating a business lending-to-GDP ratio of 26.4%.

The sharp slowdown in lending growth as compared with deposits led to a slight relaxation in liquidity conditions, with the loan-to-deposit ratio declining to 125.5% from 131.7% in 2008. The gap between loans and deposits was covered once again mainly by "credit lines" from Western banks, which control around 80% of the banking systems of the region.

In the year ahead, banking activity is expected to accelerate at a modest pace, as the operating environment improves and access to external financing is made easier. The rate of acceleration in credit activity will depend on the continued support of the parent banks to their subsidiaries and growth in deposits.

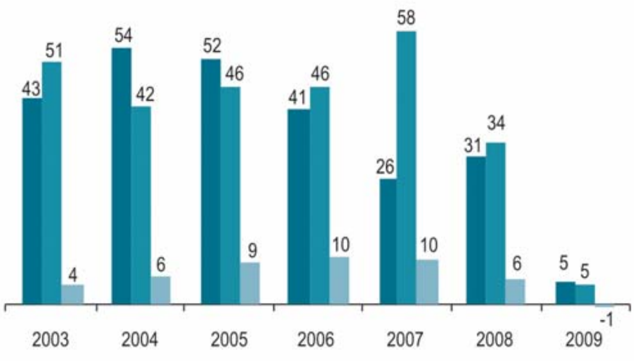
It should be noted, however, that the region's banks are solvent, well capitalized and profitable.

Turkey

In 2009, banking activity in Turkey decelerated. At December 2009, bank loans and deposits posted annual growth of 4.7% and 12%, respectively, while their penetration rates amounted to 37.6% and 50.8% of GDP.

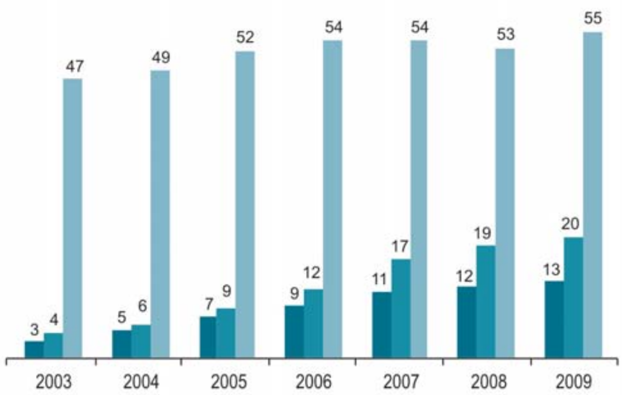
In 2010, banking activity is forecast to increase due to the ongoing improvement in the economic environment. However, unlike the SEE-5, the banking system in Turkey has abundant

DIAGRAM 1.1.9
CREDIT EXPANSION
TO THE PRIVATE SECTOR (y-o-y % change)



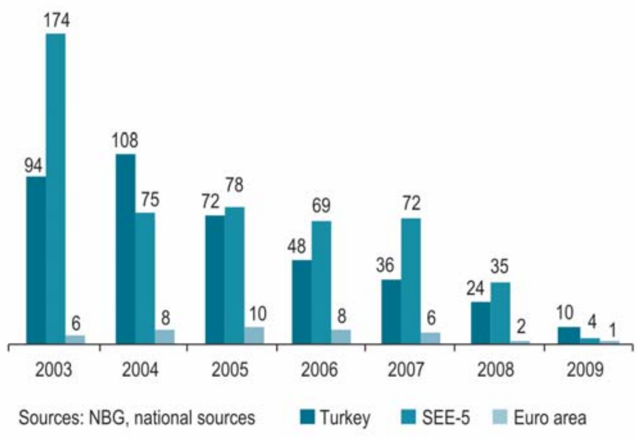
Sources: NBG, national sources

DIAGRAM 1.1.10
CREDIT EXPANSION TO HOUSEHOLDS
(as % of GDP)



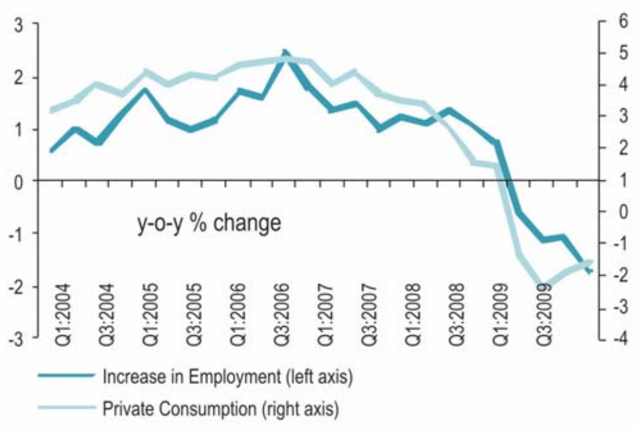
Sources: NBG, national sources

DIAGRAM 1.1.11
CREDIT EXPANSION TO HOUSEHOLDS
(y-o-y % change)



Sources: NBG, national sources

DIAGRAM 1.2.1
EMPLOYMENT & PRIVATE CONSUMPTION



Source: Bank of Greece

liquidity – the loan-to-deposit ratio is around 80% – which gives plenty of room for manoeuvre to increase lending without resorting to external financing. Note that the banking sector in Turkey is well capitalized and presents strong profitability; furthermore, it is one of the exceptional banking systems that did not need government assistance during the global financial crisis.

1.2 THE GREEK ECONOMY

In 2009, the Greek economy entered recession, with GDP contracting – for the first time in 18 years – by 2% on an annual basis, marking the end of a prolonged growth cycle. Domestic economic activity, which displayed considerable resilience during the first year of the global credit crunch, was hit hard by the sharp increase in uncertainty following the collapse of Lehman Brothers, the substantial rise in risk premia (which impacted hard on government debt) and the decline in demand on a global level. Domestic demand contracted by 2.5% on an annual basis in 2009, as higher public spending was the only component to show positive change, while private consumption and investment spending fell by -1.8% and -13.9% respectively, year on year. However, the reduction in GDP growth was milder compared with other countries in the euro area (-2.0% compared with an average of -4.0% in the euro area) because of relatively robust domestic demand (-2.4% compared with -3.3% in the euro area), the smaller role played by exports in economic activity, and the highly expansionary fiscal policy.

The substantial decline in private consumption, which was a key growth driver for the Greek economy in the past, reflected dented consumer confidence as uncertainty increased about the prospects of the Greek economy, the substantial deterioration in labour market conditions, and the downturn in global demand, offset only partially by relatively high nominal wage increases (an average of 4.8% in 2009). The ongoing correction – for the third year in succession – in residential construction activity (due to higher inventories of unsold new homes, which have spiked as a result of the exceptionally high construction activity of the two-year period 2006-2007) and the decline in business investment (as businesses build up defence strategies in the face of weakening domestic and international demand and deteriorating liquidity conditions) led to a further decline in gross fixed capital formation (to 18.4% of GDP, from 22.6% of GDP on average over the period 1998-2008).

The decline in domestic demand contributed to a deterioration in the labour market, leading to further contraction in employment in key sectors such as construction, wholesale and retail, manufacturing, and tourism-related activities. The average rate of unemployment climbed to 9.5% (from 7.7% in 2008) while employment decreased by 0.9% over the course of the year.

The external sector contributed positively to Greek economic growth, as the substantial downturn – by 27.8% – in imports (reflecting mainly the sharp decline in imports of consumer durables and capital goods), which correspond to 31.2% of GDP, more than offset the negative impact of shrinking receipts from exports of goods and services (down, by 22.7% and 20.9%, respectively, year on year). Revenues from the key export service sectors of tourism and shipping were hit hard in 2009, as international demand contracted. Specifically, net income from tourism fell by 11.8% reflecting the 6.7% year-on-year decline in arrivals, accompanied by a decrease in visitor days and the profit margins of tourist facilities. Net revenues from shipping shrank by 34.4% on the previous year (i.e. 1.4 percentage points of GDP) reflecting the sharp decline in freight prices, which, despite recovering from the extremely low levels of the first quarter of 2009, remained 15% below the average of the past five years.

The sharp decline in imports and the lower prices for energy and raw materials – which compensated for the impact of the decline in exports of goods and services and the widening incomes deficit – led to a reduction in the current account deficit by 3.2 percentage points compared with 2008.

DIAGRAM 1.2.2
GROSS FIXED CAPITAL FORMATION (% of GDP)

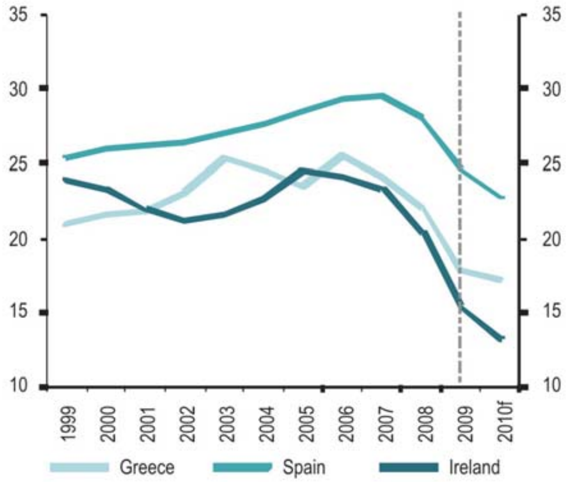
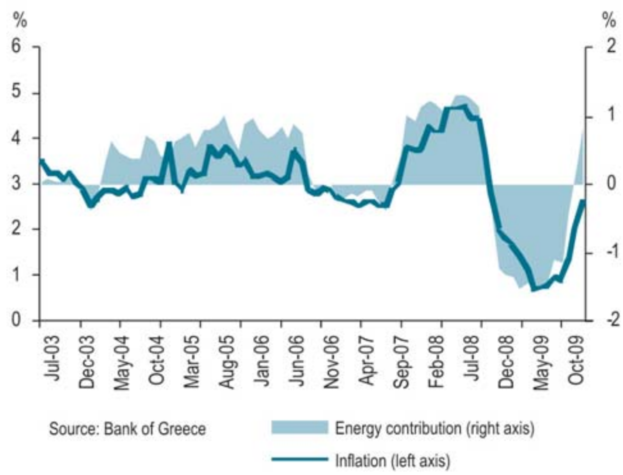
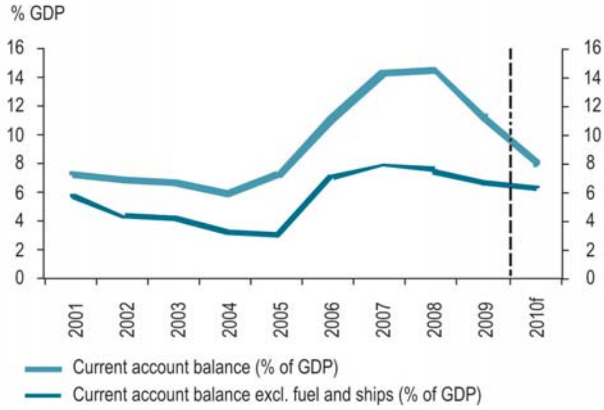


DIAGRAM 1.2.3
INFLATION & ENERGY PRICES



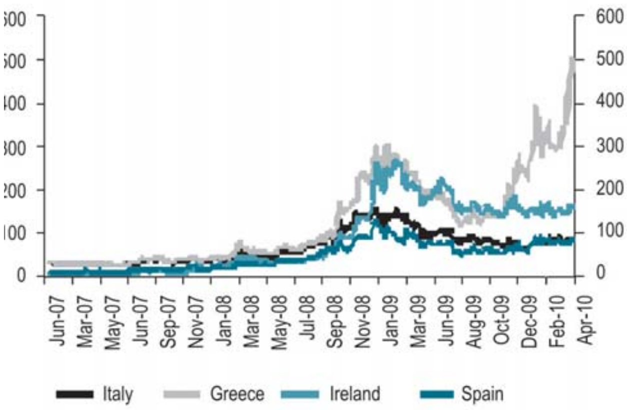
Source: Bank of Greece

DIAGRAM 1.2.4
CURRENT ACCOUNT DEFICIT



Source: Bank of Greece

DIAGRAM 1.2.5
INTEREST MARGIN: GREEK 10-Y BONDS VS. BUNDS



Source: Datastream

The favourable impact of lower energy prices compared with 2008, which is estimated to have shaved 1.5 percentage points off the annual inflation rate in 2009, and the marked weakening of domestic demand reduced CPI growth to 1.2%, the lowest level in 40 years. Average core inflation stood at 2.4%, reflecting the chronic structural rigidities of the domestic market, though it pursued a downward trajectory during the second half of the year when the decline in domestic demand became even more marked.

Risk premia on Greek sovereign debt increased dramatically in the first quarter of 2009, reflecting a high degree of risk aversion internationally and massive risk repricing, which drove Greek 10-year government bonds over Bunds in the vicinity of 300 bps. The effect of the ECB's liquidity enhancement measures, which were stepped up in June with the adoption of the 12-month liquidity provision operations, in conjunction with the increasing evidence of stabilization in the global economy from the third quarter onwards, eased some of the pressure on sovereign debt valuations until the fourth quarter when a new round of severe country-specific risk repricing commenced. This repricing reflected sizeable deviations from fiscal targets (Greek general government deficit climbed to 13.6% of GDP in 2009) and a persistently high level of Greek public debt (estimated at 115.1% of GDP in 2009), which pushed up dramatically the cumulative deficit in the country's fiscal credibility. The revelation that the fiscal figures were in a more precarious state than previously anticipated was followed by a downgrade of the country's sovereign debt by all the major rating agencies, leading to a large spike in Greek 10-year bond spreads to levels not seen since the pre-EMU period.

Outlook for 2010

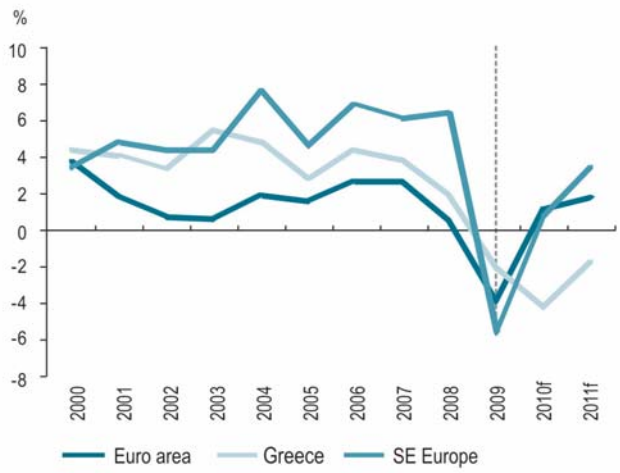
Economic activity in Greece is expected to remain weak in 2010 (around 4%), as the severe fiscal policy tightening coupled with the impact of uncertainty on private sector decisions regarding spending will more than offset the potential benefits from the gradually improving global environment. Domestic demand will fall by more than 6% compared with 2009, reflecting the decline in disposable income due to the fiscal adjustment, ongoing deterioration of labour market conditions, and tighter credit conditions in the business sector.

The activation of the combined support operation by the European Union and the IMF, as well as the unconditional acceptance of Hellenic Republic securities by the ECB, will contribute to normalization of financing conditions for the Greek government and the country's private sector.

Net exports will be the key component of growth, which, combined with an anticipated reduction in the current high level of uncertainty about the prospects of the Greek economy, is likely to contribute to a gradual stabilization of economic activity. Specifically, a bottoming-out in economic activity is expected in mid 2011, when potential credibility gains from the implementation of the fiscal consolidation strategy (as outlined in the Stability and Growth Programme for 2010-2013) and the EU-IMF rescue package should combine with the beneficial impact of the recovery in international demand and a concomitant improvement in exports. In this respect, the correction of sizeable external imbalances reflected in the high level of the Greek current account deficit as a percentage of GDP (11.2% in 2009) will continue to unwind, with the deficit declining further to around 7.5% of GDP in 2010. Inflation will rise in 2010 to an average of around 3.5% due to the impact of increases in VAT and excise duties on fuel, alcohol and beverages (2 percentage points in total) as well as the relatively higher price of oil compared with 2009. However, if these technical effects are excluded from calculations, the underlying inflationary trend will remain downward, reflecting the further widening of the negative output gap, which is expected to exceed 4% of potential output.

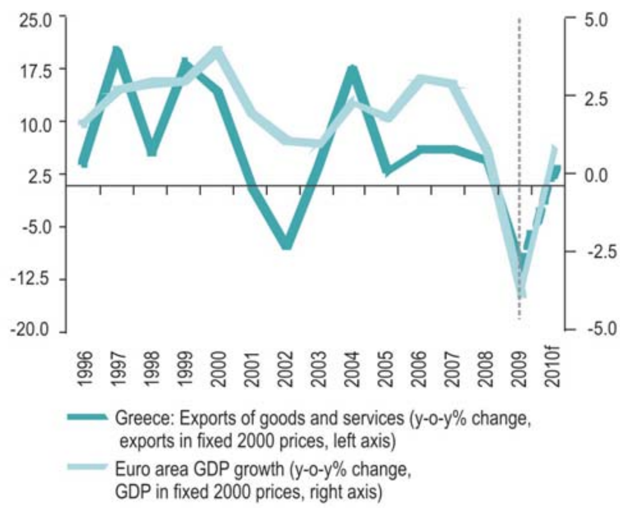
Nevertheless, considerable downside risks remain

DIAGRAM 1.2.6
GDP GROWTH



Sources: EL. STAT. NBG estimates

DIAGRAM 1.2.7
GREEK EXPORTS & EURO AREA GROWTH



for Greece's near-term macroeconomic outlook and entail: 1) the potential adverse impact of the liquidity crisis on domestic economic activity through the bank-lending channel, especially if uncertainty regarding the near-term prospects of the Greek economy remain at their current elevated levels, and 2) the impact on domestic demand of various factors, including the fiscal stabilization measures themselves, uncertainty about the speed at which they can yield results, the likelihood that supplementary measures may be required, and continued deterioration in the labour market.

On the positive side, the improvement in the Greek macroeconomic environment could be accelerated considerably, provided that: 1) credibility is achieved through consistent implementation of the fiscal adjustment programme, making the most of the benefits to be gained from the support mechanism and reviving the Greek government's ability (earlier than originally anticipated) to access the markets for financing, and 2) the economy benefits considerably from a stronger than initially anticipated upturn in global economic activity.

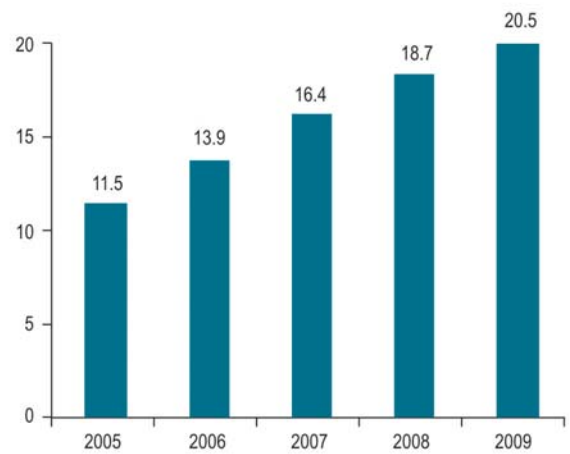
It is important to note that the Stability and Growth Programme includes significant structural interventions, which should make the Greek economy more flexible and competitive, and accordingly enhance its long-term growth prospects.

SECTION 2 ACTIVITIES OF THE GROUP IN GREECE

2.1 RETAIL BANKING

Fully aware of the special conditions that now prevail as the country endeavours to overcome the economic crisis, the NBG Group continues to channel support to Greek households and businesses, carefully weighing the risks involved. Mortgage and SME lending are frontline components of the Bank's financing function, as they concern the most sensitive areas of the Greek economy.

DIAGRAM 2.1.1
BANK MORTGAGE LOANS
(BALANCES AT YEAR END - € BILLIONS)



Mortgage lending

2009 was the first year that negative conditions prevailed in the Greek economy and, by extension, Greek households, inevitably impacting the development of mortgage lending.

Interest rates on mortgages gradually declined during 2009, moving to lower levels than in 2008, as the ECB and interbank market rates, which serve as reference rates for mortgage loans, fell to record lows. However, as a result of the recession in the market, households were reluctant to take out new financing, while the Bank was cautious in the face of increased credit risk.

Thanks to its strong liquidity and the high level of customer confidence that it enjoys, the Bank was at the forefront of credit developments in 2009. Floating-rate mortgages were highly popular among customers and comprised about 78% of new loan production. Likewise, in light of the new market conditions, NBG launched products with flexible repayment terms, such as the ESTIA-MIXED housing loan offering a maximum limit on instalment levels and the option to postpone payment of an instalment once annually.

The Bank upgraded its loan approval and pricing policy, adopting more conservative assessment criteria for applications, while parameters have been put in place to determine customer pricing, thereby addressing more effectively credit risk. Note, that cross-selling of insurance packages, such as life insurance and loan repayment insurance, helps contain the level of risk undertaken. Approximately 80% of new mortgage loans have been granted in combination with the said insurance products.

Loans for the purchase, construction, completion or improvement of a first home still comprise the majority of new disbursements, while loans intended for a second home accounted for about 1/3 of mortgage loans granted in 2009.

The Bank's mortgages outstanding rose to €20.5 billion, up by 10%, compared with an aggregate market increase of 3.7% (DIAGRAM 2.1.1). As a result, the Bank's market share of mortgage loans grew to 25.1% compared with 23.8% in 2008.

The Bank's share in new mortgages in 2009 amounted to 37% compared with 26% in 2008, while new disbursements totalled €3 billion (DIAGRAM 2.1.2).

In 2010, the Bank intends to deploy cutting-edge automated lending systems and expand the range of existing mortgage products, so as to keep abreast of prevailing market conditions.

Consumer lending

Despite the adverse climate, NBG continued to channel funds to Greek households, paying special attention to monitoring loan-book quality, adjusting the statistical models for calculating risk to the new situation. As a result, consumer loans rose to €5.4 billion in 2009, compared with €4.9 billion in the previous year (DIAGRAM 2.1.3).

DIAGRAM 2.1.2
BANK MORTGAGE LOANS
(NEW DISBURSEMENTS - € BILLIONS)

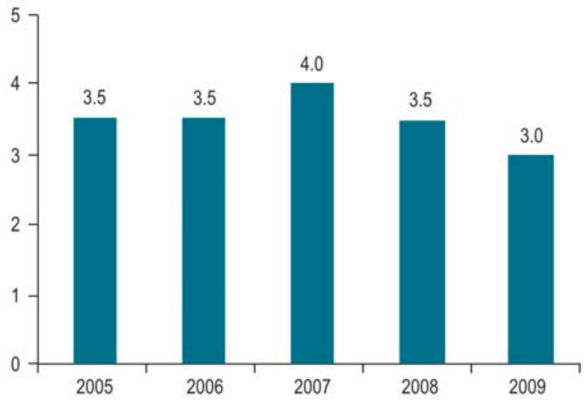
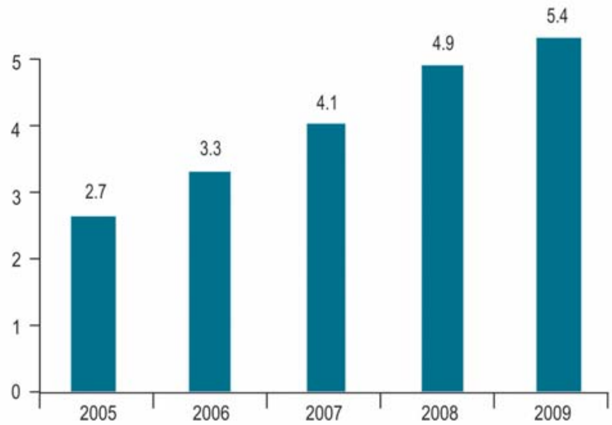


DIAGRAM 2.1.3
BANK CONSUMER LOANS
(BALANCES AT YEAR END - € BILLIONS)



Special emphasis was placed on improving the infrastructure, including:

- development of new electronic procedures for fast and efficient loan application processing, through automation of controls and use of behaviour scorecards in assessing the customer;

- design and deployment of strategies through the TRIAD system: increases/decreases in open credit lines, as well as interest rate discounts as an incentive for customers who only make limited use of their credit line.

In 2009, the Bank concluded an agreement with a major car importer, which besides consumer loans included overall banking service (commercial loans, insurance cover, credit card issuance etc.).

The Bank's objective for 2010 is to support its existing customers who may be experiencing difficulties in smooth repayment of their obligations, through the launch of specialized new products designed to provide relief. Likewise, the Bank shall step up efforts and offer incentives to facilitate collection of arrears.

In 2009, the Bank focused on qualitative expansion of its credit card portfolio, with an emphasis on its "go" and "My Cash" credit cards. The programmes offered in 2009 included:

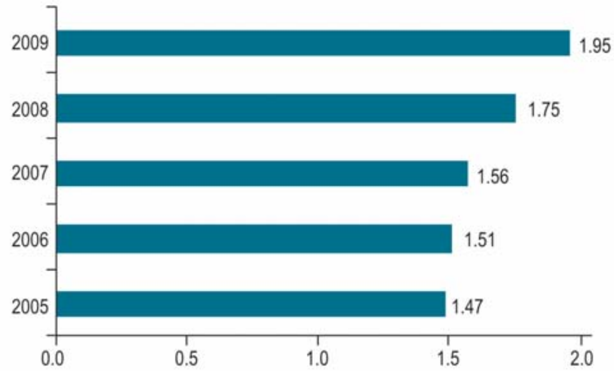
- "go National", a special customer loyalty programme that enables cardholders to enjoy cash refunds and special offers in a wide range of products and services (clothes, shoes, household fittings, gifts, electrical appliances, fuel, recreation, medical services) from partner commercial businesses;

- "go For Kids", a programme that is linked to NBG's social responsibility programme, by which the Bank continued to supply part of card turnover to support non-profit making organizations, such as ELEPAP, PISTI, ANASA, THE SMILE OF THE CHILD, HATZIKYRIAKEIO FOUNDATION and APHCA, which support children and young persons from vulnerable social groups.

With regard to credit card performance, in 2009 balances amounted to €1.95 billion, the number of active credit cards totalled 1,195,000, and transactions worth €1.3 billion were effected using credit and debit cards via 74,000 associated businesses.

In 2010, the Bank aims to launch new tailor-made products for consumers and to enhance customer loyalty by offering new programmes and services, with a view to sustaining the Bank's presence in the card market.

DIAGRAM 2.1.4
BANK CREDIT CARDS
(BALANCES AT YEAR END - € BILLIONS)



Lending to small businesses

In the sphere of lending to small businesses, the financial crisis globally as well as domestically generated two main trends: on the one hand, tightening liquidity and, on the other, problems in servicing loan obligations.

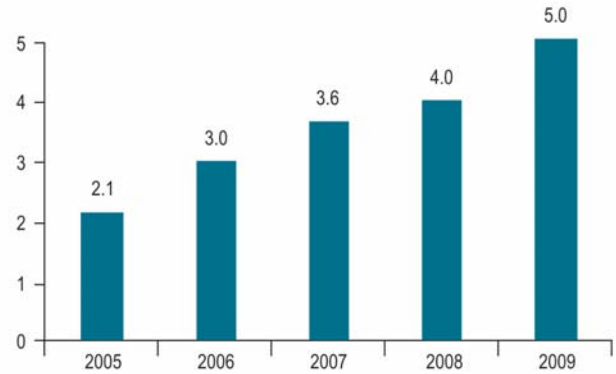
In light of the new situation, the Bank undertook a number of actions including an extensive training and ongoing updating programme addressed to its Banking Relationship Managers, SME Customer Relationship Managers and relevant network officers.

During the course of the year, 26,000 customer funding applications via TEMPME (Small Business Guarantee Fund) were evaluated, while 17,500 loans worth over €1.3 billion were approved. Of these customers 7,800 were new customers.

According to TEMPME data, the Bank ranked first among participating banks, as it was involved in approximately 1/3 of total loans granted and amounts disbursed.

Nevertheless, in 2009 the Bank was the main provider of liquidity to SMEs. Accordingly, the SME lending portfolio grew by 22.4%.

DIAGRAM 2.1.5
BANK LENDING TO SMALL BUSINESSES
WITH TURNOVER BELOW € 2.5 MILLION
(BALANCES AT YEAR END - € BILLIONS)



2.2 BUSINESS BANKING

NBG continues to support the business world, and in 2009 increased its lending to medium and large businesses by 6% year on year to €17.5 billion, while taking into consideration the adverse financial circumstances currently afflicting the market. Likewise, the Bank plays a leading role in supporting investment initiatives of strategic significance for Greece and contributes to the development of infrastructures that enhance the overall quality of life in the country.

Corporate lending

In 2009, despite the ongoing crisis, NBG succeeded in outperforming its targets in the area of corporate lending, in terms of both loan book growth and profitability. It is notable that loan book quality showed resilience, despite the deepening crisis.

The bulk of the growth in credit was absorbed by businesses active in the energy and health sectors, as well as by corporations of the wider public sector under state guarantee.

Total lending to corporations, including loans to the public sector, amounted to €10.4 billion at the end of 2009. As a result of this growth and the Bank's concerted efforts to promote cross-selling, particularly in the areas of leasing, trade finance, cash management, private banking and business payrolls, income from fees and commissions rose by 18.5% to €32 million.

Note should be made of the Bank's active participation in Renewable Energy Sources projects. Total approvals in 2009 for financing to RES amounted to around €377 million, corresponding to investments of an aggregate budgeted cost of €716 million and 458 MW power capacity.

The Bank participated in syndicated loans to corporations operating in Egypt, Romania, Bulgaria and Albania, which support the foundations of the local economies and generate significant growth prospects for the countries concerned and the Group's business. The said loans were mainly directed at sectors such as energy (petroleum), alternative energy sources, transportation and technology.

With regard to international trade, the Bank entered into credit relationships with multinational corporations engaged in the petroleum, raw materials, metals and commodities sectors. Notably, the Bank was included for the first time among the key banking institutions providing finance to international trade in SE Europe.

Project finance

Project Finance remained buoyant in 2009, primarily in Greece and only to a lesser extent abroad, as the impact of the global financial crisis during the year intensified.

Domestic Project Finance growth mainly reflected the Bank's participation in the financing of the motorway projects which in 2009 entered the construction phase. As these projects progress over the course of the coming three or four years, the domestic lending portfolio is expected to grow significantly, as the Bank's total commitment amounts to €349.5 million, of which just €68.7 million was disbursed by the end of 2009.

Emphasis was placed on ensuring the quality of new loans and achieving satisfactory returns vis-à-vis the risks undertaken.

Lending to medium-sized businesses

Within the harsh economic environment, the Bank's relationship with medium-sized businesses was based on its strategic choice to lend support to viable business plans. Accordingly, credit facilities were agreed for providing the necessary liquidity to existing and new customers who could adequately substantiate positive prospects in terms of sustaining a minimum level of activity and performance.

Under these conditions, and in view of the fact that borrowing requirements declined in the face of falling demand and the efforts by companies to stabilize or even reduce their debt, the Bank's credit book in 2009 remained unchanged on the previous year. It is worth noting that NBG managed to keep the flow of its financing to businesses unbroken, thanks to its strong relationship with the most dynamic business sectors of the Greek economy.

For yet another year, NBG's business lending growth was achieved by keeping problem loans to a minimum, thanks, on the one hand, to its credit policy and, on the other, to close monitoring of the portfolio and implementation of tailored schedules for the restructuring of a small number of loans presenting high risk. Despite the crisis, NBG can be seen, on a day-to-day basis, to have made prudent choices in forging its credit relationships.

Shipping

At the beginning of 2009 the shipping market was severely impacted by the ongoing global financial crisis. Subsequently the situation improved significantly for dry bulk carriers, while liquid bulk carriers were still impacted considerably and the containers market experienced one of its worst years ever.

The shipping balance stood at USD2.4 billion at end-2009, and the total number of ships under finance at 298. Loans for vessels under 5 years old amounted to 50% of the shipping portfolio.

The Bank's lending activity focused primarily on retaining and supporting old customers long-established in the shipping industry, while the quest for new customers was limited to a few outstanding firms. In both cases, pricing levels were significantly higher and lending terms stricter.

In 2010 the dry bulk market is likely to move at higher levels on average, while liquid cargo is expected to show fluctuations due to seasonality and withdrawal of a considerable number of single-hull vessels. The Bank intends to continue its conservative policy regarding management of existing risks and to limit its support for new investment plans. The sound quality of the shipping portfolio, the large sums held by shipping customers in deposits and the long experience of the Bank's officers in this sector guarantee solid results.

Global transaction services

Through open and regular communication with its subsidiaries and exchange of know-how and skills, the Bank succeeds in providing the Group's extensive corporate customer base and partner credit institutions with high quality services. The Group thereby seeks to capitalize on its strengths and exploit opportunities across the organization as a whole. Such synergies have now become more imperative than ever, so that we can meet effectively the challenges of the current economic environment.

The Bank focuses on serving its customers so as to facilitate stability in their supply chains and enhance the performance of their capital employed, both issues being at the top of corporate agenda during the crisis.

With regard to the Bank's transaction services on a long-term horizon, the quality of service provided is determined by the Bank's commitment to effect continuous and targeted investments in technology. Accordingly, it is deploying a new payment and cash management platform, alongside the provision of supply chain financial solutions for its domestic and international business customers. Furthermore, NBG continues to reinforce its sales teams with local product specialists and further strengthens its relationships with financial institutions and businesses.

These initiatives serve to strengthen the Group's position in SE Europe in respect of cash management, trade finance, factoring and chain supply finance, generating strong interest income and revenues from fees and commissions.

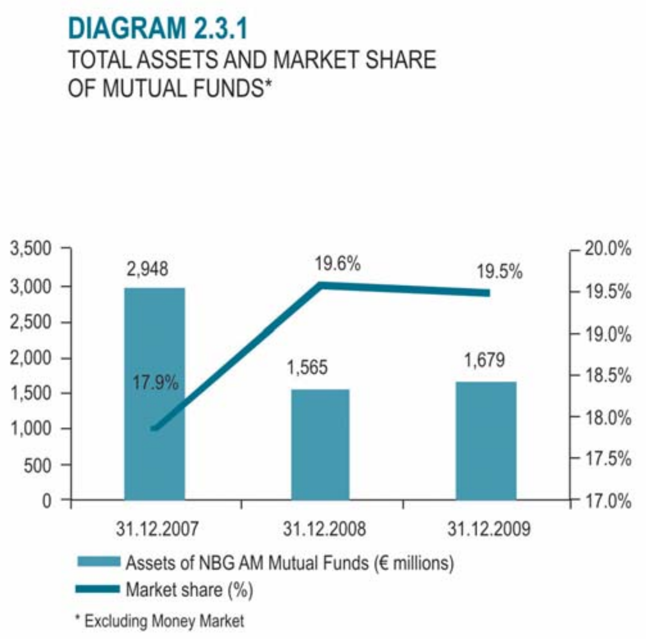
2.3 ASSET MANAGEMENT

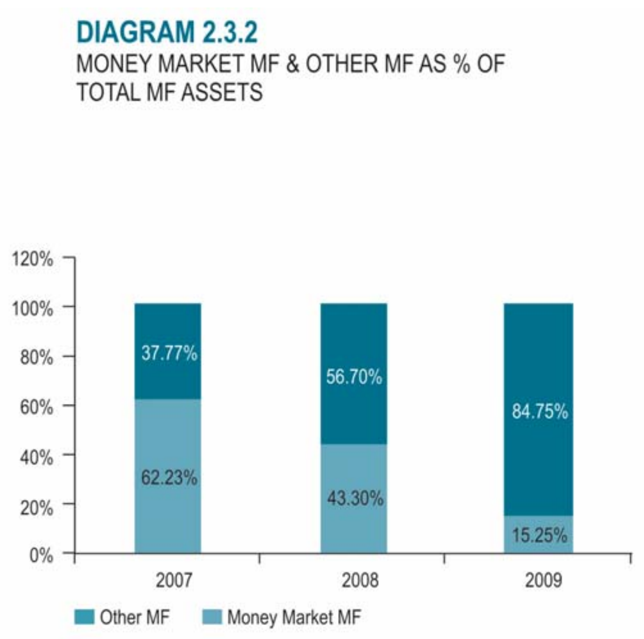
Deposits – Investment products

In 2009, domestic deposits grew by 3% to approximately €57 billion. Sight and savings deposits account for 51% of overall deposits, while 47% are time deposits, and 2% other types of deposit. It is worth noting that savings deposits – a key source of funding for the Bank's business – continue to pursue an upward trend, while time deposits remained unchanged on the previous year.

In 2009, NBG designed and launched the following deposit/investment products:

- "NBG Children" deposit account: available to young persons under 17, offering a host of banking services and privileges.
- "MONTHLY": a 12-month time deposit account that yields a fixed interest payment on a monthly basis, offered in combination with "Pension Plus" (a





retirement plan) or "Providing" (an investment and protection plan for children), bancassurance products with premium payments on a monthly basis.

- Successive series of Guaranteed Initial Capital Investment Products under particularly favourable returns.

In 2009, the Bank placed special emphasis on developing its Personal Banking service, which is available to customers with significant funds under management but who are not included in our Private Banking portfolio. This service is now offered by 309 of our branches. Furthermore, 356 specially trained and accredited staff managed funds totalling €14.6 billion, thereby playing a decisive role in sustaining the Bank's liquidity and profitability, and serving no less than 98,000 customers on a one-to-one basis.

Mutual funds

In 2009, the Greek market for mutual funds re-stabilized. Total MF assets grew marginally by €265 million, up 2.54%, reflecting mainly the upward turn of financial markets following the first quarter of 2009 and, to a lesser degree, limited inflows in the categories of balanced and equity funds.

At the end of 2009, total assets under management (deriving from mutual funds and portfolio management services) in the domestic market amounted to €2,336.4 million. The market share of MFs (excluding Money Market funds) stood at 19.5%, unchanged on the previous year (DIAGRAM 2.3.1).

The Group made the strategic decision to restructure the quality of its assets, with a shift away from products presenting a narrow profit margin, such as Money Market funds, to high-performing products. As a result, the percentage share of Money Market funds in MF assets overall declined from 62.23% at the end of 2008 to just 15.25% at the end of 2009 (DIAGRAM 2.3.2).

2009 ended positively for the Group's MFs, with several funds easily outperforming their benchmark and at the same time posting lower volatility. Out of a total of fifty international bond funds, three of the Group's MFs ranked among the top five performers. Among domestic equity funds, Delos Top-30 posted strong returns (+30.49%), outperforming the ATHEX General Index (+22.97%). Equally strong returns were posted by Delos Small Cap and Delos Blue Chip (21.98% and 19.80% respectively).

In seeking to enhance its management of mutual funds, the Group decided to merge certain funds. The reduction in the overall number of its DELOS and SICAV funds served to create a clearer investment identity for each of the funds available, which has proved to be a benefit for both end customers and the sales persons.

With the substantial recovery in global markets since the low of March 2009 and investor sentiment partially restored, a new mutual fund – NBGAM ETF ATHEX General Domestic Equities Fund – was launched on the Athens Exchange. The investment profile of this fund is to track the performance of the ATHEX General Index. In addition, during the last quarter of 2009, the Group undertook to launch the first multiple market ETF in the new GT30 Greek-Turkish index.

Discretionary portfolio management services were further enhanced by deploying a cutting-edge platform for monitoring and measuring investment performance and risk. Two pension funds in Greece and Cyprus were added to our list of institutional customers, while the number of retail customers remained at the same level as in 2008. At 31 December 2009, total funds under management amounted to €434 million.

In 2010, the Group intends to focus on expanding its customer base, both retail and institutional (including pension funds), and to enhance its leading position in the MF market as well as in discretionary portfolio management.

Private banking

In 2009, in the wake of the collapse of Lehman Brothers and deep doubts about the role of the credit system, international money markets showed little appetite for betting on growth in the immediate future. Later, as economic indices started to recover and it became evident that a degree of stability was returning to the global markets, the investment environment saw significant improvement. Over the past months, increased concerns about Greece's financial position and credit standing have resulted in increased uncertainty and volatility in the money markets. This evolving environment has presented challenges as well as investment opportunities, while competition and pressure in private banking business have increased. NBG's Private Banking arm managed to retain the confidence of its customers, the levels of funds under management, and profitability for customers and the Bank alike.

After overcoming initial worries about the development of the world's economies, investors benefited from the upturn in the bond market, investing in both the primary and the secondary markets for government and corporate bonds. The Euro/USD exchange rate was another source of growth. Lastly, trading volumes on the Athens and international exchanges saw expansion, with customers' funds returning to mutual funds and appetite for medium-term investments increasing.

At the end of the year, funds under management were up marginally to €3,580 million, while the number of customers receiving NBG's elite Private Banking investment options remained unchanged at approximately 2,500. Particular emphasis was placed on low-risk investments, such as bonds and capital-guaranteed products, which outperformed sales of high-risk investments.

The results for 2009 reflect the fact that NBG's Private Banking business is built on solid foundations while its business model is reliable and at the same time flexible enough to rise successfully to the challenge of volatile market conditions, even under adverse conditions. Customer relations are constantly strengthened, as investors recognize the Bank's dedication to quality and range of services provided. The Bank's efforts in this sector were rewarded by the fact that *Euromoney* named it "Best Private Banking in Greece for 2009".

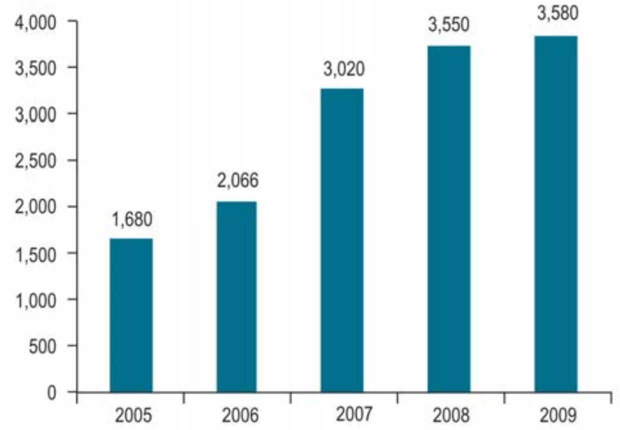
2.4 INVESTMENT BANKING

In 2009, the Group restructured its investment banking operations, with the inclusion of Corporate Finance – Advisory and Debt Capital Markets in the Bank's operations and effectively exploiting synergies so as to provide corporate customers with comprehensive services. Furthermore, the Bank is supervising, coordinating and monitoring the compliance with Group policy of its subsidiaries in Greece and abroad active in investment banking and brokerage.

Capital market operations

In 2009, the Greek capital market recovered somewhat from the extremely negative stock market conditions of 2008. Activity was limited to share capital increases, which totalled some €3.5 billion, including a €1.25 billion rights issue by NBG, with NBGI as co-lead manager. In addition, an IPO worth €10 million took place on the ATHEX. The Equity Capital Markets team participated in the international club of underwriters that ran the global share capital increase of Citigroup on the NYSE (total: USD19.55 billion). The Debt Capital Markets team acted as lead manager and co-lead manager in two Hellenic Republic debt issues (€5.5 billion and €7.0 billion respectively) and in the covered bond issue programmes of NBG and Coca-Cola Hellenic Bottling Company SA (€1.5 billion and €300 million respectively). Last, the Corporate Finance - Advisory team acted as advisor to the Hellenic State on the privatization of Olympic Airways; to OTE on the valuation of one of its subsidiary companies; and to two ATHEX-listed companies.

DIAGRAM 2.3.3
BANK PRIVATE BANKING: FUNDS UNDER MANAGEMENT(€ MILLIONS)



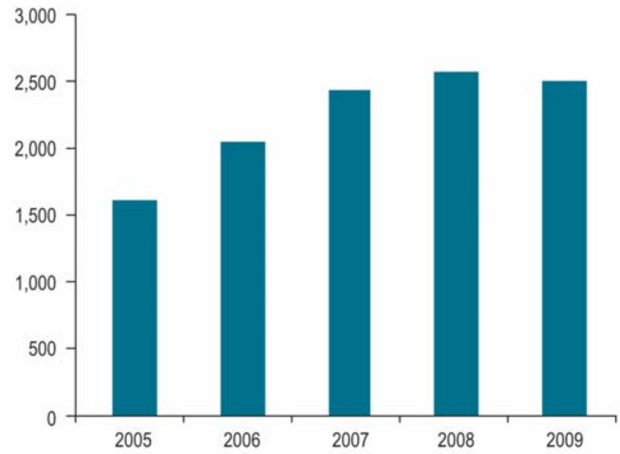
Treasury

The Group's Treasury is active in fixed-income securities and FX trading, interbank products and market-traded and OTC financial derivatives. It also provides institutionals, corporations and large private-sector investors with value-added deposit products and investment options.

NBG's long-standing experience and position in the market is reflected by the fact that for the ninth consecutive year it ranked first among 22 primary dealers in government bonds traded through the Electronic Secondary Securities Market, according to Bank of Greece data. Note that NBG participates as a general clearing member in the Frankfurt-based Eurex derivatives market, the largest of its kind in the world. Moreover, NBG participates as a primary dealer in the electronic market for Cypriot government securities issued in euro.

With regard to trading of interbank deposits, the Group has established itself as one of the primary dealers in Europe.

DIAGRAM 2.3.4
BANK PRIVATE BANKING: FUNDS NUMBER OF CUSTOMERS



The Group's key role in money market interbanking is reflected in its participation in the ECB's Money Market and Liquidity Working Group, which monitors the liquidity of the European interbank market. Moreover, NBG is the only Greek bank participating on the Euribor panel, the group of banks that determines the benchmark rates of Euribor and EONIA on a daily basis.

In the interbank market for Greek government bond repos, NBG maintains a dynamic profile at the European level. It is also the only Greek bank to participate on the EUREPO panel, which sets the official rates for euro area bond repos.

Brokerage

In 2009, the Greek stock market posted sharp fluctuations. The Athens Exchange General Index (ATHEX-GI), tracking the downturn of other international markets, declined in the first quarter, then made an impressive recovery, while in the last quarter it plunged again due to the deteriorating Greek macroeconomic outlook. In the course of the year the ATHEX-GI rose by 23% on average. Despite the sharp fluctuations, the average daily trading volume fell by 35% compared with the previous year, to €205 million. The activity of international institutional investors was significantly lower than in previous years, as well the activity of new remote members of the ATHEX.

These developments had a negative impact on the Group's brokerage business in 2009. Nevertheless, the Group ranked among the top three performers, with total turnover of €12.7 million and a 12.5% market share.

In July 2009, a brokerage branch opened in London to provide services to local institutional investors (end-clients) and is expected soon to absorb sales by institutional investors for the Turkish market.

In October 2009, a branch opened in Cyprus to absorb brokerage operations by NBG Cyprus and is expected to increase turnover in the local market.

2009 was marked by significant changes in the analysis department, in terms of both internal staffing structure and product configuration and presentation. For yet another year the department enhanced its competitiveness and quality, and reaffirmed its brand recognition among its international institutional clientele. Specifically, according to the 2009 Extel Pan European Survey, five analysts at National P&K Securities were deemed outstanding. Likewise, the department was awarded second place (as against seventh in the previous year) for its analysis of small and mid-cap firms.

The main goals for 2010 include:

- strengthening the London branch and absorbing the international institutional investors of Turkey;
- further boosting synergies with the Group's brokerage firm in Turkey;
- leveraging the Group's customer base in order to develop new investment portfolios and further improve the services provided.

Private equity

NBG's Private Equity business posted further growth, building on the success of the first funds in the UK and SE Europe, which posted, respectively, 44% and 71% gross internal rates of return (IRR). Management of the funds is carried out by NBGI and concerns funds worth €900 million (including non-disbursed amounts) spread across ten funds whose investment range covers Western and SE Europe, including Turkey.

The company has established a unique position and continues to implement with success its strategy of investing in small and medium European companies. Specialist funds focused on SE Europe (€300 million under management), France (€100 million under management) and the UK (€200 million under management) are supplemented by product funds in the following sectors: real estate (€80 million), medical equipment (technology fund worth €60 million) and energy (€100 million). In 2010, the company plans to set up a fund in Germany so as to achieve fuller and locally structured European coverage. NBGI handled admirably the negative economic environment in 2008 and 2009, opting to invest dynamically in the opportunities that inevitably arose.

NBGI handled admirably the negative economic environment in 2008 and 2009, opting to invest dynamically in the opportunities that inevitably arose. Additions to its portfolio benefited from potentially lower valuations. In view of the company's strong reputation – earned through its excellent performance – the economic crisis had very little impact on NBGI's access to financing and partnerships, while the funds under management continue to perform in line with market expectations.

Consulting services

In 2009, the Bank continued to act as financial advisor to the Greek government for "New Motorways in Attica", a major infrastructure project in the form of a concession agreement. In addition, NBG provided consulting services to the Greek government for the self-financed Heraklion New Airport project on Crete, and to the Hellenic Public Real Estate Corporation for real estate development. In addition, the Bank provided consulting services to the Greek government for the operational phase of the Attica Highway and the Rio-Antirio Bridge.

NBG was an active participant in Public and Private Sector Partnerships (PPPs) providing, as head of an international consulting consortium, consulting services to five PPPs (DEPANOM: new Paediatric and Oncological Hospital of Thessaloniki; School Building Organization: 24 new schools in Attica; University of the Peloponnese: 6 new university buildings; the Prefectures of Corinth and Trikala: 2 administrative buildings; Democritus University of Thrace and University of the Peloponnese: student halls of residence), whose tenders are in progress.

Custodian services

NBG plays a leading role in custodian services and developments that shape the institutional framework and modus operandi of domestic and European markets. With its considered proposals on policies and strategies, the Bank participates in domestic and international bodies such as the Hellenic Bank Association, the Bank of Greece, Hellenic Exchanges SA, the European Banking

Federation – European Securities Infrastructure Working Group, and the COGESI Group and T2S of the European Central Bank.

The recent restructuring of the custodian services unit, including significant investments in new premises, mechanical equipment and specialized staff, reflect the Bank's strategic target of further developing such operations.

Our custodian services have taken on the challenge of the economic crisis – which has inevitably limited the funds under custody around the globe – by launching innovative services and tailor-made products that meet the requirements of a highly demanding clientele. Moreover, expansion of our business in the region of SE Europe, in partnership with our subsidiaries, has served to enhance competitiveness and the scope for further business growth.

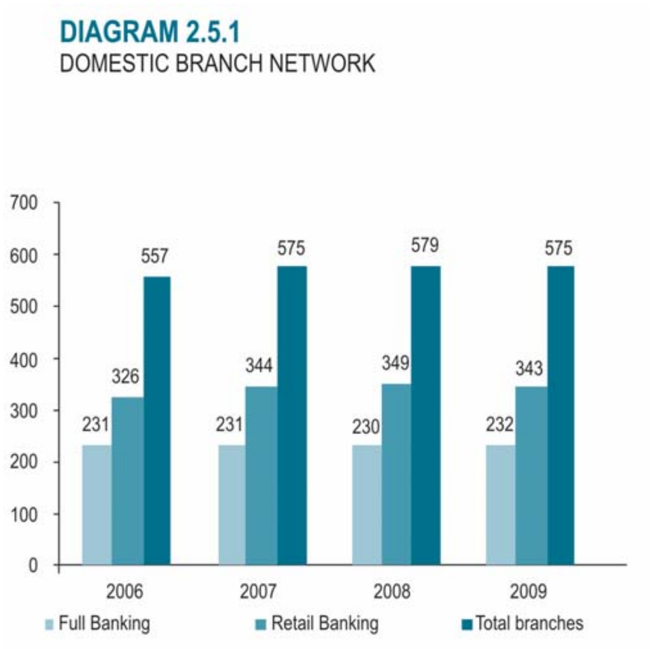
The provision of first-class services and the endeavour to forge long-term relationships have been recognized by our Greek and international institutional customers, who awarded NBG's custodian services the title "Top Rated" in the annual survey conducted by the industry journal *Global Custodian*.

2.5 STRATEGY FOR OPERATIONS UPGRADE

One of NBG's strategic priorities is to develop the delivery channels through which customers can access our services. This requires, on one hand, ongoing enhancement of the quality and security of services provided to existing and new customers and, on the other, gradual reductions in operating costs, so as to increase net income.

Branch network

On 31 December 2009, NBG's domestic network totalled 575 branches, of which 232 were full banking units and 343 retail banking units. Furthermore, banking transactions were available through 10 branch annexes, 39 transaction offices, 1 mobile bank unit, 9 correspondents, 10 NPL units, 1 custodian unit for institutional investors and 1 private banking unit.



In 2009, as part of the branch network restructuring programme, 4 new branches were opened, 8 branches merged, 11 branches relocated, 3 branches transformed and 1 transaction office opened. For 2010, selective actions have been scheduled, i.e. opening of 10 branches, relocation of 25 units and merger of 5 units.

The branch network played a key role in attaining the goals set within the context of the Group's efforts to minimize the fallout from the global economic crisis. Specifically, the network contributed to:

- growing revenues and strengthening the Bank's leading position in all customer segments of the domestic market, with an emphasis on retail banking and financing SMEs in the context of CSF-III/NSRF and the Small Business Guarantee Fund;
- containing operating costs, through selective opening of new branches;
- prudent risk management, by focusing on timely collection of arrears and selective restructuring of doubtful debt of SMEs.

In 2009, we continued implementation of the new model for serving select customer segments, with 541 Customer Relationship Managers for SMEs and Personal Banking officers in 309 branches.

At the end of 2009, staff in the Bank's network totalled 7,755, down by 2.7% on the previous year, while the average number of employees per branch was unchanged at around 14 (21 employees in full banking units and 8 in retail units). Despite the severe impact of the global crisis on the financial system, the average level of staff productivity in deposits and investment products improved significantly.

In 2009, the Bank's branch redesign project progressed further. The interior of 76 branches was redesigned and the facades of 480 units were renovated, thereby enhancing the Bank's image and the working environment while also providing attractive surroundings for customers.

To reduce queuing times the Bank has installed 29 Automated Payment Centres, of which 16 are located in Athens and 13 in other major cities. Furthermore, for the second year running, teller productivity was monitored by special software, which helped reduce waiting times and enhanced front-line services.

Alternative delivery channels

In April 2009, NBG launched its new i-bank trademark, which reflects a whole new approach to the Bank-customer relationship. I-bank services are customer-focused and available via sophisticated alternative delivery channels (whether landline, mobile phone, internet or ATM) on a 24/7 basis, wherever the customer may be. The marketing of these alternative delivery channels under the single i-bank umbrella aims at enhancing consumer recognition of the NBG brand vis-a-vis such channels and the first-class services provided.

Using state-of-the-art technology, the Bank's web portal promotes the Group's pioneering profile and provides shareholders and visitors to the website with instant information. As of December 2009, NBG's i-bank services offer mobile banking options through Smartphones (iPhoneTM, iPod touch®, Blackberry etc.) for the first time by a bank in Greece. Mobile banking users can easily access information and transactions, 24/7, in Greece or abroad, by simply touching their smartphone screen.

Our new transaction categories and improvements in internet banking service include the option for users to receive i-statements (i.e. electronic monthly statements of account), thereby reducing paper consumption and contributing to our green footprint. Similarly, our ETHNOfiles service, which enables transfer of files for information or to effect transactions, became fully functional, while a number of additional features were added to its capabilities (authorization levels, review of files to be dispatched, and so on).

The number of registered internet banking users grew by 29% to over 434,000. A total of 31 million transactions worth €17.3 billion were carried out through internet, phone and mobile banking, up by 31% and 17% respectively (DIAGRAM 2.5.2 & 2.5.3).

In 2009, the Bank's state-of-the-art Contact Centre continued to function well, receiving international recognition. Specifically, NBG succeeded in gaining 9 Top Performer Awards

DIAGRAM 2.5.2
INTERNET-PHONE BANKING SUBSCRIBERS

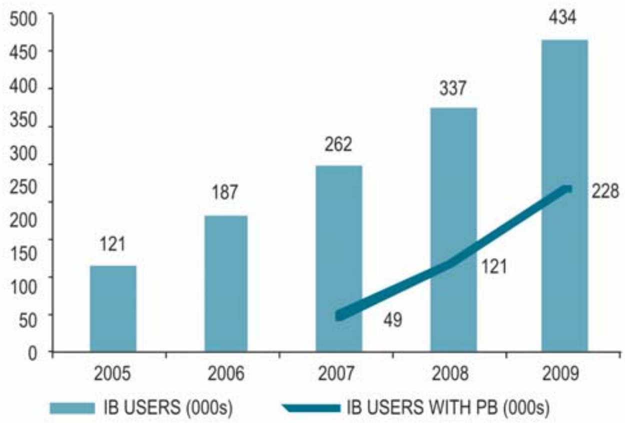


DIAGRAM 2.5.3
INTERNET BANKING TRANSACTIONS

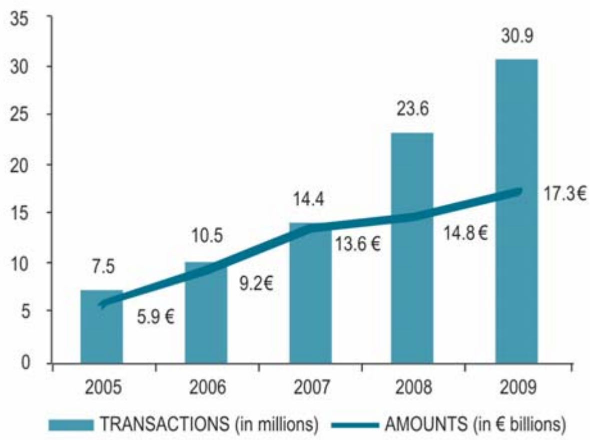
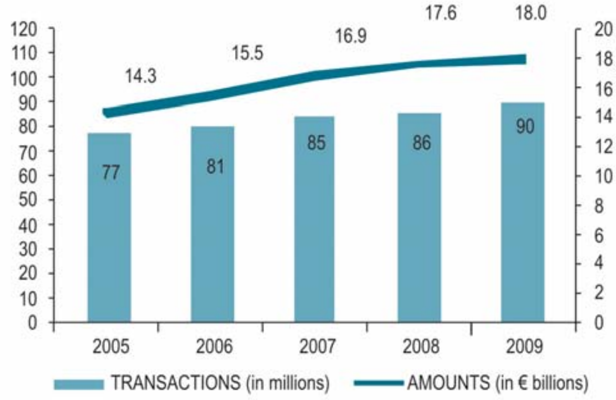


DIAGRAM 2.5.4
ATM TRANSACTIONS



among approximately 1,200 companies participating in the Contact Center World competition for Europe and the East Mediterranean. The Bank placed particular emphasis on expanding its operations and incorporating new state-of-the-art services, as well as on subscribing new phone-banking users (currently 228,000 compared with 121,000 a year earlier) (DIAGRAM 2.5.2). Likewise the Contact Centre started to offer its services to the customers of the Group's affiliated companies, as part of its programme to upgrade and integrate services Group-wide. Accordingly, it incorporated services for National P&K Securities and Ethniki Insurance, thereby offering their customers access to new state-of-the-art information and transaction services by landline or mobile phone, 24/7, with the high security feature of the unique codes generated by the i-code device.

On 31 December 2009, the Bank's ATM network comprised 1,504 ATMs (850 on-site and 654 off-site), corresponding to 20% of the Greek banking market. Of these machines, 584 were equipped with cash deposit devices. In 2009, 90 million transactions worth €18 billion were effected through the ATM network (DIAGRAM 2.5.4).

In 2009, 38 new ATMs were installed, expanding by 35% the off-sit ATM network in super-market chain stores and the Attiko Metro SA, bringing the total now to 148 machines. In 2010, we plan to install 70 new off-site ATMs, subject to agreements for expanding partnerships with known chain stores and the Attiko Metro.

Technological upgrade

In 2009, a number of major projects were completed, while other projects aiming at enhancing substantially the Bank's operations are in progress.

Specifically:

- The new IRIS Deposits system, an IT platform for incorporating deposits and retail credit lines, was brought nearer to completion and should be up and running within 2010.

- The development of a customer relationship management system (CRM), aiming at generating customer statistics and detailed customer lists that can be used in targeted marketing activities, is now in its final phase.

- An application for assisting strategic portfolio-management decisions and rating fixed-term loan accounts (mortgage, consumer), open loans and credit cards has been launched with a view to reducing NPLs, enhancing revenues and promoting products.

- The IT infrastructure for RISK MIS was set up, with input of data related to credit card applicants and all loan products and customers of the business portfolio.

- The Operational Risk Management IT platform, which aims at providing uniform, dependable and automated operational risk management support for the entire range of NBG activities, is under construction and will gradually be extended to the rest of the Group.

- The design of NBG's overall business architecture via the ARIS platform has been completed. As a result, the Bank's organizational structure, collective bodies, products and services, IT systems, executive and staff roles, legal texts and forms are now clearly depicted and the infrastructure has been put in place for documenting all the processes that comprise NBG's business model.

- As regards central computing systems, the upgrade of the SAP R/3 system to SAP ERP ECC 6.0 was completed.

- The electronic document management system was further extended at the Bank's central services and today 13,500 users have access to it. It is estimated that upon the system's full implementation, paper consumption will be reduced by approximately 70% and office supplies by 24%, while operating costs should be cut by 13%.

- The deployment of a Supplier Relationship Management (SRM) is nearing completion. This application aims at promoting compliance with the common corporate procurement policy, storing contracts in a central repository, reducing operating costs and procurement times, providing detailed procurement reporting and setting improvement benchmarks.

- The assignment of Managed Print Services at the Bank's units at Gerakas and Leoforos Athinon to an external partner is in the planning stage. This project will rationalize the printing needs of approximately 1,400 employees by linking policy on matters regarding equipment with constantly changing real needs, thereby bringing about substantial reductions in printing costs and the handling costs of office consumables.

- New personnel management applications are under construction, such as payroll, learning management (LMS) and performance management (PMS) systems.

- The development of a central Business Continuity Plan for the Bank and its domestic subsidiaries (National Securities, Asset Management, Leasing) is nearing completion, so as to enable recovery and business continuity in an emergency.

With regard to the Bank's international branches, the planned ATM network in Egypt was brought to completion while the Globus IT application was linked on an on-line basis with the MTS system for POS and ATM transactions effected through the Albanian branch network.

2.6 HUMAN RESOURCES

At 31 December 2009, total Group and Bank staff amounted to 36,314 and 13,066 respectively, compared with 36,589 and 13,593 in 2008. The Bank staff in Greece decreased by 5%, to 12,534, of which 7,024 worked in the Attica region. The percentages of men and women in the workforce were 55% and 45% respectively. With regard to their educational background, 41% are secondary school graduates, 36% university graduates, and 11% holders of postgraduate degrees (Master's or PhD).

In 2009, the development of organizational structures at Group level progressed. We began with Finansbank, where job descriptions of sample posts throughout the corporate ladder were prepared and assessed on the basis of an international system, while an appropriate job grade structure was set up. This project, which involved the training of a number of Finansbank officers in order to complete the remaining job descriptions and assessments and incorporate them into the existing grading structure was completed by December 2009. In addition, the parameters for internet management of such data at the Group level were reviewed, while systemic deployment at Finansbank commenced.

A methodology was designed for professional development of Group officers and to motivate them to remain in the organization (retention plan). The methodology focuses on identifying key Group posts, preparing personal development and career plans for those that hold these positions, and succession plans.

A single Performance Management System was designed with a view to objective employee evaluation and development, according to qualifications and skills, to be directly linked with rational reward and pay management. In 2009, the Bank focused on developing and listing key performance indicators (KPIs) for the Group's subsidiaries and on developing a skills model. Emphasis was placed on informing officers about the philosophy underlying the new performance management system and its contribution to productivity growth. The analysis of business requirements has now been completed and the new system shall subsequently be deployed in a SAP environment.

A key target of NBG is to develop central handling and instant management reporting capabilities regarding the Group's human resources overall, in Greece and abroad. To this end, the following projects have been launched and are currently underway:

- New IT Payroll System, aiming at instant and dependable information capabilities, in line with the new social insurance legislation and in conformity with the regulatory framework (SOX, Basel II).

- Budget System, linked directly to the new Payroll System, which will instantly abolish manual procedures and speed up the process for providing administrative information so as to facilitate business decisions.

- Learning Management & Learning Content Management Systems (LMS/LCMS) and Training & Events Management, with a view to supporting and enhancing employees through state-of-the-art educational and self-educational tools.

With a view to generating value for both the Bank and its employees, through the enhancement of knowledge, skills and behaviour, 600 training events were organized with 10,400 participants in courses held both in-house and outside the Bank. Training programmes in 2009 totalled 206,000 man-hours, worth a total of €3.8 million.

The key priorities for the in-house training programmes in 2009 were: 1) to provide specialized knowledge, accreditation and updating on the regulatory provisions of legislation governing investment and bancassurance services and money laundering, 2) to provide training on matters relating to Retail Banking, i.e. "Retail banking and lending to SMEs" and Personal Banking Advisors", and 3) to organize targeted training courses addressed to specialized Group officers, such as internal auditors-inspectors, plus a number of specialized training programmes abroad.

Distant training programmes were further developed aiming at reducing costs and enhancing training method efficiency. To this effect 1) a modern and flexible mixed learning model was launched (combining e-learning, case studies and training sessions in the classroom), including the pilot "Stepping Up To Management" programme by Harvard Business Publishing, 2) the e-learning application was upgraded, 3) new e-seminars were designed, and 4) the Bank contributed its know-how to training programmes designed for the Group's subsidiaries, such as NBG Asset Management Mutual Funds, National P&K Securities and Ethniki Leasing.

The Bank encourages its staff to develop its formal qualifications. Accordingly, the Bank offered financial support for staff to pursue postgraduate studies, vocational accreditation programmes and participation in foreign language learning.

As part of its policy to collaborate with universities and technical colleges, the Bank gave 20 students of the Aegean University and 1,600 Technical Training Institute students the opportunity to acquire practical skills at NBG branches or administration services throughout Greece, depending on the nature of their studies.

As part of its Corporate Social Responsibility actions, the Bank deployed a programme for Employment of Young People out of Work. This is a rolling employment scheme offering full pay and social insurance coverage on the basis of a 6-month contract to 600 out-of-work university graduates (300 per semester), under 30 years old, the main aim of which is to enhance the employability of young people and provide them with useful skills and training to compete in the labour market. The first cycle, which employed 308 university graduates, was integrated in 2009.

The Bank's intranet, a rapid line of two-way communication with all employees, saw an increase in the number of visitors, announcements posted and messages sent by employees through the Message Reception Centre. It recorded more than 458,000 visits (up 39% on 2008), while messages with employees' proposals, questions and remarks increased by 18%.

With a view to enhancing the security and health of both employees and customers, the following actions were implemented:

- upgrading and protecting existing security systems and installing new security vestibules for entry to branches (due to be installed at all branches by the end of 2010);
- staff anti-smoking campaign;
- emotional/moral support programme for employees working at branches that have been robbed, aiming at managing post-trauma stress;
- establishment of a special committee to deal with the impact of H1N1 influenza ("swine flu") on the Bank and the Group;
- deployment of a Group Health and Safety Policy for the workplace.

2.7 CORPORATE SOCIAL RESPONSIBILITY

NBG, one of the biggest financial organizations in the wider region of SE Europe, is well aware of its increased responsibility towards society at large, the environment, the market and employees, and has long shared the conviction that economic growth and social responsibility go hand in hand with good business practice.

The Bank is committed to leading efforts to promote and deploy CSR principles, so as to be counted among the most socially responsible business groups in Europe.

In 2009, despite the adverse circumstances, the Bank continued to meet its commitments as a leading player in Greece and the wider region, creating the right conditions to meet the challenges and seize the opportunities that have arisen.

NBG is fully aware of the need for strong relationships and effective communication with all its stakeholders (i.e. shareholders, customers, employees, suppliers, local communities) in order to achieve sustainable growth and enhance its contribution to the community at large.

A summary of NBG's most significant CSR actions in 2009 is given below:

The economy

Creating value for its shareholders is one of the Bank's top priorities, along with ensuring maximum possible transparency in all procedures and actions, while fostering socially responsible practices and activities. Specifically, NBG:

- contributed to the country's economic growth in the amount of €1.62 billion, including taxes, staff costs, payments to suppliers and sponsorships, while its turnover represents approximately 2.1% of GDP (according to National Statistical Agency data for 2009);
- successfully carried out a rights issue totalling €1,250 million and grew its loan book by 10%, or €4.5 billion, thereby playing a leading part in financing Greek businesses and households;
- deploys a Code of Ethics for Management and the Financial and Management Accounting Division, which places special emphasis on responsible implementation of the Bank's procedures and policies;
- separated the roles of Chairman and Chief Executive Officer, in line with international

standards of corporate governance, whereby the role of Chairman is non-executive, while the CEO maintains his executive capacity;

- has established a policy to avoid conflict of interests for the Bank's senior executives, in line with the requirements of the institutional, legal and regulatory framework applicable in Greece and abroad.

The market

A key goal of the Bank is to satisfy its customers, whether individuals or businesses. In line with its corporate culture it holds that every customer is important and accordingly develops and promotes financial products and services in a transparent and responsible manner, while of course complying with national legislation and the industry's voluntary codes. Accordingly, the Bank:

- continued to support small and medium enterprises by approving new loans worth €2.2 billion in 2009;
- established its own "Customer Ombudsman", in implementation of its new code on transactional ethics and as part of its ongoing policy to enhance customer relations;
- as part of its regular monitoring of customer satisfaction (by means of ad hoc surveys), the Bank found that in 2009, 96.6% of persons asked replied that they were "satisfied" to "completely satisfied";
- launched its i-bank mobile banking service, as part of its strategy to enhance, on an ongoing basis, its electronic services through state-of-the-art solutions, thereby enabling its customers to carry out various banking transactions via their mobile phones.

Employees

The Bank's strength lies in its staff and for this reason it makes every effort to develop and maintain top quality human resources. Accordingly, it places special emphasis on selecting, training, assessing and rewarding its employees. Specifically, the Bank:

- employed 270 locals as seasonal staff, in line with its commitment to promote and enhance employment and development in local communities;
- gradually endeavours to adjust its male/female employee ratio, aiming at an equal balance;
- supported vulnerable social groups by offering employment to 354 individuals with special needs in 2009;
- invested in continuous staff training through training programmes and seminars organized both in-house and outside the Bank.

The environment

Recognizing its responsibility towards the environment, the Bank has incorporated into its strategy policies that are oriented to fostering sustainable growth.

Accordingly, in 2009, the Bank:

- continued to implement an Environmental Management System, in line with ISO 14001, including an annual schedule of actions and programmes;
- further improved the energy efficiency of its buildings and branches, thus saving over 1,100 MWh;
- continued to improve its performance

regarding paper recycling, as in 2009 the quantity of paper recycled rose by 51% to 572 tons, compared with 378 tons in 2008;

- increased the number of its Internet Banking users by 22,000 compared with 2008, reaching a total of 97,000 new users – as a result the number of transactions grew by 31% on the previous year, with obvious environmental benefits;

- contributed to environmental protection efforts by launching a "Green Loan", a new consumer loan offering favourable terms, for the purpose of financing energy saving at home or to purchase a hybrid-technology car;

- continued to finance RES projects to the tune of €377.1 million.

The community

NBG consistently provides support to the community at large through a wide range of cultural, social and environmental actions. In 2009, the Bank:

- deployed a sponsorship programme amounting to €23.1 million in support of a wide range of actions, both directly as a bank and via its Cultural Foundation and Historical Archive; this amount corresponds to 5.7% of the Bank's profits (total net earnings in Greece: €403.6 million);

- approved the provision of €30 million for the construction and equipping of a new surgical wing in Evangelismos Hospital, thereby solving chronic operational problems at the hospital and supporting medical research;

- implemented a 6-month rolling employment programme for 308 out-of-work university graduates, aged under 30, throughout the country. The aim is to create employment opportunities for unemployed young people and in particular knowledge and training that will be useful skills for their future integration into the labour market.

Further information can be found in the Group's CSR Report, available at www.nbg.gr.

SECTION 3 INTERNATIONAL ACTIVITIES OF THE GROUP

3.1 THE GROUP'S INTERNATIONAL PRESENCE

In 2009 – a year marred by the global financial crisis and adverse developments in the macroeconomic and financial environment of the markets where the Group is active (SE Europe, Turkey, Africa) – the Group's key strategic target was to maintain its strong position in the region.

The principal objectives of the management at the Group's subsidiaries have been to further enhance the quality of customer service and offer fully integrated banking services, to enhance credit risk evaluation processes, and engage in active management of non-performing loans arising as a result of difficulties experienced by borrowers due to the repercussions of the financial crisis.

In the meantime, NBG continued the operational integration of its international subsidiaries following several years of dynamic organic growth in SE Europe, Turkey and Egypt. In this context, substantial human resources are devoting energy to overseeing effective and fast operational integration, deploying the processes required by the Group, and exploiting the know-how and expertise of the parent Bank in the area of business growth and operations. In addition, projects aimed at creating uniform IT systems and platforms for the Group developed satisfactorily, as well as projects for upgrading the image of our overseas units (NBG's international branches and its banking subsidiaries), transforming them into points of sale. Lastly, implementation of the cross-border business financing mechanism has enabled the Group to exploit financing synergies.

Despite the sharp deterioration in the international economic environment in 2009, the Group succeeded in increasing the core profitability of its international business. Working in an environment that presented substantial challenges, the Group set a strategic target of pursuing conservative and balanced lending growth, alongside prudent risk management, while in its endeavour to support and provide solutions to the needs of its customers under financing, especially households and SMEs, the Group implemented programmes for rescheduling the debt of customers facing temporary liquidity problems.

Besides central supervision of our overseas units in accordance with the provisions of local supervisory authorities as well as the policies of the Group, the Bank provided financial back-up, whenever needed, to ensure smooth business continuity or compliance with the requirements of the relevant regulatory authorities. Specifically, in 2009 the Group participated in the share capital increases of its subsidiaries in Romania (NBG Leasing IFN and ETEBA Romania SA), paying a total of €2.3 million.

3.2 TURKEY

Finansbank continued its outstanding performance, generating strong financial results in 2009 and contributing to the Group's net profit by 46%. Its assets reached TRY34.8 billion, up 12% on the previous year, maintaining its position as the fifth largest private bank in Turkey. Its loan book grew by 11% to TRY25.3 billion and deposits by 19% year on year, to TRY18.9 billion.

The Bank's network continued to grow, reaching 461 branches by the end of the year, while the number of Finansbank Group employees rose from 10,852 to 11,202.

Retail banking

With an extensive branch network and strong sales culture, Finansbank's retail lending grew to TRY12.8 million, up 28%, representing an 8.9% market share. In mortgage lending it continued its dynamic performance, with market share at 11.0%, as housing loans outstanding amounted to TRY5.1 billion, up 20% year on year.

In Consumer Banking, where the market share grew by 114 bps to 4.7%, a new service model was implemented in order to better align branch roles with customer needs and maximize sales performance. The model was designed and launched in the last quarter of 2008, and became fully functional in 2009.

With more than 3.5 million credit cards representing an 8% market share, CardFinans was among the top five banks in the Turkish credit card market in 2009. Balances grew by 36% from TRY3.6 billion to TRY4.9 billion, reaching a market share of 11.8% (up by 182 bps year on year). Finansbank now has 156,639 POS terminals, increasing the market share to 7.5% at the end of 2009.

The debit card CardFinans Nakit strengthened its position in the market with a 65% increase in the number of cards compared with the previous year, to 2.7 million cards and a 4% market share. On the other hand, debit card POS sales tripled and closed 2009 with a 6% market share.

Finansbank expanded further and established its presence in the SME market in 2009 and recorded growth of 11% in the loan book in the second half of the year. This growth brought about a market share of 8.9% compared with 7.1% in December of 2008.

Strong and consistent growth was also achieved on the liabilities side. The bank's market share in total deposits reached 4%, despite the serious market turmoil and the global uncertainty, which is a good reflection of the confidence that Finansbank enjoys among its customers.

Commercial banking

Finansbank is among the leaders in the corporate and SME banking sectors and has consolidated its pre-eminent position in this area through its customer-oriented approach and ability to develop tailor-made solutions. Corporate lending volumes reached TRY12.5 billion at the end of 2009, representing a 4.7% market share.

The Bank serves its corporate clients through 8 branches, 5 newly opened corners and also skilled head office teams. It succeeded in maintaining and developing its liquidity, profitability and trading volume in 2009, and surpassed its targets across all sectors, especially in Project Finance and Syndication Loans.

Medium-sized companies based in 23 cities across Turkey were served through 61 branches, and 4 regional management offices, supported by its head office teams. Corporate cash loans grew by 2% and non-cash loans by 15% in 2009 and profitability increased by 37%.

In accordance with the bank's goal of widening the deposit base, total commercial deposits increased by 32% while TRY and FX demand deposits grew by 23% and 13% respectively.

3.3 BULGARIA

The stable banking system of Bulgaria was a key factor for the milder impact of the crisis on the economy, whose consequences, however, were apparent in the cost of funding from international markets, which caused a sharp increase in deposit interest rates and influenced, to a smaller degree, interest rates on loans. As a result, interest rate margins and the profitability of banks contracted.

UBB directed its efforts mainly to supporting clients within an increasingly deteriorating financial environment, through restructuring of loans on a customer by customer basis so as to help its clientele ride the storm and survive the crisis. Banks' loan books have reported clear deterioration in quality, especially retail loans. Problems have also been reported in the corporate sector, but there the UBB's early warning systems function well and the measures and means for supporting and restructuring each problematic case are much more efficient.

At the end of 2009, UBB reported growth in assets to €4.2 billion, up 5%. Over the year UBB optimized its branch network and ended the year with 273 branches. UBB continued to develop its card business and merchant network, ending the year with 827 ATMs and 11,022 POS terminals. A substantial part of the retail business is also channelled via its Call Centre, Internet banking and third-party partnerships.

Total gross loans amounted to €3.5 billion at year-end 2009, down 1% on the previous year. The market share in retail and business credit stood at

16% and 12.2% respectively. UBB's deposits amounted to €2.1 billion, up 6%.

Despite adverse market conditions, UBB posted a positive performance. Profit before provisions stood at €152.3 million, while the cost/income ratio at the end of the year stood at 37%. In 2010, the bank will continue its conservative credit policy, with emphasis on the quality of assets.

UBB's subsidiary, Interlease EAD, is the largest leasing firm in Bulgaria. In 2009, it succeeded in maintaining its leading role in all areas of its business. After-tax profit for 2009 was €13.4 million, posting a return on equity of 35.5%.

3.4 FYROM

The severe recession that has followed the global financial crisis affected financial flows and economic activity in FYROM, with lower foreign capital inflows and a reduction in exports. However, as FYROM's banks were mainly focused on traditional banking activities, the banking sector remained sound and posted strong capital adequacy.

Stopanska Banka responded in a timely and efficient manner to the new challenges by adapting its strategy, which focuses on: 1) maintaining adequate liquidity by attracting new depositors, 2) safeguarding the quality of the loan portfolio by means of prudent risk management and provisioning policies, and 3) containing operating costs. SB secured its stability and soundness in 2009, and thus remained well-capitalized and highly liquid.

Celebrating 65 years of banking presence in the market, in 2009, SB maintained its leading position in FYROM and continued to provide high-quality customer-oriented services and products. In 2009, profit before provisions amounted to €29 million and total assets reached €1.1 billion, up 11% on the previous year. SB continued to improve its operating efficiency, containing growth in operating costs and posting a reduced cost/income ratio of 49%.

The confidence of households and businesses in the largest and healthiest bank of the country, even under adverse financial conditions, has translated into increased market share in retail and corporate deposits, reaching 30% and 27.5% respectively. This preference of depositors in SB helped forge a loan-to-deposit ratio (in local currency) of 90%. The Bank's branch network was expanded with the addition of 3 new units (total of 68 units at the end of the year), while the new service model of the Group was launched, with segregation of retail and corporate banking activities, offering customer services that are tailored to each customer segment.

The efficient strategy of the Bank and its dedication to meeting the customers' requirements by providing high quality services and products have been recognized by *Euromoney*, which declared SB "The best bank in the country for 2009".

3.5 ROMANIA

Banca Romaneasca continued to boost its performance in 2009, showing good financial results within a highly competitive and turbulent market. The bank's assets totalled €2.6 billion, while profit before provisions for 2009 stood at €63 million, up 4% on the previous year.

Despite the crisis, during 2009 Banca Romaneasca succeeded in maintaining its market share of lending at 4%, with a slight decrease of 3% on an annual basis in balances. It grew its market share on deposits by 70 bps to 3%, achieving growth of 39% on an annual basis in terms of balances. Moreover, the bank ranks among the best banks in Romania in terms of risk management and solvency, reflecting the Bank's stability and health. The cost/income ratio stood at 53% and the net interest rate margin at 395 bps for 2009.

By the end of 2009, the bank's network totalled 152 branches and 165 ATMs. For Banca Romaneasca, 2009 represented the year of finalizing key technological infrastructure projects, including:

- implementation of a new IT Cards management system by in-house cards processing and call centre teams;
- implementation of a new IT Collections system and launch of an in-house collection team.

At the same time, the Bank finalized the first stage of implementation of the Group's new operating model. This model will transform all aspects of Banca Romaneasca's business, creating specialization of the network for serving Corporate and Retail clientele, thereby building the foundations for future growth and covering the following business areas: centralization of back office and support functions, full separation of front office (sales) from back office activities, and implementation of an integrated international growth strategy across the Group.

Moreover, processes are being redesigned with the implementation of an integrated system at Group level, which should come into full operation in 2010.

3.6 SERBIA

In 2009, Vojvodjanska Banka continued its restructuring programme aimed at facilitating full integration into the Group. The Bank reorganized its branch network by reducing its operating costs by 15% on an annual basis. By the end of the year, its branch network comprised 177 units and it engaged 2,580 employees. Loans and deposits stood at €836 million and €575 million, respectively. VB's profit before provisions totalled €12.9 million in 2009, while the net interest rate margin reached 573 bps.

Leveraging the Group's know-how and infrastructure, the extensive deposit base in the local market and more specialised product structures, the bank has steadily enhanced its competitiveness.

3.7 CYPRUS

National Bank of Greece (Cyprus) Ltd comprises 18 banking units throughout the country. Despite the global financial crisis, it posted a satisfactory performance in 2009, generating net profit before provisions of €22 million. In 2009, the bank continued its comprehensive programme of infrastructure upgrading, mainly regarding computerized applications and systems (SAP system to cover the needs of accounting and human resource management) and renovation of branches. A new International Transaction Service

Unit was set up in Limassol and the decision was taken to set up a representative office in Moscow, with a view to leveraging the heightened activity in the relations between Cypriot banks and Russian-interest corporations in recent years.

As regards business growth, last year saw a drastic reduction in new funding applications, particularly in the real estate sector, a crucial area of the country's economy. Market developments have not led to increased bad debts, as our efforts to collect loans in arrears have been stepped up, alongside prudent selection of new funding customers and efforts to secure adequate collateral. The timely withdrawal from, or dramatic reduction of, exposure in areas of the economy that have been particularly hard hit by the crisis (tourism, real estate development-construction, car trading) also contributed to damage limitation. The endeavour to collect loans in arrears was continued with success, while taking into account the adverse circumstances and despite the time-consuming procedures.

In the area of deposits, 2009 saw intense competition in interest rates, particularly in the case of time deposits, while the liquidity problem during the crisis was particularly marked as measures to enhance liquidity in the banking system were not implemented. At the same time, the Cypriot banks are not entitled to go ahead with loan securitization or to issue covered bonds, due to the lack of the appropriate legal framework.

Nevertheless, even under the stressful market conditions, total loans increased to €1.1 billion, up 13% on an annual basis, and deposits to €680 million, up 7%.

3.8 SOUTH AFRICA

The South African economy has been negatively impacted by the global credit crisis. As a result, net profit of South African Bank of Athens (SABA) for 2009 was limited to ZAR2.2 million, following a 5-year period of stable profit growth. The interest rate cut led to a significant limitation of interest income and to margin squeeze. In addition, the imposition of new auditing rules by the regulatory authorities has negatively affected the undertaking of new business initiatives and led to an increase in operating costs.

SABA continued its upgrade of the infrastructure of its operational systems and their alignment with the Group's new methods and practices both in the network and in management. In addition, new policies and methodologies in risk management were developed and a new risk assessment model implemented for better customer monitoring and service.

3.9 OTHER COUNTRIES

NBG operates branches in Albania, London and Cairo.

The NBG network in Albania totals 30 units, with a 14.9% market share in retail and 6.4% in corporate lending. In 2009, NBG's Albanian network posted profit before provisions of €9 million, against €4 million in the previous year. The impressive increase in profit is due to the increase of interest income by 15%, especially commission income, from €2 million to €6 million (over 100% year on year). Loans stood at roughly the same levels (down slightly) as 2008, while deposits showed a remarkable increase by 17% on the previous year. Finally, the cost/income ratio dropped from 68% to 50%, while the net interest rate margin reached 508 bps.

For the second consecutive year, the Group continued to boost its presence in Egypt, with the opening of 8 new branches. Thus, by the end of 2009, NBG's Egyptian network numbered 15 branches. The number of staff also increased, and the Bank undertook to train newly-recruited and older employees and executives. New deposit products were launched (Bonus Time Deposit, Three-Year Variable and Fixed Deposit Certificate, Interest Bearing Current Account) through targeted advertising campaigns.

The corporate loan book showed significant growth, as it more than doubled (104% on an annual basis), while risk differentiation across various market sectors was accomplished. In addition, NBG Egypt participated in 5 syndication loans. Loan book growth would have been even more impressive if the loan-to-deposit ratio was not subject to strict Central Bank limitations. Savings also presented remarkable growth of 108% year on year.

SECTION 4 OTHER GROUP ACTIVITIES

4.1 INSURANCE

Via its subsidiaries Ethniki Insurance and Finans Emeklilik ve Hayat AS ("Finans Pension), the Group offers a full range of retail and business-to-business insurance products and services.

Ethniki Insurance is active in Greece and three other countries: in Romania via Garanta, in Bulgaria via UBB-AIG LIFE, UBB-AIG and UBB-BROKERS, and in Cyprus via its subsidiaries Ethniki Insurance Cyprus and Ethniki General Insurance (Cyprus). It conducts its business in Greece through 2,850 insurance agents and 2,620 partner insurance agencies. Its products are also marketed via NBG's extensive branch network (bancassurance packages). In 2009, the Ethniki Insurance Group posted profit before tax and extraordinary expenses of €38.7 million of which €5.7 million arises from the activities of its subsidiaries and affiliated companies.

In 2009, Ethniki Insurance once again held first place in the Greek market on the basis of gross registered premiums. The company's market share in life insurance for 2009 is 23.4% and in general insurance is 17.1% compared with 21.2% and 13.5% in 2008 respectively, according to the Private Insurance Supervisory Committee.

The total registered premiums of Ethniki Insurance Group grew by 14.1% in 2009 to €1,033.2 million compared with €905.2 million in 2008. Life insurance premiums grew by 2.8% on the previous year, while non-life sector premiums grew by 27.5%. In particular, as market conditions favoured Ethniki Insurance, insured cars increased by 70.8% and production was up 48.2% on the previous year.

Within the framework of the Group's strategy to enhance synergies, Ethniki Insurance's network continued to market NBG housing and consumer loans, which reached €150 million in 2009.

In addition, bancassurance business continued to grow dynamically, with effective leveraging of NBG's extensive branch network. In 2009, bancassurance business continued to post strong growth, with total net production of insurance premiums surpassing €250.8 million, up 8.3% on 2008. This performance was achieved within a highly negative financial climate.

Specifically, the growth in business for NBG was based on pension/investment products of long-term maturity and accompanied by lump sum payments, which showed a slight increase, and on other products accompanied by monthly payments, which posted year-on-year growth of around 25%. It is worth noting that during 2009, with the launch and promotion of a new time deposit package (generating monthly payments), a total of €91 million in time deposits was gathered together with 1,200 bancassurance contracts.

Insurance products linked to other NBG business (life and fire insurance for its borrowers) posted growth of 6.1% to €79.8 million, while 24.2% of the total turnover of Ethniki Insurance concerned bancassurance. Table 4.1.2 presents a breakdown of bancassurance product growth over the two years 2008 and 2009.

Finans Pension was established in 2007. At end-2009, it was the 11th largest company in life insurance in Turkey in terms of gross registered premiums, with a 2.7% market share, according to the Association of the Insurance and Reinsurance Companies of Turkey. At December 31, 2010 total assets of Finans Pension were €31.3 million.

TABLE 4.1.1:
ETHNIKI HELLENIC GENERAL INSURANCE GROUP FINANCIALS

(€ millions)	2008	2009	% change
Total assets	2,499	2,906	16.3%
Shareholders' equity	83	195	134.9%
Profit before tax and extraordinary charges	36.4	38.7	6.3%
VR cost	15	22.1	47.3%

TABLE 4.1.2:
BANCASSURANCE PRODUCTS (€ MILLIONS)

Product	Production 2008	Production 2009	% change
Borrowers life insurance	41	43.1	5.2%
"Pension Plus"-"Providing"	158.3	170.2	7.5%
Borrowers life insurance	34.2	36.7	7.2%
Other	0.5	0.7	51.7%
Total Bancassurance turnover	**234**	**250.8**	**7.2%**

4.2 HOTEL BUSINESS

The NBG Group is also active in the hotel sector via the Astir Palace Vouliagmenis Hotel, whose hotels are managed by Starwood.

2009 was undeniably a year of great decline in tourism. The global economic crisis led to a decline in the number of business meetings and trips. In addition, concerns about the H1N1 virus caused significant cancellations in the sector.

Despite the severe impact of the crisis, Astir Palace showed resilience in significant parts of its activities, placing emphasis on internet bookings, which were up 59% on the previous year.

Tourism in 5-star hotels in Athens was under considerable pressure in 2009, as occupancy rates declined by -11.5%, and RevPAR fell by -19.7% on the previous year. Nevertheless, the Arion and Westin hotels moved at much better levels than the market, posting a rise in RevPAR and ADR ratios. Room occupancy was maintained at satisfactory levels during high season, but negatively affected during the first and fourth quarters of the year (low season), mainly because of the decline in conference tourism. The Nobu Matsuhisa Restaurant – a newcomer to the Athens market – contributed significantly to the increase in revenues.

In addition, the guest satisfaction index was maintained at high levels at both the Westin Hotel and the Arion Resort & Spa.

A series of staff training programmes was held during the year and a new series started and will be completed in 2010, while an incentives system has been put in place to enhance staff efficiency.

4.3 REAL ESTATE

In the past year, the Group was active in the real estate sector via the subsidiary Ethniki Kefalaiou SA, as well as via the Bank itself.

In 2009, Ethniki Kefalaiou posted net profit before tax of €13.4 million. It should be noted that, in the context of its responsibilities, Ethniki Kefalaiou accepted the proposal of the Hellenic State to act as special liquidator to the Olympic Airways Group of companies, which owns considerable assets.

The Bank's property development and management business generated profits of €18.9 million in 2009, the greater part of which derived from property sales.

Last, the Bank decided to establish "NBG PANGAEA Real Estate Investment Company" (PANGAEA REIC). The decision was approved in the beginning of 2010 by the GM. The company's real estate portfolio consists of 241 commercial properties (mainly bank branches and office buildings) of a book value of €590 million and a market value of €914 million, making it particularly attractive to investors aiming at a fixed income from dividends. This specialized investment vehicle shall leverage investment opportunities in the real estate sector in the wider region where the Group is active and, in addition, shall enable the Group to maximize returns on the substantial property portfolio of the Bank.

4.4 COMPUTING SERVICES

Ethnodata provides IT services to the Bank, to other Group companies and to organizations in the broader financial sector.

In 2009, the company carried out a number of software and advisory services projects in the Bank and other Group companies, such as Ethniki Insurance and National P&K Securities Co. These projects included: 1) provision of integrated solutions for meeting specialized needs regarding IT systems, such as the development of the Bank's i-bank Mobile Banking service, 2) provision of advisory services such as parameterization of banking products and services, and listing and optimization of business processes using state-of-the-art tools, and 3) deployment and maintenance of, and support for, integrated IT systems of the Group.

As part of its strategic growth plan, Ethnodata has made a number of dynamic investments in pioneering IT fields, such as business process management systems, workflow management systems, business intelligence systems, core banking systems, automated payment systems, voice response systems and smart phone systems for mobile banking and mobile payments.

The company's staff increased to 314 employees in 2009.

SECTION 5 RISK MANAGEMENT & CORPORATE GOVERNANCE

5.1 GROUP RISK MANAGEMENT

The NBG Group applies best corporate governance practices in line with all relevant guidelines and supervisory requirements. The risk management function is supervised by the Board's Risk Management Committee (RMC), backed by the Group Risk Management Division (GRMD). The members of the RMC are members of the Board of Directors, appointed by the Board of the Bank on the recommendation of the Corporate Governance and Nominations Committee. The RMC convenes at regular intervals, at least four times a year, though in 2009 it held 10 meetings altogether because of the stressed macroeconomic conditions. The RMC carried out in depth reviews of the Group's loan books in Greece and abroad and prepared actions plans to deal with products that were generating deterioration in their respective portfolios.

Other bodies supporting the risk management function, and in which the Group Chief Risk Officer participates as a member, are the Asset-Liability Committee (ALCO), the Executive Committee, the Operational Risk Committee, and the Corporate & Retail Credit Policy Committees. In all of these, the Group Chief Risk Officer plays a key role in the decision-making process on issues related to the assumption and management of risk, credit policy and the definition of the discretionary framework governing the assumption of risk. The Bank's current process for controlling business credit approval includes various bodies authorized to approve different levels of credit facilities. The most important of these are:

- Senior Credit Committee (SCC) for credit facilities in excess of €500 million;

- Credit Committee "Level B" for credit facilities totalling €100-500 million;

- Credit Committee "Level A" for credit facilities totalling €20-100 million.

Approval of lower level credit facilities is handled by various other bodies.

Besides the limits set out above, the credit committees address a number of other parameters when considering credit approvals, such as the sector in which the business operates.

With regard to business credit for NBG Group customers headquartered outside Greece, various approval processes and committees are in place at the Group's subsidiary companies with discretionary levels that differ from country to country. The country limits have recently been revised in order to better monitor loan book quality under the current stressed financial conditions. For credit facilities exceeding the country limits - for risks up to €200 million - the relevant approval body is the International Corporate Credit Committee, while the SCC handles levels higher than this.

The Regulatory Compliance Unit is responsible for all matters relating to regulatory compliance (models, legislation and regulations) in Greece and abroad.

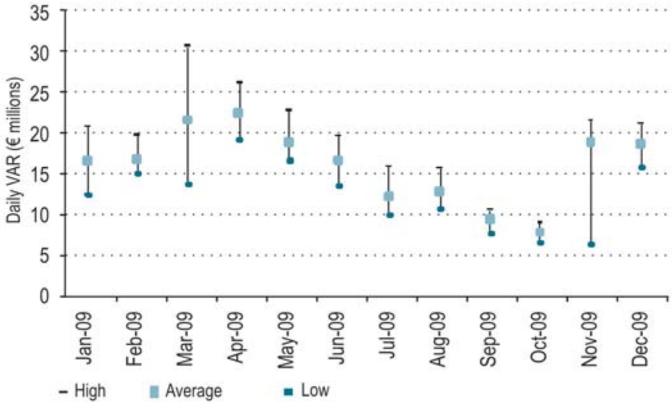
The governance and risk management framework is complemented by the Internal Control Unit, which acts as an independent control body that ensures the effectiveness of the risk management framework and the control environment, and reports via the Board's Audit Committee to the Board of Directors of the Bank.

Market risk

To manage market risk effectively, the Bank estimates on a daily basis "Value at Risk" (VaR) for its aggregate trading and available-for-sale (AFS) portfolio and the various risks entailed therein (interest rate, equity, and foreign exchange risks). The VaR estimates refer to a one-day holding period and a 99% confidence interval.

At Group level outside Greece, the monitoring of market risk focuses primarily on the trading and AFS portfolio of Finansbank, since the other Group subsidiaries are not exposed to such risk to a significant degree. Accordingly, to estimate and manage efficiently risk undertaken, Finansbank

DIAGRAM 5.1.1
TOTAL VAR ON NGB'S TRADING & AFS PORTFOLIO



calculates VaR on a daily basis for its aggregate portfolio.

In 2009, the total VaR estimate for the Bank's portfolio ranged between €6.4 million and €30.9 million, while the average for the year was €16 million (DIAGRAM 5.1.1). Fluctuations in the total VaR reflect mainly changes in interest rate, equity and FX risk levels, as well as their correlation with one another. However, as the analysis below indicates, the most significant risk contained in NBG's portfolio is interest rate risk.

The VaR on NBG's interest rate risk (DIAGRAM 5.1.2) was impacted decisively by the volatility of interest rates and the state of play of the Bank's securities portfolio. Specifically, with turbulence in the global markets persisting in 2009, interest rate volatility remained high during the first half of the year. However, this volatility calmed progressively in the second half of the year. DIAGRAM 5.1.3

DIAGRAM 5.1.2
VAR ON NGB'S INTEREST RATE RISK ON THE TRADING & AFS PORTFOLIO

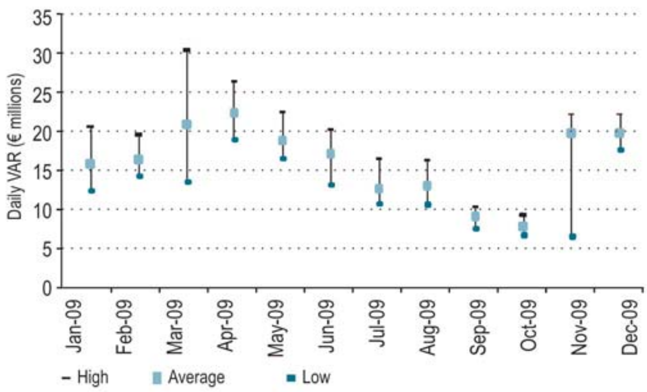


DIAGRAM 5.1.3
DAILY VARIABILITY IN YIELDS ON EURO AREA 10Y BENCHMARK BOND (in bps)

shows the volatility in the yield of the 10-year euro benchmark bond.

A key component of the VaR on NBG's interest rate risk was the growth of the Bank's Hellenic Republic securities portfolio. In 2009, the aggregate nominal value of this portfolio rose by 29% to €12.8 billion.

The VaR on NBG's Shares and Derivatives Portfolio (DIAGRAM 5.1.4) did not present sharp fluctuations throughout most of the year, tracking the behaviour of the key stock indices on the ATHEX (DIAGRAM 5.1.5). However, from late November onwards, when the current Greek fiscal crisis broke out, the stock indices displayed sharp fluctuations leading to increased volatility and higher VaR on equity risk.

Last, NBG calculates on a daily basis VaR on the foreign exchange risk deriving from exposures to foreign currency (DIAGRAM 5.1.6).

DIAGRAM 5.1.4
VAR ON NBG'S SHARES
& SHARE DERIVATIVES PORTFOLIO

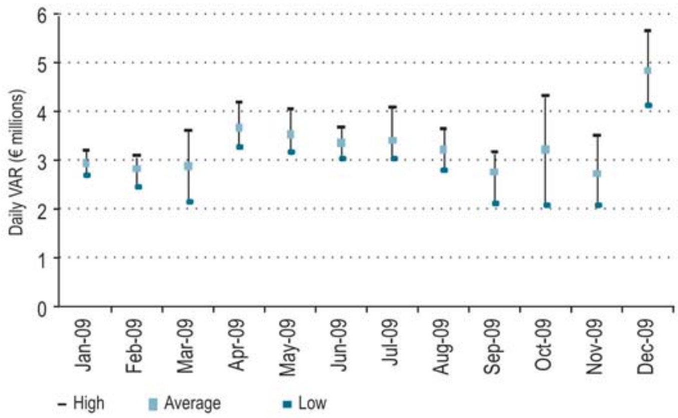


DIAGRAM 5.1.5
DAILY VARIABILITY IN RETURNS
ON SHARE INDICES

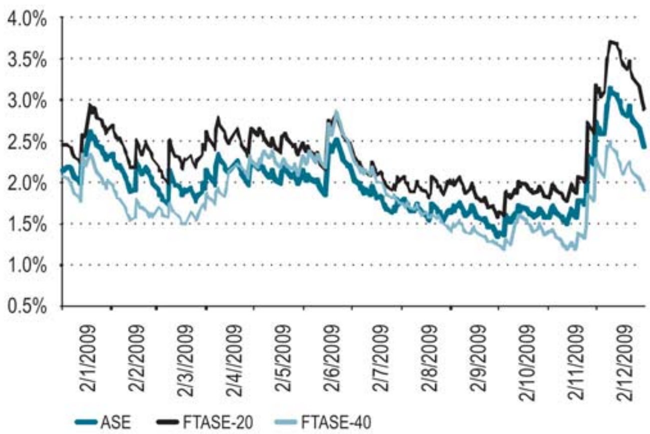


DIAGRAM 5.1.6
VAR ON NBG'S OPEN FX POSITION

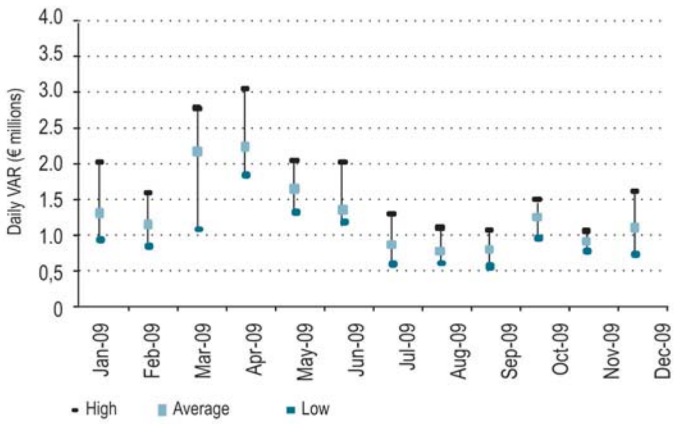
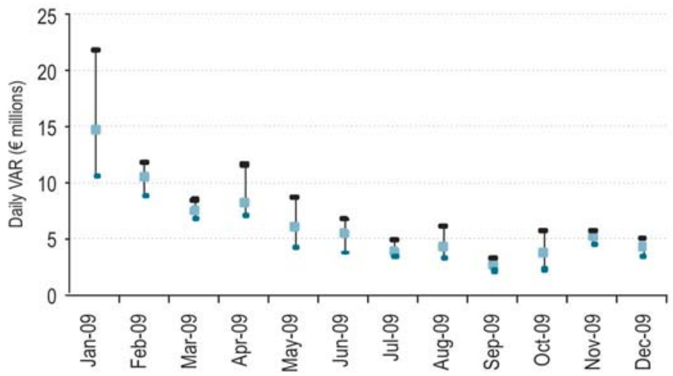


DIAGRAM 5.1.7
TOTAL VAR ON FINASBANK'S
TRADING & AFS PORTFOLIO



Likewise, in 2009 the VaR on Finansbank's trading and AFS portfolio ranged between €2.3 million and €21.9 million, at an average of €6.5 million (DIAGRAM 5.1.7).

The VaR on Finansbank's interest rate risk, equity risk and FX risk in 2009 is set out in DIAGRAMS 5.1.8, 5.1.9 and 5.1.10 respectively.

These diagrams show that the most significant risk in the Finansbank portfolio derives from fluctuations in interest rates. Interest rate VaR in 2009 ranged between €2 million and €22.5

DIAGRAM 5.1.8
VAR ON FINANSBANK'S INTEREST RATE RISK
ON THE TRADING & AFS PORTFOLIO

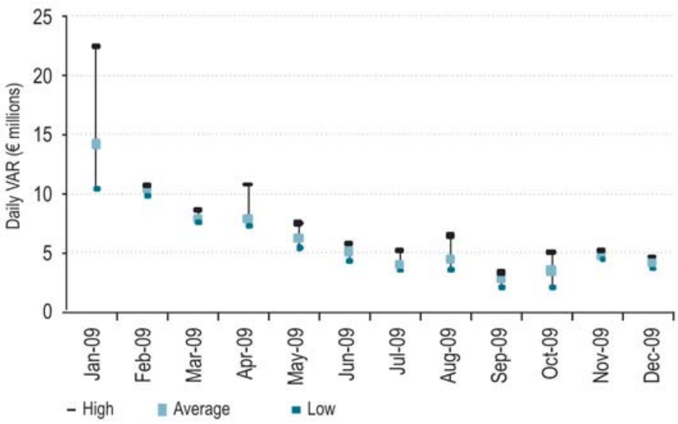
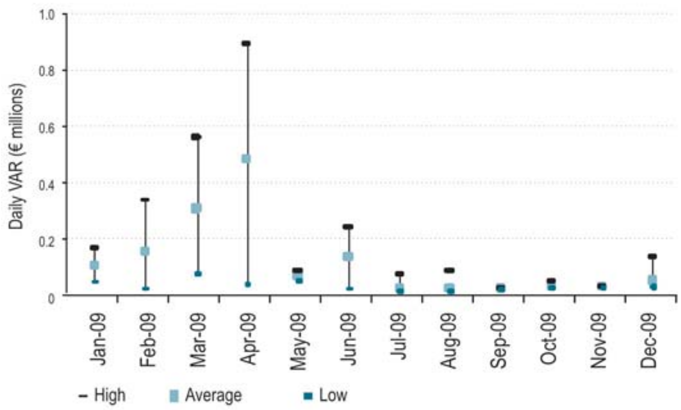


DIAGRAM 5.1.9
VAR ON FINANSBANK'S
SHARES & SHARE DERIVATIVES PORTFOLIO



million, while the average for the year was €6.2 million. In the early part of the year, interest rate VaR and, accordingly, the VaR on the aggregate portfolio of Finansbank, was particularly high due to the sharp fluctuations in the yields of Turkish government bonds in foreign currency (Eurobonds), which had begun in the last quarter of 2008. Subsequently, conditions normalized, as reflected in the VaR estimates.

To control and manage the Bank's risk, we have set specific VaR limits, which cover both individual risks (interest rate risk, equity risk, FX risk) and total market risk. The approved limits concern NBG's aggregate trading and AFS portfolio. A similar framework of VaR limits is in place for Finansbank's portfolio.

To verify the reliability of its internal model for measuring market risk, the Bank conducts back-testing, which consists of a comparison of the VaR estimated by the model with the corresponding change in value of the portfolio on which the estimate was based for the period in question. In 2009, out of a total of 251 working days, the number of times the estimated VaR was exceeded was just 2, despite the adverse environment.

The daily VaR estimates refer to "normal" market conditions. However, supplementary analysis is necessary for capturing the potential loss that may be incurred by the Bank under extreme and unusual conditions in the financial markets. Accordingly, the Bank carries out stress testing on a weekly basis, calculating the profit/loss in the trading and AFS portfolio in the event of extreme movements in the markets. The scenarios used are in compliance with IMF models and capture the three basic types of market risk (interest rate, equity and FX), as set forth in TABLE 5.1.1.

At 31 December 2009, the results of the crisis-situation simulation scenario for the Bank's trading and AFS portfolio were as set forth in DIAGRAM 5.1.11.

As noted above, the most significant market risk assumed by NBG in 2009 was interest rate risk. DIAGRAM 5.1.12 shows the distribution of the various risks as at the last day of each quarter in 2009.

DIAGRAM 5.1.10

VAR ON FINANSBANK'S OPEN FX POSITION

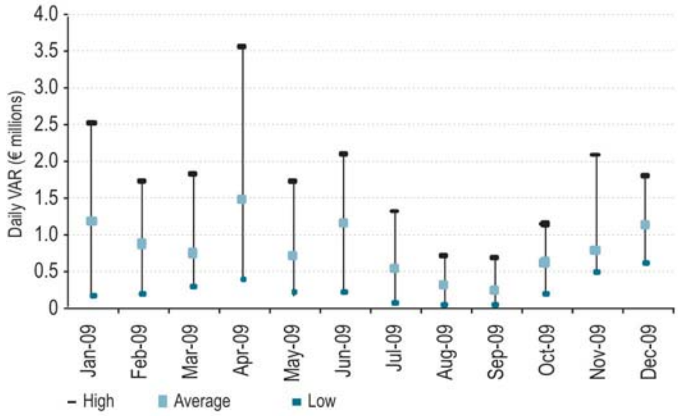


TABLE 5.1.1

INTEREST RATE RISK

Scenario	Description	0 - 3 months	3 months - 5 years	> 5 years
1	Parallel curve shift	+200 μ.β.	+200 μ.β.	+200 μ.β.
2	Parallel curve shift	-200 μ.β.	-200 μ.β.	-200 μ.β.
3	Steepening	0 μ.β.	+100 μ.β.	+200 μ.β.
4	Flattening	+200 μ.β.	+100 μ.β.	0 μ.β.

EQUITY RISK

Scenario	Description
1	-30% for all indices

FX RISK

Scenario	Description
1	EUR depreciation by 30%

DIAGRAM 5.1.11
RESULTS OF STRESS TEST SCENARIOS
(€ millions)

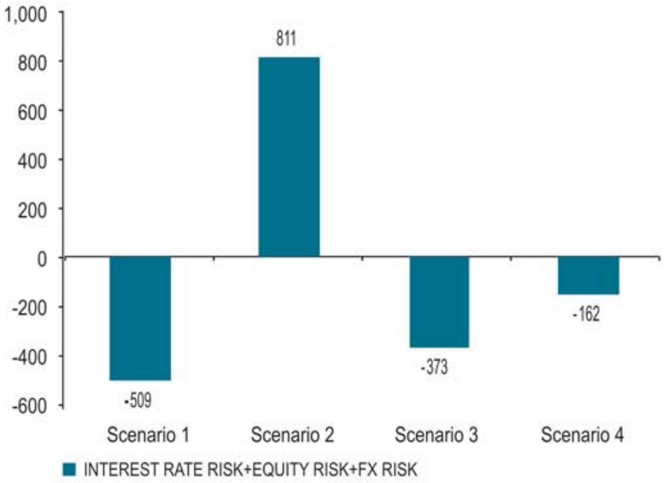
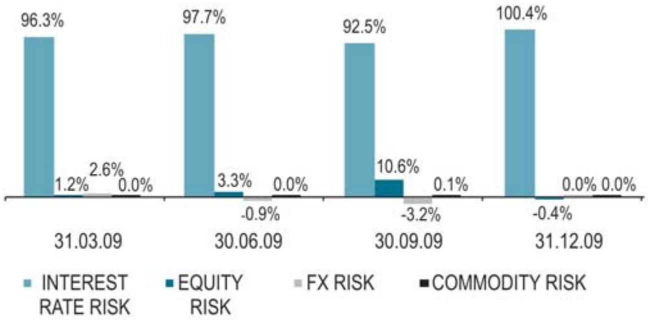


DIAGRAM 5.1.12
BREAKDOWN OF MARKET RISKS IN NBG'S PORTFOLIO



Credit risk

The Group pays particular attention to implementing the highest standards of credit risk management and control. Credit risk arises from an obligor's (or group of obligors) failure to meet the terms of any contract established with the Bank or one of its subsidiaries. Accordingly, in line with its Risk Management Strategy, the parent Bank sets the standards for rating all its models for predicting and managing the credit risk assumed by NBG subsidiaries in Greece and abroad, and determines the guidelines for developing methodology for calculating the key risk parameters for each category of exposure in corporate and retail banking business.

The Bank uses different credit risk rating systems for its various portfolios. Credit risk rating systems are implemented to ensure reliable borrower rating and therefore optimum decision-making on credit policy-related matters. Furthermore, credit risk estimation models are implemented to generate statistical estimates of expected loss (EL) by calculation of risk parameters, i.e. probability of default (PD), loss given default (LGD) and exposure at default (EAD).

A. NATIONAL BANK OF GREECE

Business portfolio

following accreditation by the Bank of Greece, since the beginning of 2008 to quantify risk parameters and facilitate the application of the Internal Ratings-Based Approach (IRBA) for calculating capital requirements against credit risk.

The rules for rating business borrowers (obligors) are set out in detail in the Credit Policy for the Business Portfolio. Briefly, we note that the PD ratings scale contains 22 grades, 19 of which correspond to borrowers who have not been in default and 3 to borrowers who are or have been in default (as defined in the Credit Policy). Different exposures against the same borrower are rated in the same grade, regardless of the differences between the various forms of credit (that is, as regards the security). The procedure is carried out on, at least, a yearly basis, and whenever new information or financial data on the borrower comes to the Bank's notice.

Three models are used for rating business obligors:

1. All businesses with full financial data (balance sheet) are rated using Moody's Risk Advisor (MRA).
2. Borrowers that comprise special cases (such as newly established firms without full financial data, consortiums of constructors, insurance companies, associations) are rated using expert judgment, as set out in the Credit Policy.
3. Special cases of exposure, particularly credit for project finance and object finance, are rated using simplified slotting criteria models, which take a range of criteria into account (financial analysis, political and economic environment, operational risk, security offered, and so on). Note that, particularly in the case of ocean shipping and for the time being on a pilot basis, the Bank also uses a specialized model by Marsoft, which is fed with data from around the world and rates likelihood of default on a long-term horizon.

TABLE 5.1.2
RANKING ON NBG SCALE

Obligor rank	Average PD (%)	S&P scale equivalent
1	0.01	AAA
2	0.03	AA+
3	0.05	AA
4	0.07	AA-
5	0.10	A+
6	0.17	A
7	0.26	A-
8	0.41	BBB+
9	0.58	BBB
10	0.82	BBB-
11	1.30	BB+
12	2.30	BB
13	3.73	BB-
14	5.41	B+
15	7.65	B
16	12.00	B-
17	16.00	CCC
18	20.00	CC
19	25.00	C
20 - 22	100.00	D (Default)

DIAGRAM 5.1.13
BREAKDOWN OF BUSINESS BORROWERS BY MODEL

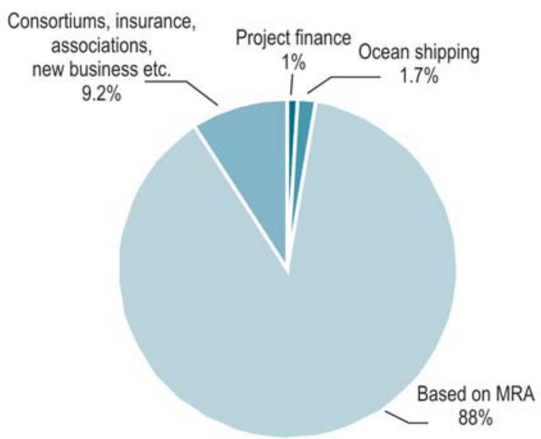
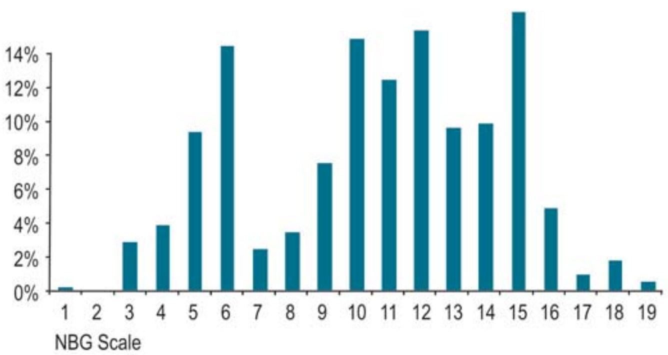


DIAGRAM 5.1.14
BREAKDOWN OF TOTAL BUSINESS CUSTOMER BALANCES 31.12.2009



Using data at 31 December 2009, DIAGRAM 5.1.13 sets out the total exposures against businesses, as per the said ratings.

Using data at 31 December 2009, DIAGRAM 5.1.14 presents the business lending of the Bank for the 19 grades of the internal rating scale, including lending to SMEs and exposures to credit institutions.

The diagram indicates that 45% of the exposures are rated at 10 or higher, which is equivalent (in PD terms) to Standard & Poor's BBB- ("investment grade"). Regarding exposures to business customers, 39% of the total is rated 10 or higher (DIAGRAM 5.1.15). Note also the dispersion of business clients across the various categories, with no concentration over 30% in any single rating category.

Ongoing measures to improve portfolio quality have led to the introduction of credit limits per borrower (obligor limits), in line with the customer's credit ratings. Accordingly, the assumption of credit risk, beyond systematic and ongoing monitoring by current systems, is closely monitored also by the use of these limits.

The Bank's business portfolio across the various sectors of economic activity continues to be well dispersed and to not present significant concentration in any one industry, serving as a buffer against the shocks from the international environment. The relatively higher concentration in the wholesale market reflects the large number of companies of differing activities that go to make up the sector (DIAGRAM 5.1.16). Lastly, note that within the framework of Basel Pillar II the Bank carried out a project for measuring industry concentration risk. The results of this project showed that there is satisfactory dispersion of risk across industries.

Retail banking

Management of credit risk in the retail portfolio begins with the approval procedure, which is fully centralized. Each request for financing, in whatever credit product, is assessed using special application scorecards. These statistical models follow well established international methodologies and are based on historical data held by the Bank, while their predictive power is monitored systematically.

Thereafter, throughout their duration, the behaviour of all retail exposures is monitored on a regular basis and at a central level, reports are prepared on the quality of the loan books for review by management and the credit divisions concerned, and measures are proposed for dealing with the credit risk in cases where this is deemed necessary.

Accordingly, all new products that were launched in 2009 were rated on the basis of credit risk. Furthermore, in response to the global economic slowdown credit criteria were adjusted for all retail credit products, using a variety of risk mitigation measures. Last, we prepared a framework for monitoring and deploying action plans designed to further enhance the quality of our retail banking portfolios.

Over the past year in particular, given the extremely negative economic environment, the Bank has taken additional measures to enhance the management of retail customers with doubtful debt. For example, it has increased staff assigned with updating customers about overdue debts, upgraded the non-performing debt management system, and introduced new loan settlement products for customers undergoing temporary difficulties with their debt repayments.

The tools used for monitoring and managing the quality of the retail banking portfolio are default indices (for loans in arrears from 30 to 180 days), vintage analysis, and default rates by product or portfolio. These regular analyses are essential for calculating Expected Loss (EL), which comprises the basis for making forecasts for all the retail portfolios. The various portfolios, their quality and characteristics, are discussed below:

DIAGRAM 5.1.15
BREAKDOWN OF BUSINESS CUSTOMER BALANCES 31.12.2009

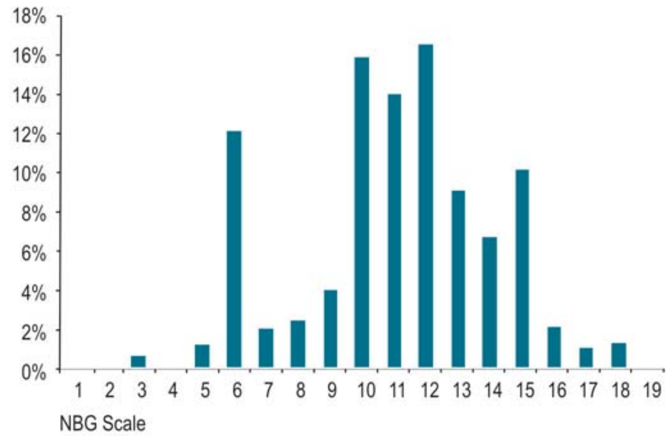


DIAGRAM 5.1.16
BREAKDOWN OF BUSINESS EXPOSURES BY SECTOR

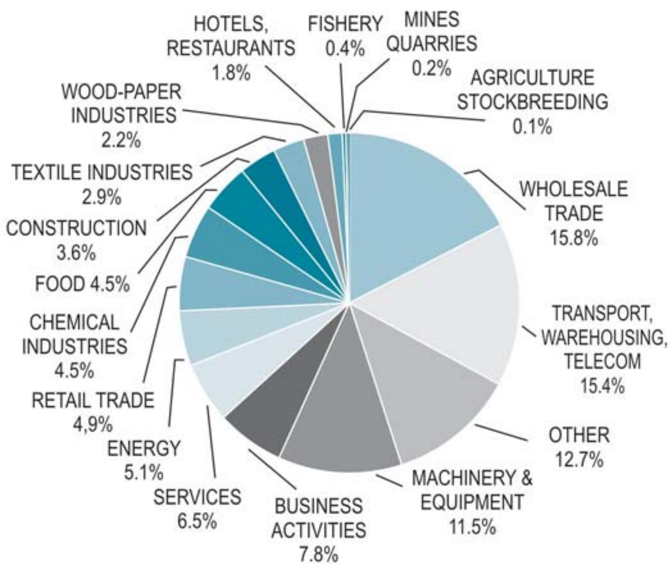


DIAGRAM 5.1.17
HOUSING LOAN DELINQUENCIES
180+ dpd

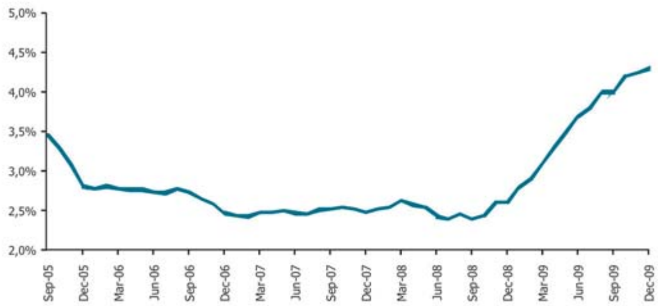
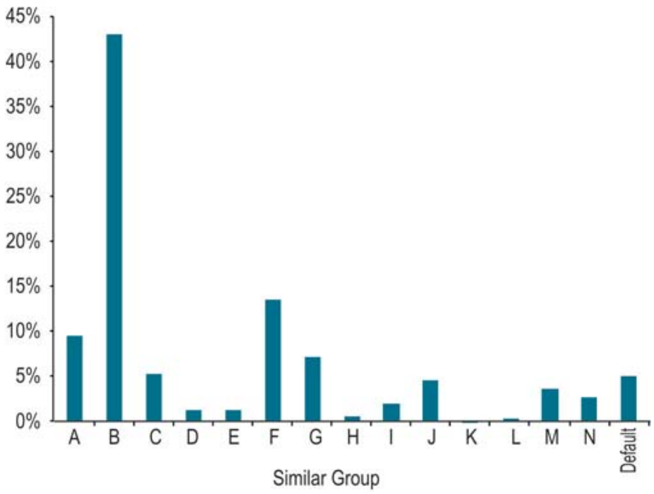


DIAGRAM 5.1.18
DISTRIBUTION OF HOUSING LOAN ACCOUNTS
BASED ON BALANCES



Mortgage lending

The mortgage lending portfolio represents the largest share of NBG's loans and advances to customers (total exposure: €20.5 billion at 31 December 2009). Accordingly, this lending category is subject to close monitoring and high-level analysis on an ongoing basis. In 2009, a series of risk mitigation measures was deployed in order to deal with customer applications that are classed as non-high risk. For instance, the use of behavioural models in the mortgage approval process, adjustments to acceptable rating levels depending on the risk appetite each time applicable, enhancement of criteria for defining income and obligations, setting of maximum lending rates in light of the instalment-to-income ratio and the loan-to-market-value ratio of the collateral.

In addition, the Bank has deployed measures such as increasing the number of staff assigned with the task of communicating with customers whose mortgage repayment is in arrears, while it has also recently launched new products designed to settle mortgage dues in arrears in the case of customers temporarily experiencing repayment difficulties. Although the Bank has stepped up measures to collect debt in arrears and applies stricter criteria in the loan approval process, the impact of the adverse economic environment is reflected in the rate of debt over 180 days in arrears in 2009, which stood at 4.2% at the end of the year, compared with 2.6% in December 2008.

Since the start of 2008, the Bank has applied the IRBA for estimating capital requirements for credit risk in respect of mortgages. Accordingly, the loans are ranked in groups on the basis of data regarding the borrower, the credit, and potential default (PD) status at the time of categorisation. Specifically, the model (approved by the Bank of Greece) for estimating PD classes loans in 14 groups, 5 of which concern loans granted within the past 12 months, while the other 9 concern older loans that are already displaying signs of "maturity". Each one of these groups has been assigned a different PD rating, which was updated within the past year after recent grading of the model.

A breakdown of total mortgages in December 2009 is presented in DIAGRAM 5.1.18, where groups have been rated in order of potential default (from A to N). It can be seen that more than one third (35% compared with 32% in 2008) of mortgages is rated in the low credit risk group B, while almost 60% displays PD of less than 1% (groups A to E).

On the other hand, the estimation of Loss Given Default (LGD) was based on a prolonged time period (1990–2006), for which default and associated collection (cash flow) data were used. As a result, it was possible to have differentiation of LGD according, on the one hand, to type of mortgage product (interest rate subsidies, Greek government guarantees) and, on the other, length of time in default.

The debt recovery rate is particularly high, exceeding 75% (DIAGRAM 5.1.19) of total amounts in default within 10 years, for both categories of mortgage products (subsidized and non-subsidized loans). It is worth noting that this rate rises to 85% if the recovery period is extended to 15 years, while at the same time the Bank maintains its collateral intact, the market value of which increased considerably in the period 1990-2009.

Consumer credit

During the course of the year consumer lending presented deterioration in quality, with increased loans in arrears (90+ days past due) despite more intensive management. This reflected, on the one hand, the decline in the rate of consumer loans granted relative to previous years and, on the other, the impact of the global economic slowdown. As a result, the value of the 90+ d.p.d. indicator stood at 12.4% at 31 December 2009 (DIAGRAM 5.1.20).

DIAGRAM 5.1.19
HOUSING LOAN RECOVERY RATES

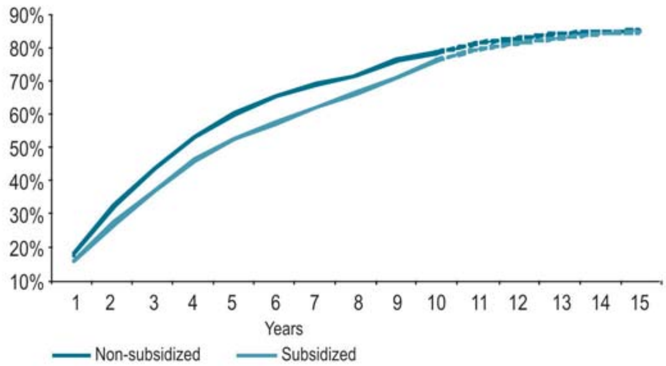


DIAGRAM 5.1.20
CONSUMER LOAN DELINQUENCIES 90+ d.p.d

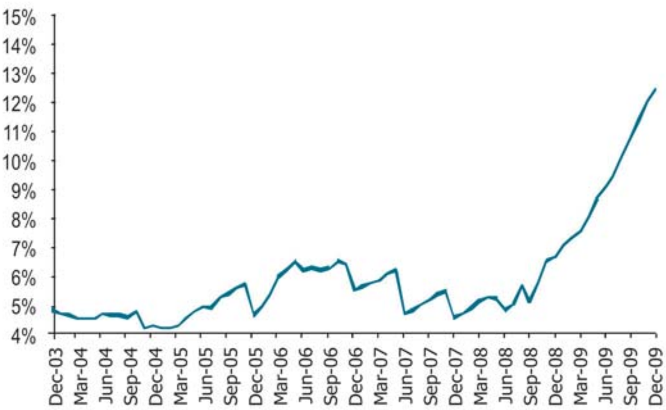


DIAGRAM 5.1.21
CONSUMER LOANS:
VINTAGE ANALYSIS - 6 MONTH LIFE

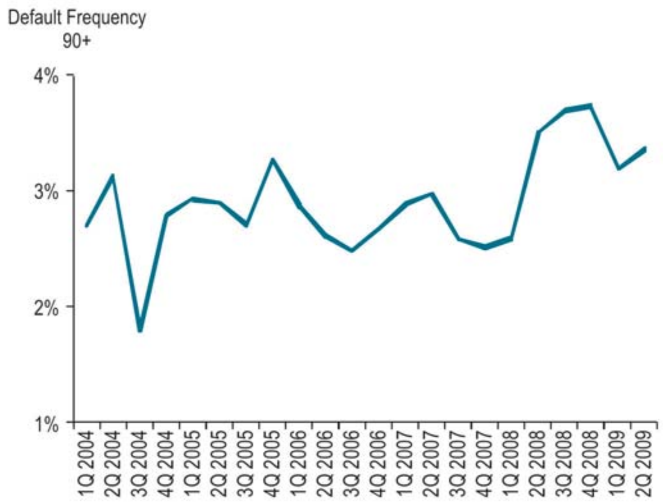
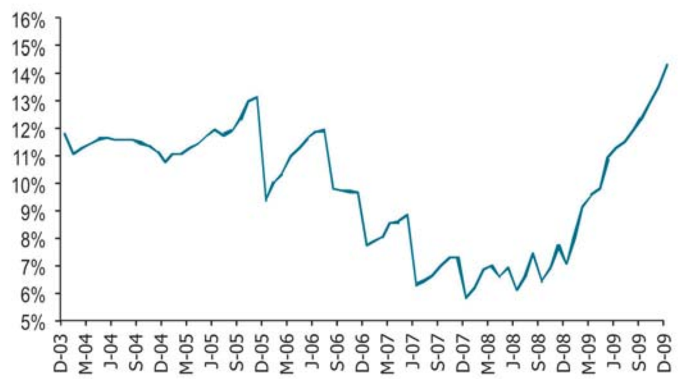


DIAGRAM 5.1.22
CREDIT CARDS: DELINQUENCY RATES 90+d.p.d.



Nevertheless, the centralized approvals procedure, even closer monitoring of the portfolio in question, and the swift application of measures in the case of specific products (e.g., increase in numbers of staff assigned with the task of informing customers of their dues in arrears) succeeded in limiting the frequency with which customers defaulted on loan payments within the first six months, leading dues in arrears for the first two quarters of 2009 into better territory than in 2008 (DIAGRAM 5.1.21).

At the same time, stricter criteria have been deployed, including the introduction and implementation of behavioural models, revision of the credit framework for various "channels" and products, rationalization of obligation-to-income parameters, and amendment of the authorization policy for revolving credit lines.

Credit cards

In the credit card segment, the Bank intensified its active management of dues in arrears. It has taken action to keep high-risk customers updated on credit card dues before they become overdue. Despite the measures, however, the 90+ d.p.d. indicator increased in 2009 because of the adverse conditions in the market, climbing at 31 December 2009 to 14.2% (DIAGRAM 5.1.22).

There was also deterioration in the frequency of default on recently granted credit cards of 6 months life, though the frequency is less than that of older cards. The comparatively better performance of the more recent cards granted is due mainly to the enhanced control and monitoring mechanisms noted above, which were stepped up from 2007 onwards (DIAGRAM 5.1.23).

With regard credit cards, approval criteria were revised and behavioural scoring (using scorecards) was integrated into the approval process, criteria for holding multiple products were introduced, the cash withdrawal policy was rationalized, control of credit history was established for credit card authorization, criteria for altering credit limits, automatic renewals and credit line assignment were enriched, and the authorization policy was amended.

Last, the debt recovery ratio for consumer lending and credit cards is deemed satisfactory, considering that for the vast majority of these cases there was no collateral and that market conditions were so hostile. The debt recovery ratio over a 6-year horizon is over 50% for both product categories, with consumer loan recovery within 3 years presenting a higher rate of recovery (51%) than credit card debt (37%) over the same period (DIAGRAM 5.1.24).

SMEs

Credit to SMEs posted an increase in 2009, without significantly altering the quality of the portfolio because of the Bank's participation in the TEMPME Small Business Loan Guarantee Fund programmes.

As DIAGRAM 5.1.25 shows, 77% of the aggregate exposures are rated equal to or higher than 15 which, in PD terms, corresponds to B on Standard & Poor's rating scale. This is considered satisfactory, given that the portfolio consists of businesses with no specific financial and legal structure (chiefly sole proprietorships, limited and unlimited partnerships keeping category B account books) and turnover below €2.5 million.

DIAGRAM 5.1.23
CONSUMER LOANS:
VINTAGE ANALYSIS - 6 MONTH LIFE

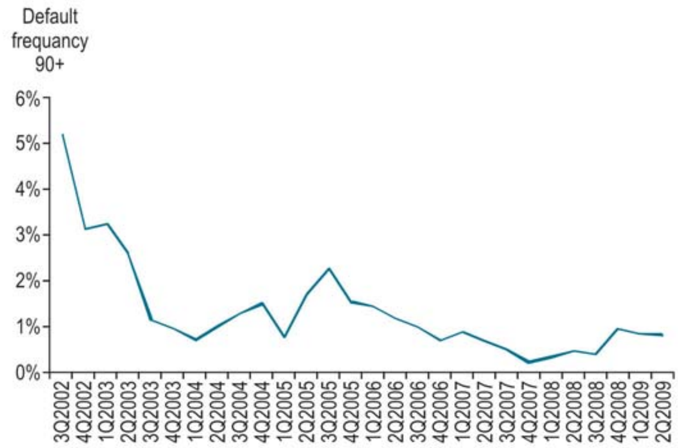


DIAGRAM 5.1.24
CONSUMER CREDIT:
RECOVERY RATES

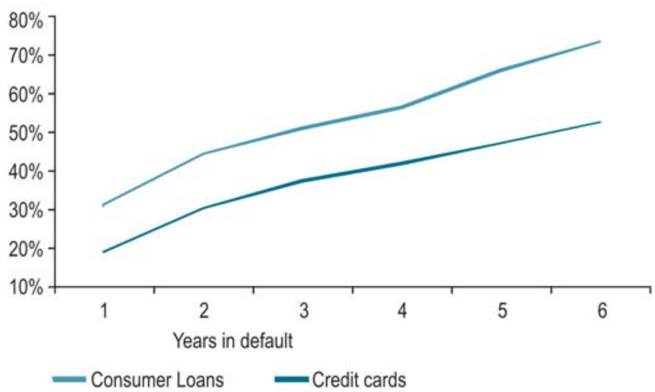
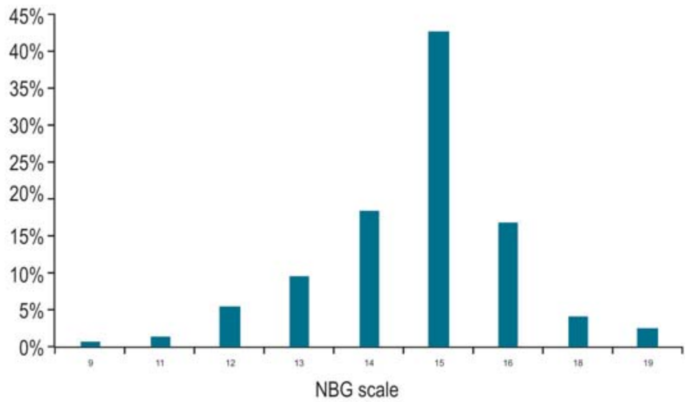


DIAGRAM 5.1.25
BREAKDOWN OF LENDING TO SME 31.12.2009

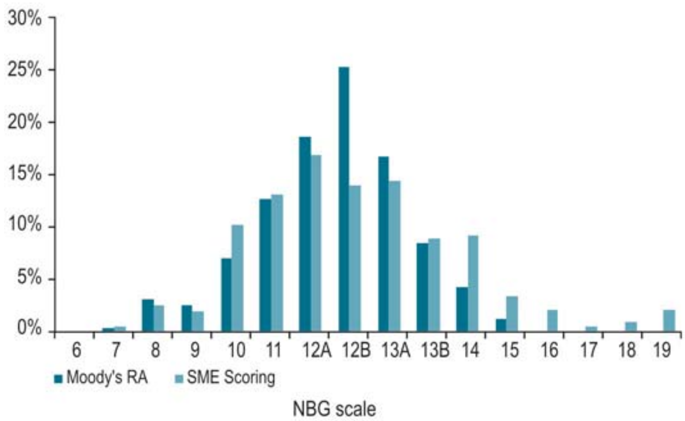


Assessment of all credit applications for the purposes of both the initial credit review and subsequent renewals of credit limits is based on the SME rating model. This model enables the rating of businesses that keep either category B or C account books, and provides flexibility and fast processing of credit requests, which is essential for the clientele in question.

Furthermore, as in the case of its other retail banking products, the Bank took additional measures to optimize management of SME debt in arrears. It assigned staff at its contact centre and extensive branch network with the task of communicating with SME customers who are in the first stage of debt delinquency. It also stepped up its resources in the sphere of management of SME debt that is in an advanced state of delinquency, and recently introduced new products that reschedule SME debt in arrears for customers that are undergoing temporary problems with loan repayment.

Finally, the Bank introduced credit line limits in conjunction with the rating of the model used, as well as criteria for minimum participation of loan applicants in the financing of investment schemes. It also revised the weighting of adverse financial data in the credit authorization process.

DIAGRAM 5.1.26
BREAKDOWN OF FINANSBANK'S BUSINESS BORROWERS BY VALUATION SYSTEM



B. NBG SUBSIDIARIES

The standards for risks undertaken by the Group's subsidiaries and the guidelines for calculating the key risk parameters in business and retail banking are set centrally by the GRMD.

Corporate portfolio

Specifically, for the Group's largest subsidiary, Finansbank, DIAGRAM 5.1.26 presents the distribution of obligors by rating model.

In assigning credit scores to its corporate borrowers Finansbank uses the Moody's Risk Analyst model, which was recently graded in view of the scheduled overview of the corporate loan book by the IRBA Approach for the calculation of capital requirements (Basel II), as well as the Small Business Credit Scoring model.

A substantial portion of the corporate loan portfolio (according to data at 31 December 2009: 95% of lending and 80% of obligors) is rated using Moody's Risk Analyst and, as shown by the diagram, continues to display good dispersion of clientele across the various scales without high concentration in any single category.

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Retail banking

The largest part of the retail banking balance is held by Finansbank (65%), followed by United Bulgarian Bank (17%) and Banca Romaneasca (11%). The other two subsidiary banks, Stopanska and Vojvodjanska, have market shares of around 5% (DIAGRAM 5.1.27).

The default ratio (debt in arrears 90+ days) for Finansbank showed a steadily rising trend throughout 2009. The default ratio for UBB was the highest of all the subsidiaries, though it improved towards the end of the year. Banca Romaneasca's default ratio rose during 2009, but was the lowest of all the subsidiaries. Loan default at Stopanska and Vojvodjanska also posted an upward trend (DIAGRAM 5.1.28).

As regards credit policy, the measures taken during the last quarter of 2008 concerning the application of stricter credit authorization criteria were continued. In addition, credit criteria were applied to identify good credit-rated retail banking customers in order to take various targeted cross-selling initiatives. At the same time, evaluation and authorization of retail products was successfully continued by the Group's relevant supervisory divisions and compliance of the Group's credit policies at its overseas units progressed further.

DIAGRAM 5.1.27
BREAKDOWN OF RETAIL BANKING BALANCES

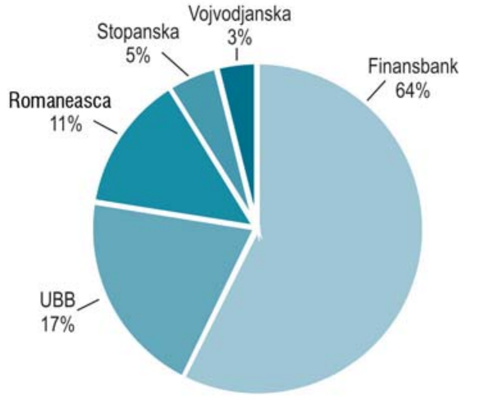


DIAGRAM 5.1.28
RETAIL LOANS IN ARREARS 90+ d.p.d.

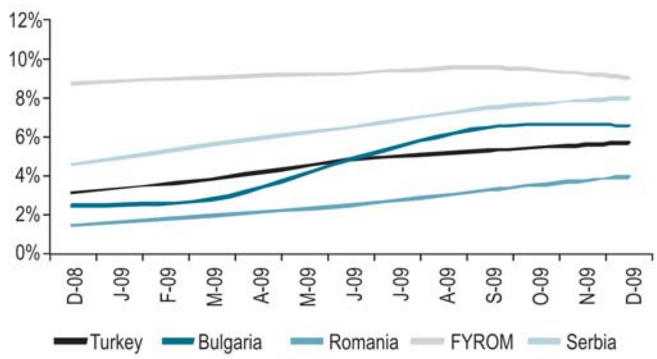


DIAGRAM 5.1.29
BREAKDOWN OF UNDERTAKEN RISKS IN INTERBANK MARKETS OF DEALING ROOMS (ATHENS & LONDON) ON S&P SCALE 31.12.09

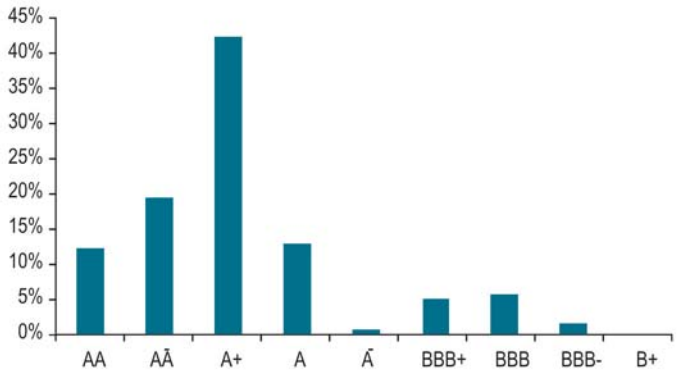
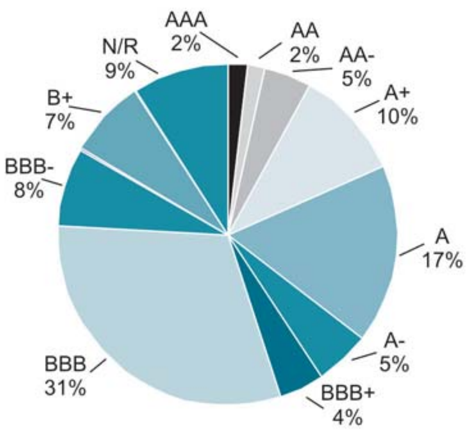


DIAGRAM 5.1.30
BREAKDOWN OF CORPORATE BOND PORTFOLIO BY CREDIT RATING (31.12.2009)



In the sphere of claims management, the optimization of which is a strategic priority, the Group applied methods to segmentalize the loan book according to credit scores so as to enable, as far as possible, fast and effective collection of overdue claims. In addition, the Group has deployed a framework of policies to mitigate risk, which has been tailored to each of the local markets. These strategies were further supported by investment in automated systems for claims management.

Financial institutions

Interbank market transactions with financial institutions entail counterparty risk, which is a category of credit risk. To minimize this risk, the Bank has established and allocated counterparty risk limits for financial institutions primarily on the basis of creditworthiness.

Accordingly, international financial institutions authorized for interbank market transactions with NBG are banks rated Aaa to Baa3 and AAA to BBB- by, respectively, rating agencies Moody's and S&P. Domestic banks that are not rated by these agencies are rated by NBG on the basis of its internal rating model.

DIAGRAM 5.1.29 shows that 88% of the Bank's overall counterparty risk at 31 December 2009 represents interbank market transactions with banks rated AA to A-.

In addition, the Bank's dealings in over-the-counter derivatives and lending and borrowing of securities with counterparty financial institutions also entail credit risk. To reduce such risk, the Bank has put into effect various agreements (ISDA Credit Support Annexes, GMRAs, GMSLAs) with its key counterparties. These contracts set out the terms for reciprocal provision of collateral (cash or securities) on a daily basis, in line with the current value of each product.

Corporate bonds

At 31 December 2009, the Bank's position in global and Greek corporate bonds rated by international rating agencies (S&P, Moody's) stood at €2 billion, or 91% of the aggregate corporate bond portfolio.

Of the aggregate corporate bond portfolio 49% is comprised of Greek corporate bonds, and 51% is comprised of global corporate bonds.

Of the aggregate corporate bond portfolio, 41% is rated at least A- or equivalent by Moody's and

S&P (DIAGRAM 5.1.30).

The corporate bond portfolio consists primarily of bank bonds (89.5%). After bank bonds, the biggest component is telecommunications (8.1%) while the remaining 2.4% is spread across energy/utility, retail and automobile/industry/construction companies (DIAGRAM 5.1.31).

Country risk

Country risk involves various risks that may be generated at country level as a result of political or economic problems, whether in the form of default risk or in the form of convertibility risk (i.e. the risk that a local currency cannot be freely exchanged/delivered for another freely exchangeable "hard" currency) or transferability risk (i.e. the risk that it may not be possible to send a currency out of the country).

In the context of country risk management in emerging markets, the Bank monitors on a daily basis funds deposited in these markets by its international units, its shareholdings in subsidiaries, loans to businesses or banks, interbank placements, commercial transactions with banks domiciled or operating in these countries, and positions in debt securities issued in these countries.

In 2009, NBG's exposure to risk in the emerging markets of SE Europe and Turkey, Egypt and South Africa represented 10.8% of the total assets of the Group (DIAGRAM 5.1.32, TABLE 5.1.3).

DIAGRAM 5.1.31
BREAKDOWN OF CORPORATE BOND PORTFOLIO BY SECTOR (31.12.2009)

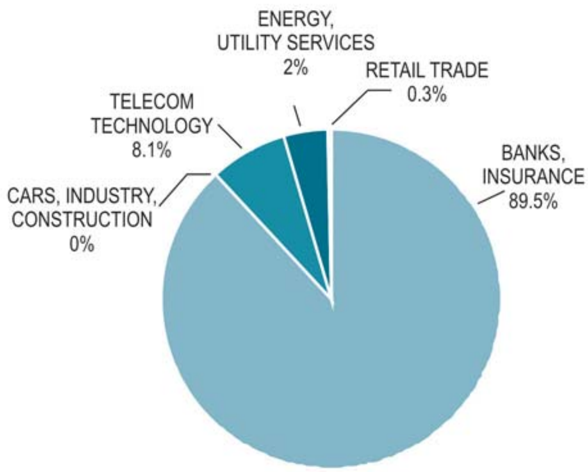


TABLE 5.1.3
CREDIT RATING FOR EMERGING MARKETS

Country	Moody's rating	S&P rating	Country risk as % of Group total assets 31.12.2009
Albania	B1		0.2%
Bulgaria	Baa3	BBB	1.9%
Romania	Baa3	BB+	1.6%
Serbia		BB-	0.7%
FYROM		BB	0.3%
Turkey	Ba3	BB-	5.9%
Egypt	Ba1	BB+	0.2%
S.Africa	A3	BBB+	0.03%
Total			**10.83%**

DIAGRAM 5.1.32
COUNTRY RISK IN EMERGING MARKETS
31.12.2009

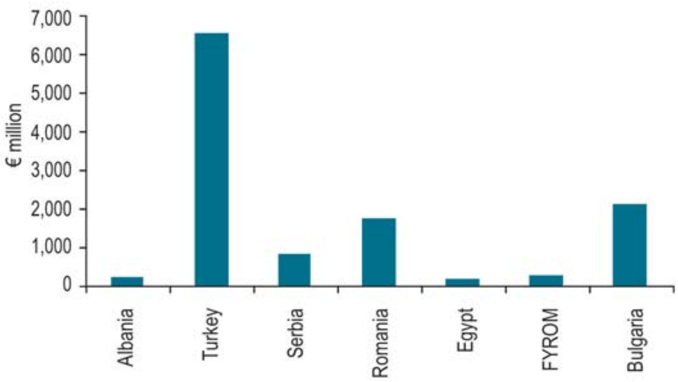
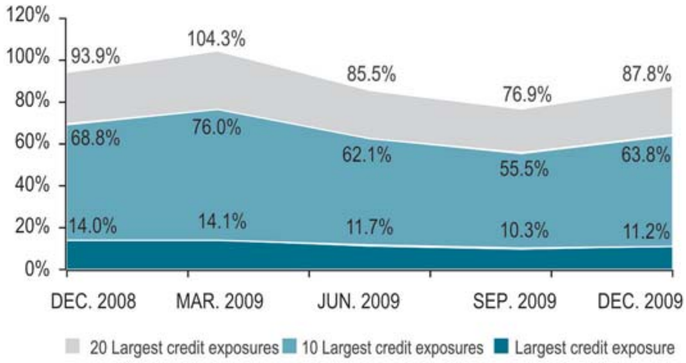


DIAGRAM 5.1.33
CUMULATIVE CREDIT EXPOSURE TO BUSINESSES AS % OF REGULATORY CAPITAL



Finally, with regard to country risk, since 2006 the Bank has carried out regular crisis simulation exercises for Turkey, where its largest subsidiary, Finansbank, is based. Since the beginning of 2008, crisis simulation tests have also been carried out regularly for the SE European countries.

Concentration risk

According to the current regulatory framework, concentration risk – a key component of a financial institution's capital adequacy – is monitored through Large Exposures (LEs) by group of affiliated customers.

Funding exposure is the sum of on- and off-balance sheet items of a bank (including loans, bonds, shares, interbank placements, repos and reverse repos, derivative financial instruments, bank guarantees, unused credit facilities) vis-ủ-vis a group of affiliated customers. The exposure is deemed to be Large when it exceeds 10% of the bank's regulatory capital.

DIAGRAM 5.1.33 shows the Bank's largest exposures in 2009 to businesses, as a percentage of its regulatory capital. The largest of these exposures (11.2%) concerns a Greek public sector corporation.

Operational risk

Operational risk is the risk that loss will be incurred as a result of inadequacy or failure of internal procedures and systems, either because of human factors or external events. In line with the Basel II definition adopted by the Bank, operational risk includes legal risk and regulatory compliance risk.

NBG is fully aware of the significance of operational risk. Accordingly, since 2005, it has focused on developing and deploying a comprehensive operational risk management framework so as to meet not only the qualitative and quantitative criteria for implementation of the Standardized Approach, but also, over a longer-term horizon, to adopt the Advanced Measurement Approach for calculating associated capital requirements. Given that operational risk is inherent in all the Bank's activities, the framework used for managing such risk extends across the entire organization and to all levels of the hierarchy, thereby ensuring that all stakeholders manage operational risk on the basis of specified standardized processes, which are in line with the business aims, regulatory requirements and strategy as set out by the Board.

The Bank's overall ORM strategy is detailed in a specific Policy and Methodology, which includes principles, standards and guidelines regarding:

- identification, assessment and monitoring of operational risks;
- effective and up-to-date risk mitigation action plans;
- identification and monitoring of NBG's key risk indicators;
- collection of loss-making event data.

Deployment of the Group ORM framework

In 2009, the Bank achieved integrated management of operational risk across the entire Group, while the Standardized Approach for calculating capital requirements was adopted by its principal subsidiaries in Greece and abroad.

Specifically, the third phase of implementation of the ORM Framework was deployed at a total of 62 of the Bank's units, including the international branch network.

During the Risk and Controls Self-Assessment (RCSA) process by the Group's units, a total of 1,674 risks were identified. Of these, 34 were assessed as high risk. To address and mitigate the high and medium risks 99 risk mitigation actions plans were deployed.

With regard to the collection of data on loss-making events, particular emphasis was placed in 2009 on early identification and reporting, leading to enrichment of the database with 581 cases of direct loss of more than €1,000.

A breakdown of loss-making occurrences by regulatory category is presented in DIAGRAM 5.1.34.

In addition, NBG is in the process of deploying Algorithmics' OpVar software application, which will support the ORM framework across the Group and enhance active management of operational risk from the second half of 2010 onwards.

DIAGRAM 5.1.34
BREAKDOWN OF GROSS LOSS FROM LOSS-MAKING EVENTS IN 2009: GROUP

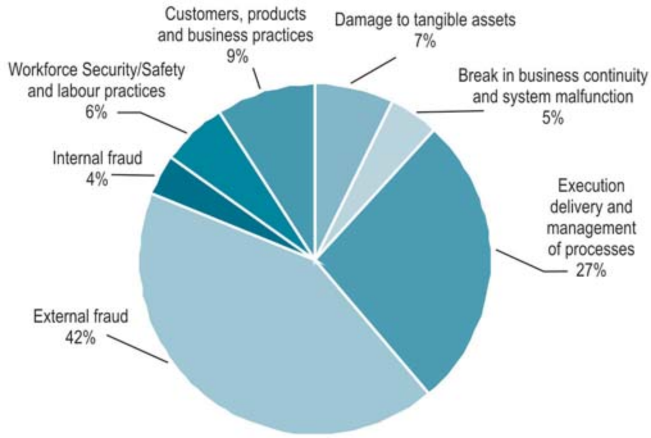
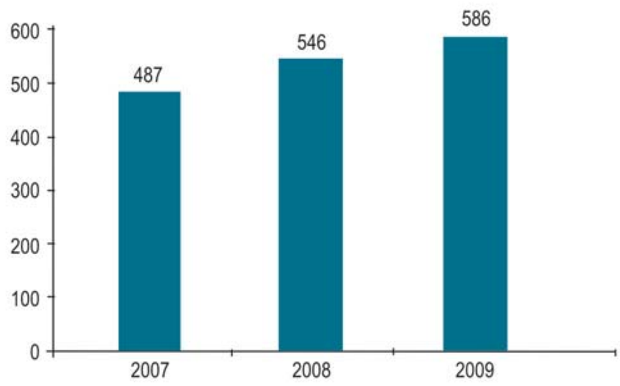


DIAGRAM 5.1.35
CAPITAL REQUIREMENTS FOR OPERATIONAL RISK (€ miliions)



Capital requirements for Operational Risk

In 2009, regulatory capital requirements for operational risk amounted to €586 million (DIAGRAM 5.1.35).

Alongside the requirements of Basel Pillar I, the Bank worked on the development of a methodology for calculating internal capital for operational risk (Pillar II) with a view to ensuring capital adequacy and compliance with supervisory requirements.

Capital adequacy

As of January 2008, capital adequacy ratios are calculated in accordance with the supervisory framework of Basel II. The Group's capital adequacy ratios (Tier-I and Total) at 31 December 2009 stood at 11.3%, considerably higher than a year earlier (Tier-I CAD: 10%, Total CAD: 10.3%) (DIAGRAM 5.1.36 and TABLE 5.1.4). The sustained high capital adequacy ratios, despite the negative international environment, reflect prudent management and control of risks and the

DIAGRAM 5.1.36
NBG GROUP CAPITAL ADEQUACY RATIOS (%)

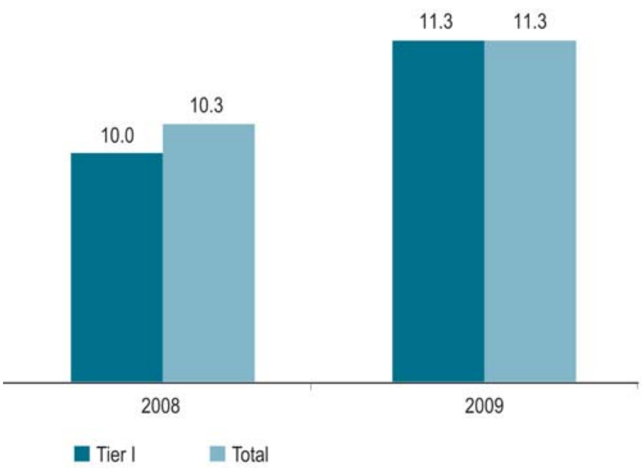
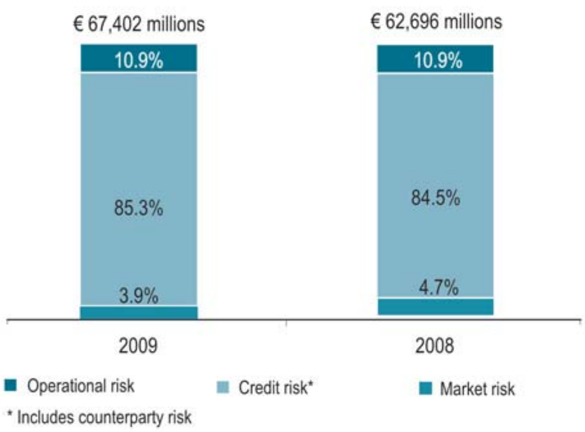


DIAGRAM 5.1.37
BREAKDOWN OF REGULATORY CAPITAL BY TYPE OF RISK (31.12.2009)



substantial strengthening of the Group's capital base, achieved both by means of its strong profitability and the increase in share capital carried out during the course of the year. It should be noted that these CAD ratios are well above the limits of 8% and 4% that have been set by the Bank of Greece.

DIAGRAM 5.1.37 shows the distribution over time of the Group's risk-weighted assets by risk type.

It can be seen that 85% of total capital requirements concerns credit risk in the banking portfolio, while a substantial portion of capital requirements of around 11% concerns operational risk.

A breakdown of the Group's risk-weighted assets by type of exposure is presented in DIAGRAM 5.1.38.

The distribution of total risk-weighted assets by subsidiary (DIAGRAM 5.1.39) indicates that 81% originate from NBG and Finansbank, while 5% and 2% originate from, respectively, UBB and Banca Romaneasca.

DIAGRAM 5.1.38
BREAKDOWN OF REGULATORY CAPITAL AGAINST CREDIT RISK & COUNTERPARTY RISK BY TYPE OF EXPOSURE (31.12.2009)

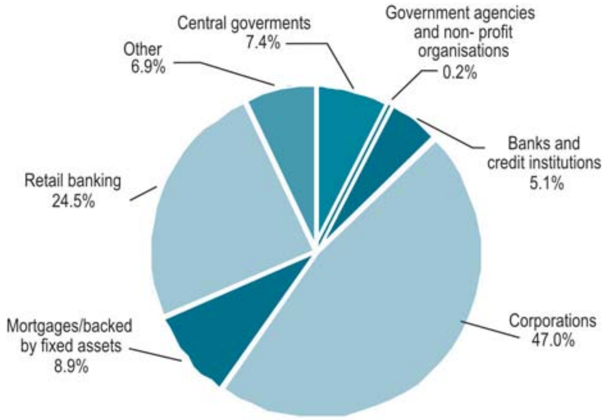


TABLE 5.1.4
CAPITAL ADEQUACY
(€ millions)

		Group		
		2009	2008	2007
A.	**Risk-weighted assets**			
	Market risk on trading portfolio	2,596	2,918	1,650
	Credit risk on trading porfolio	249	367	193
	Credit risk on banking book	57,240	52,591	51,118
	Operational risk	7,322	6,820	
	Total risk-weighted assets	67,407	62,696	52,961
B.	**Regulatory captital**			
	Tier I capital	7,590	6,257	4,881
	Total capital	7,590	6,481	5,426
Γ.	**Capital adequancy ratios**			
	Tier I capital ratio	11.3%	10.0%	9.2%
	Total capital ratio	11.3%	10.3%	10.2%

DIAGRAM 5.1.39
BREAKDOWN OF GROUP RISK WEIGHTED ASSETS (31.12.2009)

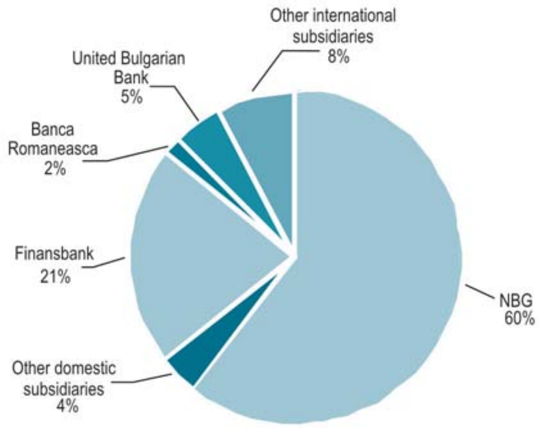


TABLE 5.1.5
REGULATORY CAPITAL

	Group		
	2009	**2008**	**2007**
Upper Tier I Capital	8,995,521	7,011,237	6,748,583
Lower Tier I Capital	1,256,967	1,735,707	1,190,393
Deductions	-2,662,075	-2,490,352	-3,057,770
Tier I Capital	**7,590,412**	**6,256,592**	**4,881,207**
Upper Tier II Capital	-25,580	67,776	335,151
Lower Tier II Capital	102,088	309,972	339,606
Deductions	-76,508	-153,266	-129,412
Tier II Capital	**0**	**224,483**	**545,345**
Total Regulatory Capital	**7,590,412**	**6,481,075**	**5,426,552**

The development over time of the various components of regulatory capital are set out in TABLE 5.1.5.

Asset - Liability management & internal pricing

NBG implements a cutting-edge asset-liability management tool which provides regular static and dynamic analyses for the valuation and management of its balance sheet. Examples of the analyses are the following:

- Duration by maturity – repricing: Macaulay duration, based on maturity of NBG's balance sheet items as at 31 December 2009 was 3.5 years for assets and 0.98 years for liabilities (DIAGRAM 5.1.40). Specific hypotheses have been applied for products that do not have a specific maturity (e.g. savings deposits were assumed to mature on a uniform 36-month basis). It is also assumed that bonds in the trading and AFS portfolio can be readily liquidated.

  Similarly, Macaulay duration based on repricing of NBG's balance sheet items was

DIAGRAM 5.1.40
MACAULAY DURATION
BY MATURITY (in years) AT 31.12.09

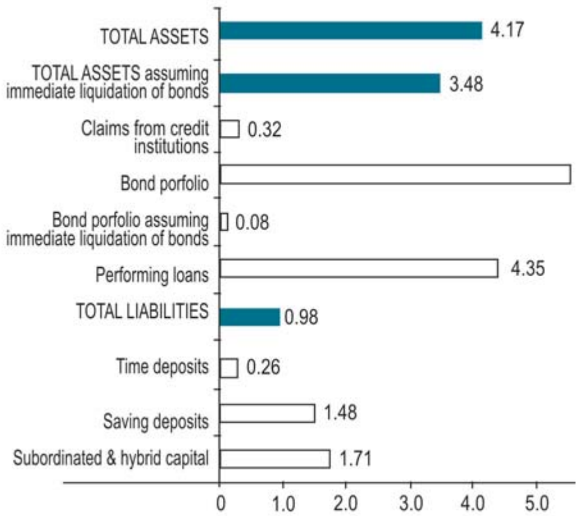
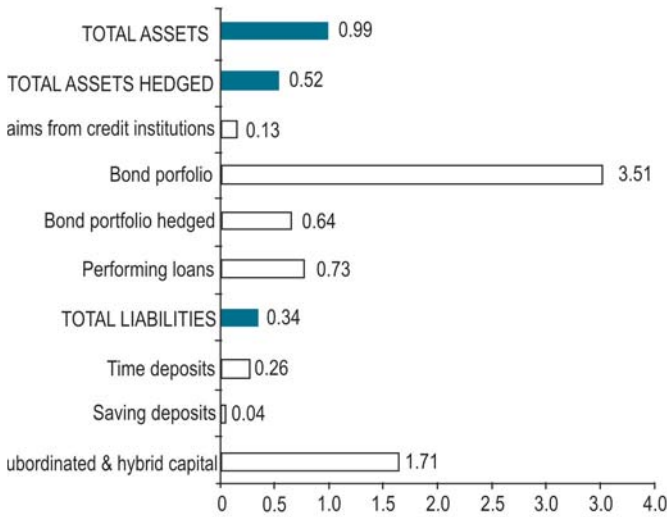


DIAGRAM 5.1.41
MACAULEY DURATION BASED ON
REPRICING (IN YEARS) AT 31.12.2009



0.99 years for assets and 0.34 years for liabilities (DIAGRAM 5.1.41). If the impact of the hedging of the bond portfolio is also taken into account, the weighted duration of assets declines to around 0.52 years. Duration based on repricing incorporates the assumption that products tied to bank-determined rates reprice immediately.

- Liquidity – repricing gap:

  NBG's liquidity gap for 1 month to 3 years is negative. The assumptions referred to earlier, i.e. that the bonds in the trading and AFS portfolio can be readily liquidated and that savings deposits mature on a uniform 36-month basis, apply in this instance also.

  On the basis of the above and on the assumption that the trading and AFS bond portfolio and the products tied to bank determined rates reprice immediately, NBG has a positive repricing gap for time period O/N to 3 months.

- Scenario Analysis: The Bank runs interest income sensitivity scenarios with changes in interest rates and interest rate margins, as well as in the volumes of loans and other key balance sheet items, so as to calculate their impact on net interest income.

  By way of example, on the basis of data as at December 2009, a parallel shift upwards by 100 bps in the euro interest rate curve and an equal increase in the ECB's basic refinancing rate, while keeping Bank-determined rates unchanged, will lead to a €110 million increase in net interest income over a period of one year.

Internal pricing

The Bank uses its internal fund transfer pricing system to allocate net interest income across its various lines of business and products. The system is based n the concept of opportunity cost and ensures relative objectivity in the distribution of net interest margin. Analysis of the Bank's net interest income (NII) for 2009 indicates that the role of retail banking increased while customer deposits declined markedly.

DIAGRAM 5.1.42
REPRICING IN € AND FX

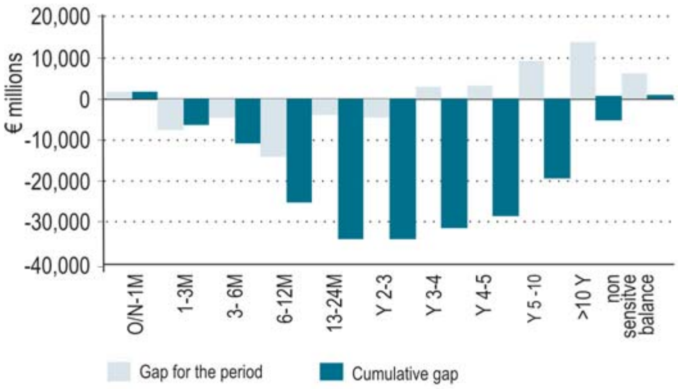


DIAGRAM 5.1.43
REPRICING GAP IN € AND FX

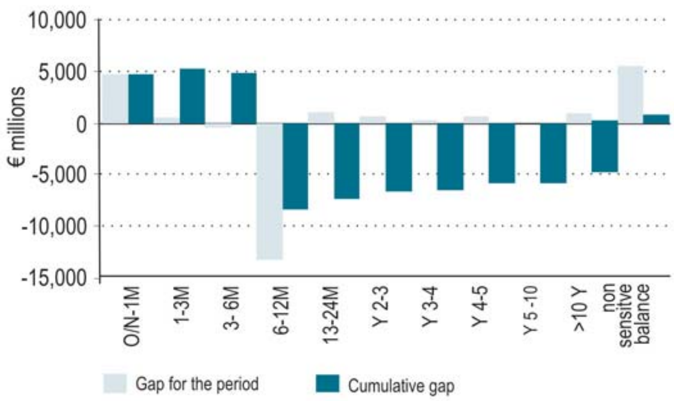
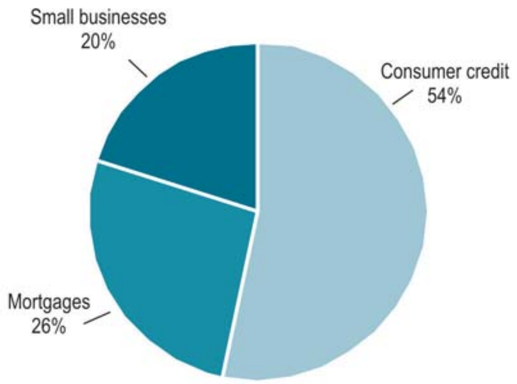


DIAGRAM 5.1.44
NET INTEREST INCOME 2009
RETAIL BANKING



Specifically, in retail banking 54% of NII derives from consumer credit (DIAGRAM 5.1.44).

In the sphere of the Bank's issuance of covered bonds and securitizations of various categories of loans, the ALCO has undertaken to produce reports that cover not only internal reporting needs but also the needs of international rating agencies and the tests and reports required by the Bank of Greece. The design, setting of parameters, execution and production of reports are performed by the KRM (Kamakura Risk Manager) tool developed by technology solutions provider FISERV.

5.2 REGULATORY COMPLIANCE

The global financial crisis and, above all, the debates that followed at the European level on the causes and the need to adopt new supervisory rules in order to correct the weaknesses that had become apparent in the banking system show that timely and effective management of compliance risk is one of the basic functions of any credit institution.

In this light, legal expertise in the Group's Regulatory Compliance (RC) function was strengthened in line with international best practices so as to address effectively the need for ongoing monitoring of complex regulatory requirements. The legislative and regulatory framework for the Group's compliance issues is set out in TABLE 5.2.1.

In addition, the Bank carried out organizational restructuring so that the RC function is now performed at Group level, thereby strengthening the operational framework and enhancing – as required by the regulatory framework – the independence of the RC function. The new strategy was presented at the Annual Audit Committees Conference 2009 held in Istanbul in December.

The key principles governing the new RC strategy are as follows:

- to ensure sustainable profitability in line with the principle that the profits of the Group must be achieved within an environment that strictly observes codes of conduct and ethics;

- to highlight the added value that Regulatory Compliance generates for customers, investors and the Group's employees;
- to provide the comparative advantage deriving from the direct collaboration of RC with the various business units of the Bank so that their operations and products fully comply with the legal and regulatory framework;
- to enhance the Group's relationship with the supervisory authorities in the countries where it operates, with RC serving as a liaison between the supervisory authorities and the Group companies;
- to enhance collaboration and synergies with the Internal Audit and Risk Management functions.

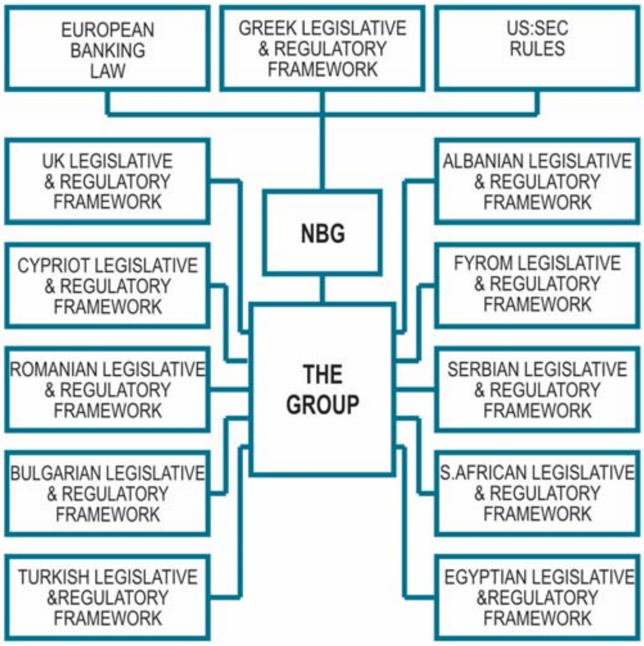
The strengthening of the Group's RC function, within a constantly changing regulatory environment, aims at ensuring:

- the timely adaptation by the Group to new legislative and regulatory provisions, and prevention and aversion of risks related to possible breach of such provisions;
- the establishment of an adequate and efficient environment for controlling RC issues, and
- the good name and credibility of the Bank and its Group vis-ů-vis shareholders, customers, investors and the supervisory and other independent authorities.

Importantly, the Group endeavours to maintain continuous compliance with the current legislative and regulatory framework in the areas of consumer credit, capital and money market operations, investment services, transparency, relations and conduct vis-a-vis customers, corporate governance, conflict of interests, prevention and identification of money laundering, protection of data privacy, internal control systems and other legal risks related directly or indirectly with customers, shareholders and investors.

Accordingly - and in line with new regulatory provisions - the Group adopted policies and procedures for securing the desired level of

DIAGRAM 5.2.1
GROUP REGULATORY
COMPLIANCE FRAMEWORK



compliance and averting the use of its services for money laundering and the financing of terrorism. Furthermore, the Bank was an active participant in the MiFID implementation programme.

Consumer protection received special attention in 2009. Emphasis was placed on the implementation of the legal framework for consumer protection, data privacy, transparency of transactions, and rules of conduct vis-a-vis customers and markets. Regulatory Compliance played a key role not only in the planning and launch of new products by the Bank, but also in the approval processes for the marketing of these products to the wider public, so as to avert regulatory risks that could jeopardize the good standing and credibility of the Bank in its provision of services to customers.

Particular emphasis was placed on staff training so as to enhance compliance culture within the organization and to foster awareness among staff of regulatory developments regarding their spheres of responsibility, and associated regulatory risks. Training focused on issues relating to preventing and combating money laundering and terrorist financing, protection of data privacy, transaction transparency, consumer protection, the principles of the Code of Conduct and Ethics, the institutional framework of the capital market, and so on. In total 3 250 people took part in related training programmes.

RC updated the Audit Committee of the Board of the Bank on a quarterly basis on issues lying within its sphere of competence, focusing on compliance risks revealed by the reviews of supervisory authorities and internal controls in the Group's subsidiary companies and its branches in Greece and abroad.

Under the new European supervisory rules that are due to come into force, financial institutions such as the NBG Group whose activities extend to EU and non-EU countries will be subject to the supervisory control of the Colleges of Supervisors, the members of which will come from countries where they operate.

In this context, Regulatory Compliance plays an important role in overseeing the smooth and efficient running of the Group's operations and, accordingly, the successful attainment of its strategic objectives.

5.3 INTERNAL AUDIT

The Group Internal Audit-Inspection Division, an independent unit, supervises the implementation of approved policies, regulations and procedures. At the same time, it is the central coordinating body for providing guidance to, and supervision of, the various Internal Control Units (ICUs) of the Group's subsidiaries, thereby ensuring that the required controls for covering high risk areas at Group level are applied (risk based approach). Its function adds value to the organization by 1) contributing to the ongoing and systematic evaluation of the management of risks undertaken and internal control procedures applied by the Group, 2) recommending measures to enhance its efficiency and effectiveness, and 3) monitoring the implementation of any corrective actions that may be needed.

Developments in 2009 included:

- Completion of preparations for the full installation of the Paisley-Thomson Reuters' EGRC software for automated management of the control operations of all the Group's ICUs. All of the Group's auditing staff underwent training, and on 1 July 2009 pilot implementation began. The system offers a number of important benefits: 1) the ability to monitor directly the control function at Group level, 2) full documentation of controls in accordance with IIA Standards, and 3) the saving of precious time.

- The design of an enhanced in-house application for combating fraud (ASIST), which leverages many years experience in order to detect cases of fraud. Specifically, the application enables on-line processing of computer data, on the basis of scenarios, and searches entries that have been deemed suspicious on the basis of specific criteria.

- Further promotion of synergies with the external auditor for carrying out – in line with specific standards – control projects of mutual interest, thereby achieving economies of scale. The external auditor, following evaluation of the audit function of the Bank in line with standard ISA 610 (power, objectivity, quality, efficiency of internal controls), concluded that it can rely on the conclusions of their work vis-a-vis the adequacy of processes for forming provisions.

- Redesign of the organizational structure of Quality Assurance activities so as to further enhance supervision and coordination of the Group's ICUs.

Despite carrying out a considerable number of unscheduled controls, which had to be performed on an extraordinary basis, the audit plan for 2009 was in large covered. The audit programme of the ICUs of the Group's subsidiaries was also covered to a satisfactory degree. In the meantime, the Group Internal Audit-Inspection Division continued to provide advisory support to various major audit projects that are being carried out by Group (e.g., Basel II, MiFID) as well as support for the design of processes and products.

5.4 CORPORATE GOVERNANCE

The Bank operates within a framework of corporate governance that meets not only the requirements of Greek law but also international best practices.

In February 2006, the Bank's Board adopted Corporate Governance Guidelines that set out in detail NBG's corporate governance structure and policy. The Guidelines, which can be viewed on the Bank's website, though not mandatory by law, foster continuity, consistency and efficiency in the modus operandi of the Board, and generally the governance of the Bank and its Group.

In 2009, the Board applied the Guidelines almost in their entirety, the only exception being the age limit of two of its members. Currently, the Guidelines and other elements of the corporate governance framework (regulations governing the role of the Board committees, Board policies) are being reviewed in order to bring them into line with changes in the mode of governance.

Within the context of its work, the Board discussed and approved major policies relating to corporate governance, such as a Board nominations policy, a policy to avoid conflicts of interest for senior executives of the Bank, and policies arising from the introduction of Law 3606/2007 on markets in financial instruments (MiFID).

The Bank's Board committees

The Bank has set up five committees that operate at Board level: the Audit Committee, Human Resources and Remuneration Committee, Corporate Governance and Nominations Committee, Risk Management Committee, and Strategy Committee.

		Audit Committee	Human Resources & Remuneration Committee	Corporate Governance & Nominations Committee	Risk Management Committee	Strategy Committee
Non-executive member	*Vassilios Rapanos*		Member	Chairman	Member	Chairman
Executive member	*Apostolos Tamvakakis*				Chairman	Member
Non-executive member	*Ioannis Giannidis*			Member		
	Avraam Triantafyllidis					
	Iloannis Panagopoulos					
Independent Non-executive member	*H.E. Metropolitan of Ioannina, Theoklitos*		Member			
	Stefanos Vavalidis	Member			Member	Member
	George Zanias	Member		Member		
	Vassilios Konstantakopoulos	Member	Πρόεδρος			
	Alexandra Papalexopoulou -Benopoulou	Member	Member			Member
	Petros Sabatacakis	Chairman			Member	Member
	Maria Sklavenitou			Member		
	Alexandros Makridis					

Audit Committee

A brief report on the activities of the Audit Committee is included in the section with the financial statements of the Bank ("Audit Committee report to Shareholders").

In 2009, the Audit Committee convened thirteen times. The Committee was composed of the following members: Mr. George Lanaras (Chairman), Mr. Stefanos Pantzopoulos (advisor on financial affairs), Mr. Nikolaos Efthymiou, Mr. George Mergos and Mr. Drakoulis Fountoukakos-Kyriakakos. At its meeting of 26 Feburary 2009, the Board elected independent non-executive Board member Mr. Panagiotis Drossos to the Audit Committee in replacement of Mr. George Mergos, who resigned in his capacity as member of the Committee. Later in the year, the Board elected at its meeting of 28 August 2009 independent non-executive Board member Mr. Dimitrios Tzanninis to the Audit Committee in replacement of Mr. Panagiotis Drossos.

Risk Management Committee

In 2009, the RMC placed special emphasis on the monitoring and analysis of risks undertaken, and further developed and enhanced the Group's risk management policies. Guided by the Chief Risk Officer, the Committee dealt with an in-depth review and analysis of the domestic and overseas loan portfolios, and the formulation of action plans for products whose portfolio displayed deterioration in quality.

The Committee discussed and approved adjustments to credit line frameworks and powers of approval, so as to enable the Group to adapt swiftly and effectively to market conditions in the current crisis. Furthermore, greater emphasis was placed on monitoring the implementation of Basel II policies, as well as the progress of implementation of the MiFID Directive in the Group's units.

In 2009, the RMC convened ten times. The Committee was composed of the following members: Mr. Takis Arapoglou (Chairman), Mr. Ioannis Pehlivanidis and Mr. Stefanos Vavalidis.

Corporate Governance & Nominations Committee

As part of its duties and responsibilities in 2009, the CGNC submitted to the Board a specific Board Nominations Policy, which was adopted in September 2009. The CGNC played a key role in the succession process of the Bank's executive leadership in such a way as to ensure unbroken continuity in the Group's operations, while it also planned the succession of non-executive members of the Board. Moreover, further to the recommendations arising from the Board's evaluation in 2008, the Committee proposed that the Board set up a Strategy Committee.

In 2009, the CGNC convened four times. The Committee was composed of the following members: Mr. Stefanos Vavalidis (Chairman), Mr. Ioannis Giannidis and Mr. Dimitrios Daskalopoulos.

Human Resources & Remuneration Committee

In 2009, the HRRC assessed the performance of executive directors of the NBG Board in 2008, reviewed the system of variable remuneration of senior management due to changed circumstances as a result of the financial crisis, and examined the impact of the increase in share capital (June 2009) on the Bank's existing stock options programmes. The Committee submitted its recommendations on these matters to the Board.

The HRRC also submitted recommendations to the Board regarding promotion of senior executives in accordance with the Bank's Labour Regulations, extending the contracts of senior executives of the Group, and distributing bonuses to employees of the Group, as per the decision of the General Meeting of Shareholders regarding distribution of profits.

In 2009, the HRRC convened eight times. The Committee was composed of the following members: Mr. Nikolaos Efthymiou (Chairman), Mr. Dimitrios Daskalopoulos and Mr. Drakoulis Fountoukakos-Kyriakakos.

Strategy Committee

The purpose of the Strategy Committee is to support the executive board members in formulating the strategic choices of the Group, assist them in taking strategy-related decisions, and to oversee on a regular basis the implementation of strategy by the Management. The Committee was set up by virtue of Board resolution 1387/29.9.09 and began its operations in 2010.

SECTION 6 GROUP AND BANK FINANCIAL STATEMENTS

Statement of Financial Position

as at 31 December 2009

€ 000s	Group 31.12.2009	Group 31.12.2008	Bank 31.12.2009	Bank 31.12.2008
ASSET				
Cash and balances with central banks	4,252,854	4,145,395	2,073,721	1,959,249
Due from banks (net)	3,707,911	2,490,064	5,881,701	5,202,048
Financial assets at fair value through Profit or Loss	4,066,059	2,190,604	3,003,966	1,717,902
Derivative financial instruments	1,875,851	1,590,320	1,670,914	1,303,708
Loans and advances to customers (net)	74,752,545	69,897,602	58,129,698	53,440,200
Investment securities	16,315,150	12,909,576	9,892,407	10,066,441
Investment property	164,895	148,073	-	-
Investments in subsidiaries	-	-	8,064,609	7,149,862
Investments in associates	42,680	55,683	27,631	6,921
Goodwill, software and other intangible assets	2,486,943	2,473,994	124,854	111,285
Property and equipment	2,099,152	1,982,768	381,642	986,405
Deferred tax assets	174,218	258,819	82,094	173,947
Insurance related assets and receivables	805,960	707,721	-	-
Current income tax advance	189,481	113,903	189,481	113,903
Other assets	2,460,484	2,241,827	1,697,746	1,587,984
Non current assets held for sale	-	116,893	-	-
Total assets	**113,394,183**	**101,323,242**	**91,220,464**	**83,819,855**
LIABILITIES				
Due to banks	21,643,338	14,840,030	18,390,685	13,801,415
Derivative financial instruments	1,329,164	1,567,815	1,204,621	1,426,951
Due to customers	71,194,471	67,656,948	58,081,167	56,291,053
Debt securities in issue	1,859,699	1,813,678	1,485,109	-
Other borrowed funds	1,224,973	1,922,873	1,209,377	3,874,881
Insurance related reserves and liabilities	2,581,323	2,266,256	-	-
Deferred tax liabilities	137,336	104,443	-	-
Retirement benefit obligations	245,301	230,747	134,284	108,057
Current income tax liabilities	74,924	12,428	60,497	-
Other liabilities	3,276,136	2,632,114	2,430,563	1,883,712
Liabilities held for sale	-	8,856	-	-
Total liabilities	**103,566,665**	**93,056,188**	**82,996,303**	**77,386,069**
SHAREHOLDERS' EQUITY				
Share capital	3,392,708	2,490,771	3,392,708	2,490,771
Share premium account	3,335,881	2,682,050	3,335,881	2,682,050
Less: treasury shares	(10,626)	(145,277)	-	(145,277)
Reserves and retained earnings	1,735,487	944,063	1,495,572	1,406,242
Equity attributable to NBG shareholders	**8,453,450**	**5,971,607**	**8,224,161**	**6,433,786**
Minority interest	857,376	842,408	-	-
Preferred securities	516,692	1,453,039	-	-
Total equity	**9,827,518**	**8,267,054**	**8,224,161**	**6,433,786**
Total equity and liabilities	**113,394,183**	**101,323,242**	**91,220,464**	**83,819,855**

Athens, 18 March 2010

THE CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL AND CHIEF OPERATING OFFICER	THE DEPUTY CHIEF FINANCIAL OFFICER
VASSILIOS T. RAPANOS	APOSTOLOS S. TAMVAKAKIS	ANTHIMOS C. THOMOPOULOS	IOANNIS P. KYRIAKOPOULOS

Income Statement

for the period ended 31 December 2009

	Group		Bank	
	12 month period ended		12 month period ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Interest & similar income	6,551,829	6,941,418	3,677,056	4,065,836
Interest expense & similar charges	(2,611,540)	(3,361,884)	(1,445,996)	(2,018,256)
Net interest income	**3,940,289**	**3,579,534**	**2,231,060**	**2,047,580**
Fee and commission income	741,733	841,252	306,465	307,689
Fee and commission expense	(55,319)	(69,183)	(27,027)	(28,402)
Net fee and commission income	**686,414**	**772,069**	**279,438**	**279,287**
Earned premia net of reinsurance	936,091	713,441	-	-
Net claims incurred	(840,539)	(590,561)	-	-
Earned premia net of claims and commissions	**95,552**	**122,880**	-	-
Net trading income and results from investment securities	428,415	427,289	197,413	24,725
Net other income/(expense)	(73,575)	24,059	(71,629)	1,795
Total income	**5,077,095**	**4,925,831**	**2,636,282**	**2,353,387**
Personnel expenses	(1,577,474)	(1,447,667)	(995,114)	(885,102)
General, administrative & other operating expenses	(725,032)	(771,742)	(338,872)	(338,656)
Depreciation, amortization & impairment charges of fixed assets	(197,842)	(163,499)	(105,581)	(75,957)
Amortization of intangible assets recognized on business combinations	(24,071)	(27,406)	-	-
Finance charge on put options of minority interests	(5,556)	(11,940)	(5,556)	(11,940)
Credit provisions and other impairment charges	(1,295,172)	(537,631)	(787,532)	(408,558)
Share of profit /(loss) of associates	117	(28,932)	-	-
Profit before tax	**1,252,065**	**1,937,014**	**403,627**	**633,174**
One-off social responsibility tax	(47,736)	-	(45,669)	-
Tax expense	(240,984)	(352,071)	(132,973)	(152,868)
Profit for the period	**963,345**	**1,584,943**	**224,985**	**480,306**
Attributable to:				
Minority interests	40,777	38,931	-	-
NBG equity shareholders	**922,568**	**1,546,012**	**224,985**	**480,306**
Attributable to:				
Minority interests	40,777	38,931	-	-
NBG equity shareholders	**922,568**	**1,546,012**	**224,985**	**480,306**
Earnings per share-Basic	1.48	2.71	0.32	0.84
Earnings per share-Diluted	1.48	2.70	0.32	0.84

Athens, 18 March 2010

THE CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL AND CHIEF OPERATING OFFICER	THE DEPUTY CHIEF FINANCIAL OFFICER
VASSILIOS T. RAPANOS	APOSTOLOS S. TAMVAKAKIS	ANTHIMOS C. THOMOPOULOS	IOANNIS P. KYRIAKOPOULOS

Statement of Comprehensive Income

for the period ended 31 December 2009

	Group		Bank	
	12 month period ended		12 month period ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Profit for the period	**963,345**	**1,584,943**	**224,985**	**480,306**
Other comprehensive income, net of tax:				
Available for sale securities, net of tax	(193,759)	(814,646)	(47,767)	(626,003)
Currency translation differences, net of tax	(28,111)	(1,115,491)	93	(515)
Net investment hedge, net of tax	(111,208)	(148,607)	-	-
Net other comprehensive income/(expense), net of tax	**(333,078)**	**(2,078,744)**	**(47,674)**	**(626,518)**
Total comprehensive income/(expense), net of tax	630,267	(493,801)	177,311	(146,212)
Attributable to:				
Minority interests	16,255	(87,791)	-	-
NBG equity shareholders	**614,012**	**(406,010)**	**177,311**	**(146,212**

Athens, 18 March 2010

THE CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL AND CHIEF OPERATING OFFICER	THE DEPUTY CHIEF FINANCIAL OFFICER
VASSILIOS T. RAPANOS	APOSTOLOS S. TAMVAKAKIS	ANTHIMOS C. THOMOPOULOS	IOANNIS P. KYRIAKOPOULOS

Notes to the Financial Statements

for the period ended 31 December 2009

Segment reporting

NBG Group manages its business through the following business segments:

Retail banking

Retail banking includes all individual customers, professionals, small-medium and small sized companies (companies with annual turnover of up to €2.5 million). The Bank, through its extended network of branches, offers to its retail customers various types of deposit and investment products, as well as a wide range of traditional services and products.

Corporate & investment banking

Corporate & Investment banking includes lending to all large and medium-sized companies, shipping finance and investment banking activities. The Group offers its corporate customers a wide range of products and services, including financial and investment advisory services, deposit accounts, loans (denominated in both euro and foreign currency), foreign exchange and trade service activities.

Global markets and asset management

Global markets and asset management includes all treasury activities, private banking, asset management (mutual funds and closed end funds), custody services, private equity and brokerage.

Insurance

The Group offers a wide range of insurance products through its subsidiary company, Ethniki Hellenic General Insurance Company and its subsidiaries in Greece, SE Europe and Turkey.

International

The Group's international banking activities, other than its Turkish operations, include a wide range of traditional commercial banking services, such as commercial and retail credit, trade financing, foreign exchange and deposits. In addition, the Group offers shipping finance, investment banking and brokerage services through certain of its foreign branches and subsidiaries.

Turkish operations

The Group's banking activities in Turkey through Finansbank and its subsidiaries, include a wide range of traditional commercial banking services, such as commercial and retail credit, trade financing, foreign exchange and deposits.

Other

Includes proprietary real estate management, hotel and warehousing business as well as unallocated income and expenses of the Group (interest expense of subordinated debt, loans to NBG personnel etc.) and intersegment eliminations.

Breakdown by business segment

12-month period ended 31 December 2009	Retail Banking	Corporate & Investment Banking	Global markets & Asset Management	Insurance	International	Turkish Operations	Other	Group
Net interest income	**1,402,316**	**536,138**	**584,022**	**48,832**	**488,762**	**942,830**	**(62,611)**	**3,940,289**
Net fee and commission income	166,243	72,270	95,488	3,872	94,040	254,572	(71)	686,414
Other	(26,448)	(67,169)	268,099	149,498	17,873	96,860	11,679	450,392
Total operating income	**1,542,111**	**541,239**	**947,609**	**202,202**	**600,675**	**1,294,262**	**(51,003)**	**5,077,095**
Direct costs	(670,025)	(53,509)	(80,863)	(182,574)	(303,132)	(523,994)	(261,244)	**(2,075,341)**
Allocated costs and provisions	(798,813)	(207,704)	(188,817)	(70,049)	(189,308)	(250,085)	(45,030)	**(1,749,806)**
Share of profit of associates	-	-	(1,429)	560	783	(190)	393	**117**
Profit before tax	**73,273**	**280,026**	**676,500**	**(49,861)**	**109,018**	**519,993**	**(356,884)**	**1,252,065**
Tax expense								(288,720)
Profit for the period								**963,345**
Minority interest								(40,777)
Profit attributable to NBG shareholders								**922,568**
Segment assets as at 31 December 2009								
Segment assets	31,961,306	18,639,070	26,859,396	2,851,745	11,446,389	15,819,570	5,453,008	**113,030,484**
Tax assets								**363,699**
Total assets								**113,394,183**
Segment liabilities as at 31 December 2009								
Segment liabilities	53,744,041	1,638,379	20,222,422	2,729,797	6,413,405	10,967,579	7,638,782	**103,354,405**
Tax liabilities								**212,260**
Total liabilities								**103,566,665**
Depreciation, amortization & impairment charges	20,096	1,021	5,011	9,509	33,295	42,186	110,795	**221,913**
Credit provisions and other impairment charges	442,576	151,257	170,331	69,431	189,308	250,085	22,184	**1,295,172**
Non-current assets additions	14,814	634	11,741	8,289	62,445	58,782	115,725	**272,430**

Breakdown by location

12 month period ended 31 December 2009	Greece	SE Europe	Turkey	Other	Group
Continuing Operations					
Net interest income	2,508,863	480,621	944,254	6,551	3,940,289
Net fee and commission income	337,484	90,810	254,572	3,548	686,414
Other	318,636	18,003	113,518	235	450,392
Total operating income	3,164,983	589,434	1,312,344	10,334	5,077,095
Direct costs	(1,238,549)	(290,460)	(533,867)	(12,465)	(2,075,341)
Allocated costs and provisions	(1,310,343)	(189,302)	(250,085)	(76)	(1,749,806)
Share of profit of associates	(476)	783	(190)	-	117
Profit before tax	615,615	110,455	528,202	(2,207)	1,252,065
Tax expense					(288,720)
Profit for the period					963,345
Minority interest					(40,777)
Profit attributable to NBG shareholders					922,568
Depreciation, amortization & impairment charges	145,620	32,210	42,708	1,375	221,913
Credit provisions and other impairment charges	855,710	189,301	250,085	76	1,295,172
Non-current asset additions	151,203	59,266	58,782	3,179	272,430
Non-current assets	4,397,119	260,546	265,091	5,733	4,928,489

Greece geographical segment includes income from assets that are either located in Greece or are managed in Greece.

Net interest income

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Interest earned on:				
Amounts due from banks	190,920	449,165	175,161	435,300
Financial assets at fair value through profit or loss	291,480	481,838	141,484	184,574
Investment securities	1,066,364	593,287	611,315	277,510
Loans and advances to customers	5,003,065	5,417,128	2,749,096	3,168,452
Interest and similar income	6,551,829	6,941,418	3,677,056	4,065,836
Interest payable on:				
Amounts due to banks	(369,341)	(727,888)	(269,611)	(533,704)
Amounts due to customers	(1,910,661)	(2,265,880)	(1,062,753)	(1,279,416)
Debt securities in issue	(45,811)	(117,497)	(4,712)	-
Other borrowed funds	(285,727)	(250,619)	(108,920)	(205,136)
Interest expense and similar charges	(2,611,540)	(3,361,884)	(1,445,996)	(2,018,256)
Net interest income	3,940,289	3,579,534	2,231,060	2,047,580

Net fee and commission income

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Custody, brokerage & investment banking	85,251	99,722	25,385	23,614
Retail lending fees	225,257	266,867	70,952	81,734
Corporate lending fees	141,349	134,751	99,661	84,196
Banking fees & similar charges	200,918	218,214	69,874	87,321
Fund management fees	33,639	52,515	13,566	2,422
Total	**686,414**	**772,069**	**279,438**	**279,287**

Earned premia net of claims and commissions

	Group	
	31.12.2009	31.12.2008
Gross Written Premia	1,042,088	919,029
Less: Premia ceded to reinsurers	(117,119)	(111,459)
Net written premia	**924,969**	**807,570**
Change in unearned premium reserve	(34,400)	7,847
Reinsurers' share of change in unearned premium reserve	1,012	(6,556)
Change in unearned premium reserve – Group share	**(33,388)**	**1,291**
Net earned premia	891,581	808,861
Other (incl. net gains / (losses) on unit-linked assets)	44,510	(95,420)
Earned premia net of reinsurance	**936,091**	**713,441**
Benefits and claims incurred	(651,099)	(475,653)
Less: Reinsurers' share of benefits and claims incurred	75,740	35,474
Benefits and claims incurred – Group share	**(575,359)**	**(440,179)**
Change in actuarial and other reserves	(154,939)	(51,242)
Less: Change in reinsurance asset of actuarial and other reserves	3,922	12,179
Change in actuarial and other reserves – Group share	**(151,017)**	**(39,063)**
Commission expense	(95,310)	(93,873)
Commission income from reinsurers	5,368	5,597
Net commission expense	**(89,942)**	**(88,276)**
Other	(7,538)	(6,000)
Net return to DAF contract holders	(16,683)	(17,043)
Net claims incurred	**(840,539)**	**(590,561)**
Earned premia net of claims and commissions	95,552	122,880

Net trading income and results from investment securities

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Net trading result and other net unrealized gains from financial instruments	304,716	397,911	281,654	80,073
Net gain/(loss) from disposal of investment debt securities	101,262	15,767	(81,955)	(2,417)
Net gain/(loss) from disposal of investment equity securities	13,731	2,057	(3,113)	(61,088)
Net gain/(loss) from disposal of investment mutual funds	18,084	10,248	(208)	3,544
Net gain/(loss) from disposal of associates	(9,378)	1,306	1,035	4,613
Total	428,415	427,289	197,413	24,725

Personnel expenses

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Salaries and other staff related benefits	1,485,984	1,400,004	947,574	869,683
Pension costs: defined benefit plans	78,783	37,160	36,069	6,278
Share based payment arrangements	12,707	10,503	11,471	9,141
Total	1,577,474	1,447,667	995,114	885,102

Salaries and other staff related benefits include €25.5 million paid to IKA-ETAM in accordance with Law 3655/2008, after the incorporation of the Bank's main pension fund into the main pension branch of the state sponsored social security fund IKA–ETAM as of 1 August 2008. This amount will be paid to IKA-ETAM for the next 15 years.

The average number of employees employed by the Group during the period to 31 December 2009 was 36,381 (2008: 35,860) and for the Bank was 13,468 (2008: 13.787).

General, administrative & other operating expenses

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Duties and taxes	73,814	96,671	48,117	43,635
Utilities and rentals	300,596	280,320	151,434	123,343
Maintenance and other related expenses	33,300	28,947	11,391	8,198
Other administrative expenses	317,322	365,804	127,930	163,480
Total	725,032	771,742	338,872	338,656

Credit provisions and other impairment charges

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
a. Impairment charge for credit losses				
Due from banks	(257)	33	-	-
Loans and advances to customers	1,041,258	513,335	604,890	315,706
	1,041,001	513,368	604,890	315,706
b. Impairment charge for securities				
Subsidiaries and associates	-	4,352	-	53,069
Equity securities	95,727	9,255	28,268	29,127
AFS and loans and receivables	142,063	4,165	142,063	4,165
	237,790	17,772	170,331	86,361
c. Other provisions for operational risk	16,381	6,491	12,311	6,491
Total	1,295,172	537,631	787,532	408,558

Tax expense

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Current tax	115,974	152,985	24,604	72,455
Tax audit settlement	-	19,189	-	19,189
One-off social responsibility tax	47,736	-	45,669	-
Deferred tax	125,010	179,897	108,369	61,224
Total	**288,720**	**352,071**	**178,642**	**152,868**

On 10 December 2009, a new tax law (Law 3808/2009) was enacted, according to which entities with net gains exceeding €5 million in 2008, are required to pay an additional income tax for social responsibility purposes. The tax accrued to the Group's and the Bank's current year income statement amounted to €47.7 million and €45.7 million respectively.

Earnings per share

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Net profit attributable to equity holders of the parent	922,568	1,546,012	224,985	480,306
Less: dividends paid to preferred securities	(87,038)	(99,509)	(42,192)	(32,685)
Net profit attributable to NBG ordinary shareholders	**835,530**	**1,446,503**	**182,793**	**447,621**
Weighted average number of ordinary shares outstanding for basic EPS as reported	564,034,936	494,021,899	564,082,549	94,176,843
Adjustment for the effect of bonus element of the share capital increase	-	40,410,992	-	40,423,666
Weighted average number of ordinary shares outstanding for basic EPS as adjusted	**564,034,936**	**534,432,891**	**564,082,549**	**534,600,509**
Potential dilutive ordinary shares under stock options	-	425,220	-	425,220
Weighted average number of ordinary shares for dilutive EPS	**564,034,936**	**34,858,111**	**564,082,549**	**535,025,729**
Earnings per share - Basic	**€ 1.48**	**€ 2.71**	**€ 0.32**	**€ 0.84**
Earnings per share - Diluted	**€ 1.48**	**€ 2.70**	**€ 0.32**	**€ 0.84**

As at 31 December 2009, the number of potential dilutive ordinary shares is NIL due to the fact that for the 12-month period ended 31 December 2009, the exercise price of the share options outstanding was lower than the average market price of the Bank's shares.

Cash and balances with central banks

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Cash in hand	968,612	997,208	630,703	656,521
Obligatory balances with central banks	2,925,151	2,893,056	1,202,382	1,209,313
Non obligatory balances with central banks	359,091	255,131	240,636	93,415
Total	**4,252,854**	**4,145,395**	**2,073,721**	**1,959,249**

Due from banks

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Sight deposits with banks	421,783	402,914	333,322	78,422
Time deposits with banks	1,587,201	792,735	3,726,689	3,882,149
Securities purchased under agreements to resell	532,291	657,070	616,222	631,964
Placements in margin accounts for derivative transactions	739,397	431,592	739,397	431,592
Other	436,515	215,301	466,071	177,921
	3,717,187	**2,499,612**	**5,881,701**	**5,202,048**
Less: Allowance for losses on amounts due from banks	(9,276)	(9,548)	-	-
Total	**3,707,911**	**2,490,064**	**5,881,701**	**5,202,048**

Financial assets at fair value through Profit or Loss

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Assets designated at fair value through profit or loss	34,502	100,110	-	-
Trading Securities:				
Government bonds	2,230,425	1,680,343	1,856,672	945,753
Treasury bills	897,104	131,794	897,104	115,222
Other debt securities	848,561	252,805	248,115	654,811
Equity securities	37,374	8,167	2,075	2,116
Mutual funds units	18,093	17,385	-	-
Total	**4,066,059**	**2,190,604**	**3,003,966**	**1,717,902**

The Group's assets designated at fair value through profit or loss include securities, for which the change in fair value during the period and cumulatively attributable to changes in credit risk is NIL for both 2009 and 2008. The Bank has no assets designated at fair value through profit or loss.

Derivative financial instruments

	Group			Bank		
	31.12.2009			31.12.2009		
	Notional Assets	Fair values Liabilities	Fair values amounts	Notional Assets	Fair values Liabilities	Fair values amounts
Derivatives held for trading						
Interest rate derivatives – OTC	61,504,740	1,678,773	1,013,192	56,616,391	1,522,164	904,198
Foreign exchange derivatives – OTC	8,961,434	144,686	46,198	5,389,012	99,205	32,615
Other types of derivatives – OTC	462,192	10,383	8,201	455,582	10,288	8,173
Interest rate derivatives – Exchange traded	4,347,760	39,257	29,060	4,347,760	39,257	29,060
Foreign exchange derivatives – Exchange traded	47,722	1,531	651	-	--Other types	
of derivatives – Exchange traded	9,486	99	37	-	-	-
Total	**75,333,334**	**1,874,729**	**1,097,339**	**66,808,745**	**1,670,914**	**974,046**
Derivatives held for Hedging						
Interest rate swaps	824,090	1,122	231,825	725,000	-	230,575
Total	**824,090**	**1,122**	**231,825**	**725,000**	-	**230,575**
Total	**76,157,424**	**1,875,851**	**1,329,164**	**67,533,745**	**1,670,914**	**1,204,621**

	Group			Bank		
	31.12.2009			31.12.2009		
	Notional Assets	Fair values Liabilities	Fair values amounts	Notional Assets	Fair values Liabilities	Fair values amounts
Derivatives held for trading						
Interest rate derivatives – OTC	54,089,898	1,362,866	401,996	54,021,353	1,143,517	570,347
Foreign exchange derivatives – OTC	10,562,725	171,569	397,965	8,132,911	111,340	355,728
Other types of derivatives – OTC	286,340	12,868	11,669	278,611	12,840	11,663
Interest rate derivatives – Exchange traded	4,486,398	2,349	34,397	4,486,398	2,349	34,397
Foreign exchange derivatives – Exchange traded	35,433	1,153	1,890	-	-	-
Other types of derivatives - Exchange traded	451	405	-	-	-	-
	69,461,245	**1,551,210**	**847,917**	**66,919,273**	**1,270,046**	**972,135**
Derivatives held for Hedging						
Interest rate swaps	3,920,195	33,662	345,792	3,920,195	33,662	345,792
Cross-currency interest rate swaps	1,573,213	5,448	374,106	254,638	-	109,024
Total	**5,493,408**	**39,110**	**719,898**	**4,174,833**	**33,662**	**454,816**
Total	**74,954,653**	**1,590,320**	**1,567,815**	**71,094,106**	**1,303,708**	**1,426,951**

Loans and advances to customers (net)

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Mortgages	24,481,873	22,278,690	20,664,268	18,876,793
Consumer loans	7,866,984	7,352,343	5,357,600	4,916,883
Credit cards	4,424,302	3,665,136	1,950,075	1,750,704
Small business lending	7,361,386	6,150,989	5,018,363	4,035,283
Retail lending	**44,134,545**	**39,447,158**	**32,990,306**	**29,579,663**
Corporate and Public sector lending	33,077,171	32,070,867	26,580,790	24,817,482
Total	**77,211,716**	**71,518,025**	**59,571,096**	**54,397,145**
Less:				
Allowance for impairment on loans and advances to customers	(2,459,171)	(1,620,423)	(1,441,398)	(956,945)
Total	**74,752,545**	**69,897,602**	**58,129,698**	**53,440,200**

Loans and advances to customers include securitized loans and loans used as collateral in the covered bonds programme, as follows:

Securitization of loans

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Corporate lending (Eterika Plc-July 2008)	1,267,017	1,257,624	1,267,017	1,257,624
Consumer loans (Revolver 2008–1 Plc–December 2008)	1,156,163	1,153,518	1,156,163	1,153,518
Credit cards (Revolver 2008–1 Plc–December 2008)	1,283,375	1,172,298	1,283,375	1,172,298
Receivables from Public sector (Titlos Plc–February 2009)	5,619,518	-	5,619,518	-
Total securitized loans	**9,326,073**	**3,583,440**	**9,326,073**	**3,583,440**

Covered bonds

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Mortgages	5,172,215	5,778,349	5,172,215	5,778,349

Investment securities

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Available-for-sale investment securities:				
Greek Government bonds	8,108,462	5,295,788	4,994,771	5,108,260
Treasury bills and other eligible bills	177,127	101,529	18,776	8,614
Debt securities issued by other governments and public entities	3,385,014	2,527,042	539,492	436,122
Corporate bonds incorporated in Greece	101,783	141,304	75,468	121,814
Corporate bonds incorporated outside Greece	74,937	66,360	32,899	25,578
Debt securities issued by Greek financial institutions	416,817	53,178	416,817	53,178
Debt securities issued by foreign financial institutions	1,161,022	551,649	876,668	757,978
Debt securities	**13,425,162**	**8,736,850**	**6,954,891**	**6,511,544**
Equity securities	339,118	347,297	218,273	182,267
Mutual funds units	573,418	505,500	303,496	284,642
Total available-for-sale investment securities	**14,337,698**	**9,589,647**	**7,476,660**	**6,978,453**
Held-to-maturity investment securities (at amortized cost):				
Greek Government bonds	34,390	34,645	-	-
Treasury bills and other eligible bills	-	7,220	-	7,220
Debt securities issued by other government and public entities	60,214	64,113	-	-
Corporate bonds incorporated outside Greece	-	-	-	-
Debt securities issued by foreign financial institutions	5,014	35,084	-	-
Debt securities issued by companies of the Group - at amortized cost	-	-	932,195	722,698
Total held-to-maturity investment securities	**99,618**	**141,062**	**932,195**	**729,918**
Loans and receivables investment securities:				
Greek Government bonds	1,238,559	2,101,013	886,999	1,294,910
Debt securities issued by other government and public entities	9,415	82,704	9,415	82,704
Corporate bonds incorporated outside Greece	13,276	13,304	-	-
Debt securities issued by Greek financial institutions	314,470	421,108	314,470	421,108
Debt securities issued by foreign financial institutions	302,114	560,738	272,668	468,034
Debt securities issued by companies of the Group	-	-	-	91,314
Total loans and receivable securities	**1,877,834**	**3,178,867**	**1,483,552**	**2,358,070**
Total Investment securities	**16,315,150**	**12,909,576**	**9,892,407**	**10,066,441**

Investment property

	Land	Buildings	Total
Cost			
At 1 January 2008	65,333	127,990	193,323
Foreign exchange differences	-	(353)	(353)
Transfers	-	(251)	(251)
Additions	-	49	49
Disposals and write offs	(399)	(528)	(927)
At 31 December 2008	64,934	126,907	191,841
Accumulated depreciation & impairment			
At 1 January 2008	(98)	(39,597)	(39,695)
Foreign exchange differences	-	179	179
Transfers	-	96	96
Disposals and write offs	86	57	143
Depreciation charge	-	(4,148)	(4,148)
Impairment charge	(86)	(257)	(343)
At 31 December 2008	(98)	(43,670)	(43,768)
Net book amount at 31 December 2008	64,836	83,237	148,073
Cost			
At 1 January 2009	64,934	126,907	191,841
Foreign exchange differences	-	(220)	(220)
Transfers	9,748	10,485	20,233
Additions	40	1,929	1,969
Disposals and write offs	-	(19)	(19)
At 31 December 2009	74,722	139,082	213,804
Accumulated depreciation & impairment			
At 1 January 2009	(98)	(43,670)	(43,768)
Foreign exchange differences	-	112	112
Disposals and write offs	-	7	7
Depreciation charge	-	(3,505)	(3,505)
Impairment charge	(773)	(982)	(1,755)
At 31 December 2009	(871)	(48,038)	(48,909)
Net book amount at 31 December 2009	73,851	91,044	164,895

Investments in associates

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
At 1 January	55,683	73,586	6,921	21,492
Additions	24,457	30,331	20,945	94
Disposals/transfers	(37,188)	(13,061)	(235)	(10,313)
Share of results (after tax)	117	(28,932)	-	-
Dividends	(389)	(1,889)	-	-
Impairment charge	-	(4,352)	-	(4,352)
At 31 December	42,680	55,683	27,631	6,921

On 10 July 2009, the Bank disposed of a 20% of its participation in Social Securities Funds Management SA reducing its participation from 40% to 20%. The consideration for the disposal was €1,270 the profit on sale for the Group and the Bank was €576 and €1,035 respectively.

On 15 July 2009, the Bank participated with 21.83% in Pyrrichos Real Estate SA, a newly established company active in real estate management. The initial cost of investment amounted to €432.

On 15 September 2009, the Group disposed of its investment in Phosphoric Fertilizers Industry SA for a consideration of €18.9 million, €2.6 million of which has been deposited in an escrow account to set off contingent liabilities. The loss on sale for the Group and the Bank was €10 million and €7.5 million respectively.

On 14 October 2009, the Bank partially participated in the share capital increase of its associate Larco SA. The Bank's contribution amounted to €20,513, while after the completion of Larco's SA share capital increase the Bank's participation was reduced from 36.43% to 33.36%.

Goodwill, software and other intangible assets

	Group						Bank		
	Goodwill	Software	Other indefinite life intangibles	Other indefinite life intangibles	Other intangibles	Total	Software	Other intangibles	Total
Cost									
At 1 January 2008	2,460,909	252,982	233,606	189,556	66,245	3,203,298	154,093	82,872	236,965
Foreign exchange differences	(459,134)	(11,356)	(43,630)	(36,493)	(1,909)	(552,522)	(77)	(894)	(971)
Transfers	-	5,355	-	-	(14,756)	(9,401)	605	(1,194)	(589)
Additions	75,719	58,821	-	-	32,360	166,900	34,327	20,770	55,097
Disposals and write offs	(35,105)	(272)	-	-	(6)	(35,383)	(5)	-	(5)
At 31 December 2008	2,042,389	305,530	189,976	153,063	81,934	2,772,892	188,943	101,554	290,497
Accumulated amortization & impairment									
At 1 January 2008	(11,384)	(190,630)	(39,038)	-	(29,143)	(270,195)	(124,627)	(32,138)	(156,765)For-
Foreign exchange differences	408	8,242	10,028	-	1,522	20,200	61	143	204
Transfers	-	24	-	-	5,795	5,819	30	389	419
Disposals and write offs	11,037	100	-	-	3	11,140	-	-	-
Intangibles amortization & goodwill impairment charge	(4,585)	(27,113)	(27,406)	-	(6,758)	(65,862)	(14,077)	(8,993)	(23,070)
At 31 December 2008	(4,524)	(209,377)	(56,416)	-	(28,581)	(298,898)	(138,613)	(40,599)	(179,212)
Net book amount at 31 December 2008	2,037,865	96,153	133,560	153,063	53,353	2,473,994	50,330	60,955	111,285
Cost									
At 1 January 2009	2,042,389	305,530	189,976	153,063	81,934	2,772,892	188,943	101,554	290,497
Foreign exchange differences	(19,225)	(874)	(2,448)	(1,259)	297	(23,509)	(281)	168	(113)
Transfers	-	4,428	-	-	(3,690)	738	-	(21)	(21)
Additions	27,870	55,478	-	-	20,577	103,925	26,956	22,730	49,686
Disposals and write offs	(758)	(1,478)	-	-	(97)	(2,333)	-	-	-
At 31 December 2009	2,050,276	363,084	187,528	151,804	99,021	2,851,713	215,618	124,431	340,049
Accumulated amortization & impairment									
At 1 January 2009	(4,524)	(209,377)	(56,416)	-	(28,581)	(298,898)	(138,613)	(40,599)	(179,212)
Foreign exchange differences	(328)	416	566	-	16	670	269	(15)	254
Transfers	-	(865)	-	-	(293)	(1,158)	-	(568)	(568)
Disposals and write offs	-	1,468	-	-	30	1,498	-	-	-
Intangibles amortization & goodwill impairment charge	-	(35,783)	(24,071)	-	(7,028)	(66,882)	(19,051)	(16,618)	(35,669)
At 31 December 2009	(4,852)	(244,141)	(79,921)	-	(35,856)	(364,770)	(157,395)	(57,800)	(215,195)
Net book amount at 31 December 2009	2,045,424	118,943	107,607	151,804	63,165	2,486,943	58,223	66,631	124,854

Additions to goodwill of €28 million as well as the €(0.8) million in disposals and write offs relate to other investment activities of the Group (mainly Private equity business).

Other indefinite life intangibles include the brand names of Finansbank, Vojvodjanska Banka and P&K of €139 million, €11 million and €2 million respectively (2008: €140 million, €11 million and €2 million respectively). Other finite life intangibles include core deposits and customer relationships amounting to €89 million of Finansbank (remaining useful lives span from 2.5 to 4.5 years), €17 million of Vojvodjanska Banka (remaining useful lives span from 7 to 8 years) and €2 million of P&K (useful lives span from 5 to 6 years) (2008: €110 million, €21 million and €2 million respectively).

The CGUs where significant goodwill is allocated are the Turkish and Serbian operations and the goodwill relates to the acquisitions of Finansbank and Vojvodjanska Banka. The goodwill with respect to these acquisitions amounts to €1,664 million (2008: €1,668 million) and €229 million (2008: €248 million) respectively. The difference is due to effect of foreign exchange.

There was no indication of impairment for intangibles assets.

Property and equipment

	Land	Buildings	Vehicles & equipment	Leasehold im-provements	Assets under construction	Total
Cost						
At 1 January 2008	**877,503**	**909,310**	**845,012**	**148,131**	**84,993**	**2,864,949**
Foreign exchange differences	(23)	(23,155)	(52,779)	(20,804)	(3,837)	(100,598)
Transfers	(726)	52,551	22,157	22,453	(87,033)	9,402
Additions	28,277	30,669	125,936	24,070	68,283	277,235
Disposals and write offs	(15,317)	(17,294)	(53,028)	(1,408)	(709)	(87,756)
At 31 December 2008	**889,714**	**952,081**	**887,298**	**172,442**	**61,697**	**2,963,232**
Accumulated depreciation & impairment						
At 1 January 2008	-	(300,416)	(556,846)	(70,872)	-	(928,134)
Foreign exchange differences	-	6,318	35,896	11,875	-	54,089
Transfers	-	(159)	(43)	(5,617)	-	(5,819)
Disposals and write offs	-	5,819	12,894	1,238	-	19,951
Depreciation & impairment charge	-	(27,336)	(76,969)	(16,246)	-	(120,551)
At 31 December 2008	-	**(315,774)**	**(585,068)**	**(79,622)**	-	**(980,464)**
Net book amount at 31 December 2008	**889,714**	**636,307**	**302,230**	**92,820**	**61,697**	**1,982,768**
Cost						
At 1 January 2009	**889,714**	**952,081**	**887,298**	**172,442**	**61,697**	**2,963,232**
Foreign exchange differences	16	(5,841)	(2,847)	(1,841)	(172)	(10,685)
Transfers	43,612	101,923	(6,730)	20,369	(77,823)	81,351
Additions	343	26,147	124,498	25,575	33,815	210,378
Disposals and write offs	(523)	(1,265)	(25,142)	(614)	(124)	(27,668)
At 31 December 2009	**933,162**	**1,073,045**	**977,077**	**215,931**	**17,393**	**3,216,608**
Accumulated depreciation & impairment						
At 1 January 2009	-	**(315,774)**	**(585,068)**	**(79,622)**	-	**(980,464)**
Foreign exchange differences	-	1,994	1,933	914	-	4,841
Transfers	-	(10,848)	(2,359)	288	-	(12,919)
Disposals and write offs	-	178	20,150	529	-	20,857
Depreciation & impairment charge	(3,442)	(36,186)	(89,244)	(20,899)	-	(149,771)
At 31 December 2009	**(3,442)**	**(360,636)**	**(654,588)**	**(98,790)**	-	**(1,117,456)**
Net book amount at 31 December 2009	**929,720**	**712,409**	**322,489**	**117,141**	**17,393**	**2,099,152**

Deferred tax assets and liabilities

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Deferred tax assets:				
Securities	155,255	165,312	113,041	136,414
Derivatives	(120,168)	(35,794)	(120,168)	(35,794)
Tangible and intangible assets	-	3,297	(2,735)	36
Pension and other post retirement benefits	21,028	16,301	16,170	11,156
Insurance reserves	13,155	20,955	-	-
Loans and advances to customers	(33,808)	(15,910)	(36,578)	(16,264)
Other temporary differences	138,756	104,658	112,364	78,399
Deferred tax assets	**174,218**	**258,819**	**82,094**	**173,947**

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Deferred tax liabilities:				
Securities	405	(405)	-	-
Derivatives	3,192	(7,215)	-	-
Tangible and intangible assets	55,036	58,572	-	-
Pension and other post retirement benefits	(3,406)	(3,074)	-	-
Insurance reserves	-	-	-	-
Loans and advances to customers	68,339	43,370	-	-
Other temporary differences	13,770	13,195	-	-
Deferred tax liabilities	**137,336**	**104,443**	**-**	**-**

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Deferred tax charge in the income statement:				
Securities	9,220	(73,619)	(26,991)	(76,943)
Derivatives	(94,751)	(58,607)	(84,374)	(58,359)
Tangible and intangible assets	1,745	21,447	(2,771)	9,383
Pension and other post retirement benefits	5,069	(4,531)	5,014	(3,235)
Insurance reserves	(7,800)	(18,316)	-	-
Loans and advances to customers	(43,700)	(45,966)	(20,314)	(10,782)
Other temporary differences	5,207	(305)	21,067	78,712
Deferred tax charge in the income statement-continuing operations	**(125,010)**	**(179,897)**	**(108,369)**	**(61,224)**
Deferred tax through equity	**7,516**	**293,416**	**16,516**	**212,416**
Net deferred tax movement	**117,494**	**113,519**	**(91,853)**	**151,192**

Insurance related assets and receivables

	Group	
	31.12.2009	31.12.2008
Investments on behalf of policyholders who bear the investment risk (unit linked)	351,459	337,073
Insurance business receivables	287,207	227,078
Amounts receivable from reinsurers and reinsurance business receivables	101,213	87,463
Deferred acquisition costs (DAC)	66,081	56,107
Total	**805,960**	**707,721**

Other assets

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Accrued interest and commissions	661,435	914,864	520,629	785,071
Receivables from Greek state	140,839	202,489	140,839	202,489
Tax prepayments and other recoverable taxes	71,640	62,131	11,922	12,564
Private equity: investees assets	69,387	55,580	-	-
Trade receivables	72,713	81,486	23,389	25,772
Assets acquired through foreclosure proceedings (net)	177,498	127,542	75,879	73,934
Prepaid expenses	109,211	93,209	65,126	63,285
Hellenic Deposit and Investment Guarantee Fund	110,472	54,743	110,472	54,743
Checks and credit card transactions under settlement	128,977	145,213	88,643	104,265
Securities transactions under settlement	362,709	20,819	331,449	20,819
Other	555,603	483,751	329,398	245,042
Total	**2,460,484**	**2,241,827**	**1,697,746**	**1,587,984**

Assets and liabilities held for sale

	Group	
Non-current assets held for sale	31.12.2009	31.12.2008
Cash and due from banks	-	10
Property, plant and equipment and intangibles	-	110,473
Other assets	-	6,410
Total assets	-	**116,893**
Other liabilities	-	8,856
Net assets	-	**108,037**

On 15 March 2007, the Boards of Directors of the Bank and NBG Venture Capital SA, a wholly owned subsidiary of the Bank, announced the draft agreement for the divestment of the warehousing section of the Bank and the transfer of the section, through absorption, to the latter according to the Divestment Balance Sheet as at 13 March 2007. NBG Venture Capital SA increased its share capital by €109,492,401 with the issuance of 37,369,420 new shares of a nominal value of €2.93 each. The divestment was approved by the Annual General Meeting of the Bank on the 25 May 2007. The Group classified this transaction under IFRS 5 "Non-current assets held for sale and discontinued operations" from the moment it took the binding decision to dispose of the warehouse section and made all the necessary arrangements to locate a buyer.

Although the management of the Group remains at its initial strategy to dispose of the warehousing section, the prolonged severe financial crisis did have an unfavourable effect on concluding a sale with potential buyers. Given the crisis prolongation, it is unlikely that a disposal will take place even in 2010. Therefore, management believes that classification of the warehousing section as non-current assets held for sale under IFRS 5 is no longer appropriate and thus, re-classified it in the appropriate line items in the statement of financial position. The impact on the income statement for the year ending 2009 is €4,089 of which €1,522 and €1,037 relate to 2008 and 2007 respectively.

Due to banks

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Demand deposits due to credit institutions	330,114	192,947	276,901	173,177
Time deposits due to credit institutions	1,210,992	1,863,963	1,065,487	1,603,657
Interbank deposits	1,791,414	1,959,739	1,222,508	1,375,479
Amounts due to ECB	11,000,000	8,750,000	11,000,000	8,750,000
Amounts due to Central Bank	42,752	70,279	10,947	2,755
Securities sold under agreements to repurchase	6,876,851	1,654,267	4,435,164	1,570,238
Other	391,215	348,835	379,678	326,109
Total	**21,643,338**	**14,840,030**	**18,390,685**	**13,801,415**

Due to customers

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Deposits:				
Individuals	57,475,205	54,227,637	48,645,379	46,390,351
Corporates	10,708,155	10,317,126	6,959,655	7,103,767
Government and agencies	2,284,655	2,338,326	2,041,498	2,177,957
Total deposits	**70,468,015**	**66,883,089**	**57,646,532**	**55,672,075**
Securities sold to customers under agreements to repurchase	23,542	149,032	41,569	150,542
Other	702,914	624,827	393,066	468,436
Total	**71,194,471**	**67,656,948**	**58,081,167**	**56,291,053**

Debt securities in issue

		Group			Bank	
		31.12.2009	31.12.2008		31.12.2009	31.12.2008
Corporate bonds-Fixed rate	6.4%	117,672	178,763	-	-	-
Corporate bonds-Floating rate	2.1%	174,464	290,380	-	-	-
Covered bonds-Fixed rate	3.9%	1,387,696	-	3.9%	1,387,696	-
Covered bonds-Floating rate	1.7%	97,413	-	1.7%	97,413	-
Fixed rate notes	7.4%	82,454	114,147	-	-	-
Floating rate notes	-	-	1,230,388	-	-	-
Total		**1,859,699**	**1,813,678**		**1,485,109**	-

Corporate bonds

On 24 March 2006, Finansbank obtained a loan via a special purpose entity, which issued USD 110 million bonds with five-year maturity and USD 110 million bonds with a seven-year maturity. Interest is paid semi-annually and is 6.25% and 6.5% respectively. As at 31 December 2009, part of these issues to the amounts of USD45.0 million and USD9.0 million respectively, have been bought back by the Group.

Covered bonds

Included in covered bonds – fixed rate and floating rate – are the proceeds of the securities issued by the Bank under the €10 billion covered bonds programme, which are described in Note "Loans and advances to customers (net)". In covered bonds – fixed rate, the new issue in 2009, of €1.5 billion has been designated as financial liability at fair value through profit or loss. The carrying amount and amortized cost as at 31 December 2009 were €1,387,696 and €1,498,550 respectively and the difference is mainly attributed to credit risk.

Fixed rate notes

On 22 February 2007, NBG Finance plc, a wholly owned subsidiary of the Bank, issued Romanian Lei (RON) 355 million Fixed Rate Notes, guaranteed by the Bank due in February 2012. The notes carry interest of 7.35%, which is paid semi-annually. The proceeds of the Note were ultimately lent to the Bank and for the Bank, these proceeds are included in account "Other borrowed funds". As at 31 December 2009 an amount of €3.6 million has been bought back by the Bank.

On 16 November 2009, Finansbank redeemed the last tranche of the USD125 million Series 2004-B Fixed Rate Notes, obtained via a special purpose entity and secured on Finansbank's Diversified Payment Rights.

Floating rate notes

On 22 May 2009, NBG Finance Plc redeemed the €1,500 million Floating Rate Notes issued in May 2007. As the proceeds of the Note were ultimately lent to the Bank and for the Bank, these proceeds were included in account "Other borrowed funds". At 31 December 2008, an amount of €299 million was held by the Bank.

On 9 October 2009, NBG Finance Plc redeemed USD300 million Floating Rate Notes issued in October 2007. As the proceeds of the Note were ultimately lent to the Bank and for the Bank, these proceeds were included in account "Other borrowed funds". As at 31 December 2008, an amount of USD259 million was held by the Bank.

Other borrowed funds

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Subordinated notes-Fixed rate	102,088	309,972	312,188	776,580
Subordinated notes-Floating rate	-	-	309,563	798,076
Loans-fixed rate	535,975	759,154	86,130	88,254
Loans-floating rate	586,910	853,747	501,496	2,211,971
Total	1,224,973	1,922,873	1,209,377	3,874,881

Subordinated notes

On 28 June 2005, NBG Finance plc, a wholly owned subsidiary of the Bank, issued JPY 30 billion Subordinated Callable Fixed Rate Notes guaranteed on a subordinated basis by the Bank due in June 2035. The notes may be redeemed at the option of the Bank in or after June 2015. The notes carry fixed rate interest of 2.755% which is payable semi-annually in arrears. These notes have been designated as financial liability at fair value through profit or loss. The carrying amount and amortized cost as at 31 December 2009 were €102,088 and €225,347 respectively (2008: €155,208 and €237,831 respectively) and the difference is mainly attributed to credit risk.

Included in subordinated notes – fixed rate – and floating rate for the Bank are the amounts ultimately lent to the Bank under loan agreements with NBG Finance, representing the proceeds of the securities issued by NBG Funding, which are described in Note "Preferred Securities". These loans have the same terms with the securities as described in Note "Preferred Securities" but with 31-year maturity.

On 8 October 2009, Finansbank redeemed, at the first repayment option date, the subordinated loan of amount USD200 million, issued in October 2004 with original maturity of 10 years and an interest rate of 9% for the first five years and step up of 11.79% thereafter.

The major fixed and floating rate loans are as follows:

On 31 March 2006, Finansbank raised TL 300 million through a credit card secured loan, with a five-year maturity. Interest is paid quarterly and is set at 11.81%.

On 4 August 2008, the Bank entered into a €500 million loan agreement. The Bank exercised its right to borrow €500 million under the facility on the same date. The facility matures on 4 August 2010, and interest is paid semi-annually at 6 month Euribor plus a margin of 36 bps.

On 7 December 2009, Finansbank redeemed the second tranche of USD221 million, of the term loan facility of USD700 million, with a three year maturity and interest paid monthly at Libor plus 60 bps. The first tranche of USD479 million redeemed in December 2008.

On 11 December 2009, Finansbank redeemed the its floating rate syndication loan of amount USD470 million, with one year maturity.

Insurance related reserves & liabilities

	Group	
	31.12.2009	31.12.2008
Insurance reserves		
Life		
Mathematical reserve	1,177,566	1,060,532
Outstanding claims reserve	59,016	45,311
Other	4,603	598
Total	**1,241,185**	**1,106,441**
Insurance provisions for policies where the holders bear the investment risk (Unit linked)	367,172	339,180
Total Life reserves	**1,608,357**	**1,445,621**
Property and Casualty		
Unearned premia reserve	206,041	162,320
Outstanding claims reserve	475,374	403,519
Other	19,296	12,264
Total Property and Casualty reserves	**700,711**	**578,103**
Other Insurance liabilities		
Liabilities relating to deposit administration funds (DAF)	187,371	167,963
Amounts payable to brokers, agents and sales partners	60,214	47,713
Amounts payable to reinsures	24,670	26,856
Total	**2,581,323**	**2,266,256**

Other liabilities

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Accrued interest and commissions	455,217	598,389	448,355	604,193
Creditors and suppliers	360,310	318,218	266,260	249,954
Amounts due to government agencies	290,248	319,376	280,439	310,598
Private equity: liabilities of investee entities	142,429	117,562	-	-
Other provisions	131,457	118,053	38,806	24,025
Taxes payable - other than income taxes	88,336	113,534	27,452	44,148
Accrued expenses and deferred income	106,401	96,663	87,260	61,943
Payroll related accruals	69,101	48,661	28,691	22,264
Dividends payable	19,010	21,007	18,921	20,811
Puttable instruments held by minority shareholders	259,119	260,733	259,119	260,733
Unsettled transactions on debt securities	781,154	11,793	781,154	11,793
Checks and credit card transactions under settlement	266,783	232,995	-	-
Other	306,571	375,130	194,106	273,250
Total	**3,276,136**	**2,632,114**	**2,430,563**	**1,883,712**

Contingent liabilities and commitments

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Commitments to extend credit*	19,641,495	18,536,580	14,489,611	14,627,496
Standby letters of credit and financial guarantees written	6,369,777	6,282,662	3,943,383	3,832,402
Commercial letters of credit	452,273	654,996	135,189	93,606
Total	**26,463,545**	**25,474,238**	**18,568,183**	**18,553,504**

* Commitments to extend credit at 31 December 2009 include amounts of €1,597 million for the Group (2008: €1,985 million) and €396 million for the Bank (2008: €412 million), which cannot be cancelled without certain conditions being met at any time and without notice, or for which automatic cancellation due to credit deterioration of the borrower is not allowed. Such commitments are included in the Risk Weighted Assets calculation under regulatory rules currently in force

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Assets pledged as collaterals	16,688,178	10,449,783	16,536,273	10,363,514

f. Operating lease commitments

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
No later than 1 year	75,977	80,207	90,769	26,855
Later than 1 year and no later than 5 years	241,884	256,829	358,819	81,807
Later than 5 years	128,240	157,430	1,484,550	80,526
Total	**446,101**	**494,466**	**1,934,138**	**189,188**

Share capital, share premium and treasury shares

Share Capital – Ordinary Shares

Following the Board of Directors' resolution on 18 June 2009, the Bank, in July 2009, increased its ordinary share capital by offering 110,367,615 new ordinary shares of nominal value of €5.00 each and subscription price of €11.30 each through a rights issue. The shares were initially offered to existing ordinary shareholders at a ratio of 2 new shares for every 9 shares held. The total capital raised amounted to €1,247,154, €551,838 of which has been credited to "Share capital" account and the remaining amount less expenses incurred has been credited to "Share premium" account. The new shares were listed in the ATHEX on 30 July 2009.

On 22 December 2009, the Board of Directors of the Bank approved the share capital increase by €99 through the issue of 19,693 ordinary shares derived from the exercise of stock options under Programmes A and B.

The total number of ordinary shares as at 31 December 2009 and 31 December 2008 was 607,041,577 and 496,654,269 respectively with a nominal value of €5 per share.

Share Capital – Preference Shares

On 6 June 2008, the Bank issued 25,000,000 non-cumulative, non-voting, redeemable preference shares, of a par value of €0.30 each. The shares were offered at a price of USD25 per preference share in the form of American Depositary Shares in the United States and are evidenced by American Depositary Receipts and listed on the New York Stock Exchange. The annual dividend is set to USD2.25 per preference share.

The Extraordinary General Meeting of the Bank's Shareholders held on 22 January 2009, approved the issue of 70,000,000 Redeemable Preference Shares at a par value of €5 each with the cancellation of the pre-emptive rights of the existing shareholders in favour of the Greek State, in accordance with the Law 3723/2008. On 24 February 2009, the Ministry of Development approved the above mentioned issue (resolution K2-1950 / Registrar of Companies). On 21 May 2009, the Bank's Board of Directors certified that the Greek State fully covered the said issue of preferred shares. This increase was covered through the transfer to the Bank of an equal market value Greek Government Bond with a coupon rate of 6-month Euribor plus 130 basis points. On 25 May 2009, the Board of Directors' minutes for the above mentioned certification were filed with the Ministry of Development (resolution K2-5300/ Registrar of Companies).

The preference shares issued by the Bank in favour of the Greek State are not transferable and embody the following privileges:

(a) The right to receive payment of a fixed return, calculated on a 10% basis over the issue price of each preference share which is payable within one month as of the Bank's Annual General Meeting (i) in priority over the common shares, (ii) in priority over the dividend amounts distributed pursuant to Article 1 par. 3 of Law 3723/2008 and (iii) irrespective of distribution of dividend to other classes of shareholders and provided that, following payment of the said fixed return, the Bank's and Group's capital adequacy ratios, meet the respective capital adequacy requirements set by the Bank of Greece.

The distribution is subject to availability of distributable funds, in accordance with Article 44a of Law 2190/1920. In case of inadequacy of distributable funds, the Preferred Shareholder is entitled to receive payment of fixed return on the preference shares in priority over the Common Shareholders, up to exhaustion of such distributable funds.

(b) Upon liquidation, the right in liquidation proceeds in priority over all other shareholders.

The Ministry of Economy and Finance, through its letter to the Bank of Greece (Protocol Number 39389/B2038/7.8.2009) clarified that the funds provided by the Greek State to the financial institutions through the issuance of preference shares, are for the support of the capital adequacy of the Greek banking sector and not for medium term funding. In this respect, the Ministry has submitted on 17 March 2010 to the Parliament a draft law with the necessary legislative amendments under which the preference shares are not mandatory redeemable. However, if not redeemed after five years following their issuance, the coupon rate is increased by 2% per annum cumulatively. The draft law is expected to be enacted as law in April 2010.

In view of the above the Bank recognized the preference shares within equity.

On 31 December 2009, the total paid-up share capital of the Bank amounted to €3,392,708 divided into a) 607,041,577 ordinary shares of a par value of €5 each, b) 25,000,000 non-cumulative, non-voting, redeemable preference shares, of a par value of €0.30 each, and c) 70,000,000 redeemable preference shares of the Greek State of a par value of €5 each, in accordance with the Law 3723/2008.

Share premium

Following the share capital increase in 2009 the share premium as at 31 December 2009 amounted to €3,335,881, while as at 31 December 2008 amounted to €2,682,050. The movement is as follows:

	2008	2009
At 1 January	**2,682,050**	**2,292,753**
Share capital increase above par value through ordinary shares	695,316	-
Share capital increase above par value through preference shares	-	395,138
Stock options exercised	313	6,642
Share capital issue costs net of tax	(41,798)	(12,524)
Merger with P&K	-	41
At 31 December	**3,335,881**	**2,682,050**

Treasury shares

Out of the 6,456,504 treasury shares held on 1 January 2009, representing 1.3% of the paid-up share capital, on 15 April 2009 the Bank disposed of 5,954,000 own shares at a price of €13.50 per share and the remaining were disposed on 15 September 2009 at a price of €21.40 per share. The proceeds from this sale have been used to strengthen the Bank's capital base.

	Group		Bank	
	No of shares	€'000s	No of shares	€'000s
At 1 January 2008	**502,500**	**21,601**	**502,500**	**21,601**
Purchases	11,756,276	279,249	5,954,004	123,676
Sales	(5,802,272)	(155,573)	-	-
At 31 December 2008	**6,456,504**	**145,277**	**6,456,504**	**145,277**
Purchases	11,505,151	228,466	-	-
Sales	(17,624,305)	(363,117)	(6,456,504)	(145,277)
At 31 December 2009	**337,350**	**10,626**	-	-

At a Group level, the treasury shares transactions are conducted by National P&K Securities SA.

Reserves & Retained Earnings

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Statutory reserve	383,307	369,254	279,093	279,093
Available for sale securities reserve	(1,001,932)	(839,109)	(711,564)	(663,797)
Currency translation differences reserve	(698,918)	(662,690)	(422)	(515)
Other reserves and retained earnings	3,053,030	2,076,608	1,928,465	1,791,461
Total	**1,735,487**	**944,063**	**1,495,572**	**1,406,242**

Minority interest

	Group	
	31.12.2009	31.12.2008
At 1 January	**842,408**	**507,889**
(Acquisitions) /disposals	5,480	311,723
Share of net profit of subsidiaries	40,777	38,931
Movement in the available for sale securities reserve	(30,936)	(38)
Foreign exchange differences	(353)	(16,097)
At 31 December	**857,376**	**842,408**

Preferred Securities

NBG Funding Ltd ("NBG Funding"), a wholly owned subsidiary of the Bank, has issued the following Non–Cumulative Non–Voting Preferred Securities (the "preferred securities") guaranteed on a subordinated basis by the Bank. All preferred securities are perpetual. However, the preferred securities may be redeemed at par by NBG Funding, in whole but not in part, ten years after their issue or on any dividend payment date falling thereafter subject to the consent of the Bank of Greece.

Innovative preferred securities:

- €350 million Series A Floating Rate securities issued on 11 July 2003 carrying a preferred dividend rate of three-month Euribor plus 175 bps until 11 July 2013 and three-month Euribor plus 275 bps thereafter, which is paid quarterly.
- GBP375 million Series E Fixed/Floating Rate securities issued on 8 November 2006 carrying a preferred dividend rate of 6.2889% fixed per annum until 8 November 2016 and thereafter floating of three month Libor plus 2.08%. The dividends are payable annually in arrears until 8 November 2016 and thereafter quarterly in arrears.

Non- innovative preferred securities:

- €350 million Series B Constant Maturity Swap ("CMS") Linked securities issued on 3 November 2004 carrying a preferred dividend rate of 6.25% the first year and thereafter of the 10 year EUR CMS mid swap rate plus 12.5 bps reset every six months and capped at 8% paid semi-annually.
- USD180 million Series C Constant Maturity Swap ("CMS") Linked securities issued on 3 November 2004 carrying a preferred dividend rate of 6.75% the first year and thereafter of the 10 year USD CMS mid swap rate plus 12.5 bps reset every six months and capped at 8.5% paid semi-annually.
- €230 million Series D Constant Maturity Swap ("CMS") Linked securities issued on 16 February 2005 carrying a preferred dividend rate of 6% until 16 February 2010 and thereafter of the difference of the 10-year EUR CMS mid swap rate minus the 2-year mid swap rate multiplied by four subject to a minimum rate of 3.25% and capped at 10% paid annually.

The proceeds of the instruments issued by NBG Funding have been lent to NBG Finance Plc, NBG Finance (Dollar) Plc and NBG Finance (Sterling) Plc through Eurobond issues and ultimately lent to the Bank under loan agreements with the same terms as each one of the instruments referred to above but with a 31-year maturity. For the Bank, these loans are disclosed in Note "Other borrowed funds".

On 22 June 2009, the Bank announced a voluntary tender offer for the acquisition of any and all of the five series of the preferred securities issued by NBG Funding. The tender offer was for all the preferred securities in an aggregate nominal value of approximately €1,050 million, excluding the preferred securities that had already been acquired on open market by the Bank of an aggregate nominal value of approximately €450 million.

On 7 July 2009, the Bank announced the results of the voluntary tender offer for the preferred securities, where holders of preferred securities of an aggregate nominal value of approximately €450 million (equal to approximately 43% of the aggregate nominal value of the preferred securities subject to the tender offer) validly tendered their preferred securities at a price lower than their nominal value. The settlement date for the purchase by the Bank of the preferred securities that have been validly tendered was the 8 July 2009 and the purchases were funded by existing liquidity reserves of the Bank. Subsequent to 7 July 2009 (expiry date of the tender offer) the Bank purchased an additional portion of the outstanding preferred securities of an aggregate nominal amount of €19.1 million of series A, B and D, GBP46.6 million of series E and USD0.8 million of series C. The above transactions resulted in a further strengthening of the Bank's core Tier I capital by approximately €318.4 million, net of tax.

The movement of preferred securities is as follows:

	Series A	Series E	Series B	Series C	Series D	Total
	Innovative preferred securities		Non- innovative preferred securities			
At 31 December 2008	350,000	393,700	350,000	129,339	230,000	1,453,039
Purchases (Tender offer result)	(184,307)	(269,316)	(271,382)	(62,974)	(155,135)	(943,114)
Exchange differences	-	9,020	-	(2,253)	-	6,767
At 31 December 2009	165,693	133,404	78,618	64,112	74,865	516,692

Dividend per share

In accordance with Law 3723/2008 regarding the Hellenic Republic's Liquidity Support Plan, banks participating in the plan are allowed to distribute dividends of up to 35% of distributable profits, in accordance with article 3, par. 1 of Law 148/1967. The Greek State representative on the Board of Directors of the participating banks has veto right in any decision that relates to dividend distribution. Moreover, pursuant to Law 3723/2008, article 28 of Law 3756/2009 and a new draft law submitted to the Greek Parliament on 17 March 2010, banks participating in the plan are allowed to distribute dividends to ordinary shareholders only in the form of shares, which though are not treasury shares, the legislation explicitly excludes preference shares, like the one the Bank has issued, from this restriction.

On 2 June 2009, the Annual General Meeting of the Bank's Shareholders, approved the following:

a) The payment of the interim dividend of the amount of €32.7 million (USD42.2 million) to the holders of non-cumulative non-voting redeemable preference shares for the financial year ended 31 December 2008, which was authorized for payment by the Board of Directors on 17 November 2008.

b) The distribution of dividends to the holders of our non-cumulative, non-voting, redeemable preference shares of €42.2 million (USD56.25 million), pursuant to the terms of the Bank's non-cumulative, non-voting, redeemable preference shares.

c) No dividends were declared to the ordinary shares, following the participation of the Bank in the Hellenic Republic's Liquidity Support Plan.

Acquisitions, disposals & other capital transactions

On 24 February 2009, Finansbank disposed of its subsidiary Finans Malta Holdings Ltd to NBG International Holdings BV (a wholly owned subsidiary of the Bank), for the amount of €185 million. The disposal, which is part of the NBG Group restructuring efforts, was made at arm's length and no gain or loss has arisen in the consolidated financial statements. The transaction was financed through a share capital increase. Hence, NBG International Holdings BV increased its share capital by €185.5 million.

Since March 2009, the Bank consolidates Titlos Plc, a Special Purpose Entity established in the UK, for the purpose of the securitization of Greek State loans and receivables, in which the Bank has a beneficial interest.

On 19 May 2009, the Bank established Ethniki Factors SA, a wholly owned subsidiary.

On 8 June 2009, Finansbank established Finans Faktoring Hizmetleri AS, a wholly owned subsidiary.

On 30 June 2009, NBG Luxembourg Holding SA and NBG Luxfinance Holding SA were merged, through the absorption of the latter by the first. The new company was renamed to NBG Asset Management Luxembourg SA.

On 31 July 2009, the Bank and TOMI SA of ELLAKTOR Group entered into a private agreement to acquire joint control of AKTOR FM, through the acquisition by the Bank of a minority interest in AKTOR FM. The Bank's participation has been achieved through a share capital increase of AKTOR FM approved by its shareholders' General Meeting held on 18 December 2009, which the Bank has covered in full and TOMI SA cancelled its preemptive rights to the said increase. The Bank acquired 53,846 new ordinary registered shares at their nominal value of €3.00 each, paying in cash the amount of €161.5. The share capital increase was completed on 18 January 2010 when the payment of the relevant amount took place and the Bank owns 35% of the share capital, while it has veto rights on decisions relating to certain operating areas of AKTOR FM. AKTOR FM is active in the area of property maintenance and management. The agreement has been approved by the Hellenic Competition Commission.

Finansbank participated with 33,33% in Bantas AS, a newly established company active in cash transfer and security services.

On 16 October 2009, UBB established UBB Factoring EOOD, a wholly owned subsidiary of UBB.

On 14 January 2010, the Extraordinary General Meeting of the Bank approved the contribution of real estate property of the Bank with carrying amount of €614,953 to a real estate investment company under the name "NBG PANGAEA Real Estate Investment Company". The contribution of the real estate represents the share capital contribution owed by the Bank as the only shareholder of the above mentioned company for the amount of €589.868, while the remaining of €25,085 has been reflected in other reserves. The real estate property consists of land amounting to €352 million and buildings (net book value) of €263 million as follows:

	Bank
	31.12.2009
Land	352,143
Buildings	465,650
Accumulated depreciation and impairment	(202,840)
Total	**614,953**

The movement of investments in subsidiaries may be summarized as follows:

	Bank	
	2009	2008
Balance at the beginning of the period	**7,149,862**	**6,434,777**
Acquisitions / establishment of new subsidiaries	614,953	128
Acquisition of additional interest/ share capital increase in existing subsidiaries	299,865	1,251,286
Disposals	-	(462,386)
Mergers and divestments of operations	(71)	(25,226)
Impairment charge	-	(48,717)
Balance at the end of the period	**8,064,609**	**7,149,862**

Group Companies

Subsidiaries	Country	Tax years unaudited	Group % 31.12.2009	Group % 31.12.2008	Bank % 31.12.2009	Bank % 31.12.2008
National P&K Securities SA	Greece	2008-2009	100.00%	100.00%	100.00%	100.00%
Ethniki Kefalaiou SA	Greece	2009	100.00%	100.00%	100.00%	100.00%
NBG Asset Management Mutual Funds SA	Greece	2005-2009	100.00%	100.00%	81.00%	81.00%
Ethniki Leasing SA	Greece	2006-2009	100.00%	100.00%	93.33%	93.33%
NBG Property Services SA	Greece	2007-2009	100.00%	100.00%	100.00%	100.00%
Pronomiouhos SA Genikon Apothikon Hellados	Greece	2007-2009	100.00%	100.00%	100.00%	100.00%
NBG Bancassurance SA	Greece	2007-2009	100.00%	100.00%	99.70%	99.70%
Innovative Ventures SA (I-Ven)	Greece	2005-2009	100.00%	100.00%	-	-
Ethniki Hellenic General Insurance SA	Greece	2006-2009	100.00%	100.00%	100.00%	100.00%
Audatex Hellas SA	Greece	2008-2009	70.00%	70.00%	-	-
National Insurance Brokerage SA	Greece	2008-2009	95.00%	95.00%	-	-
ASTIR Palace Vouliagmenis SA	Greece	2006-2009	85.35%	85.35%	85.35%	85.35%
Grand Hotel Summer Palace SA	Greece	2007-2009	100.00%	100.00%	100.00%	100.00%
NBG Training Center SA	Greece	2007-2009	100.00%	100.00%	100.00%	100.00%
Ethnodata SA	Greece	2005-2009	100.00%	100.00%	100.00%	100.00%
KADMOS SA	Greece	2007-2009	100.00%	100.00%	100.00%	100.00%
DIONYSOS SA	Greece	2007-2009	99.91%	99.91%	99.91%	99.91%
EKTENEPOL Construction Company SA	Greece	2009	100.00%	100.00%	100.00%	100.00%
Mortgage, Touristic PROTYPOS SA	Greece	2007-2009	100.00%	100.00%	100.00%	100.00%
Hellenic Touristic Constructions SA	Greece	2007-2009	77.76%	77.76%	77.76%	77.76%
Ethnoplan SA	Greece	2007-2009	100.00%	100.00%	-	-
Ethniki Ktimatikis Ekmetalefsis SA	Greece	2007-2009	100.00%	100.00%	100.00%	100.00%
Ethniki Factors SA	Greece	2009	100.00%	-		100.00%-
NBG Pangaea Reic	Greece	-	100.00%	-		100.00%-
Finansbank AS(*)	Turkey	2005-2009	99.79%	99.79%	82.22%	82.21%
Finans Finansal Kiralama AS (Finans Leasing) (*)	Turkey	2005-2009	61.68%	61.68%	2.55%	2.55%
Finans Yatirim Menkul Degerler AS (Finans Invest) (*)	Turkey	2005-2009	99.70%	99.70%	0.20%	0.20%
Finans Portfoy Yonetimi AS (Finans Portfolio Management) (*)	Turkey	2005-2009	99.70%	99.69%	0.01%	0.01%
Finans Yatirim Ortakligi AS (Finans Investment Trust) (*)	Turkey	2005-2009	86.15%	87.25%	5.30%	5.30%
IBTech Uluslararasi Bilisim Ve Iletisim Teknolojileri AS (IB Tech) (*)	Turkey	2005-2009	99.64%	99.59%	-	-
Finans Emeklilik ve Hayat AS (Finans Pension) (*)	Turkey	2007-2009	99.79%	99.79%	-	-
Finans Tuketici Finansmani AS (Finans Consumer Funding) (*)	Turkey	-	99.79%	99.79%	-	-
Finans Faktoring Hizmetleri AS (Finans Factoring)(*)	Turkey	2009	99.79%	-	-	-
Finans Malta Holdings Ltd (3)	Malta	2006-2009	100.00%	99.79%	-	-
Finansbank Malta Ltd (3)	Malta	2005-2009	100.00%	99.79%	-	-
United Bulgarian Bank AD - Sofia (UBB)	Bulgaria	2005-2009	99.91%	99.91%	99.91%	99.91%
UBB Asset Management	Bulgaria	2004-2009	99.92%	99.92%	-	-
UBB Insurance Broker	Bulgaria	2007-2009	99.93%	99.93%	-	-
UBB Factoring EOOD	Bulgaria	2009	99.91%	-	-	-
Interlease EAD, Sofia	Bulgaria	2004-2009	100.00%	100.00%	100.00%	100.00%
Interlease Auto EAD	Bulgaria	2008-2009	100.00%	100.00%	-	-
ETEBA Bulgaria AD, Sofia	Bulgaria	-	100.00%	100.00%	92.00%	92.00%
ETEBA Romania SA	Romania	2000-2009	100.00%	100.00%	100.00%	100.00%
Banca Romaneasca SA (*)	Romania	2006-2009	99.28%	99.28%	99.28%	99.28%
NBG Leasing IFN SA	Romania	2007-2009	100.00%	100.00%	100.00%	100.00%
S.C. Garanta Asigurari SA	Romania	2003-2009	94.96%	94.96%	-	-
Vojvodjanska Banka a.d. Novi Sad (2)	Serbia	2005-2009	100.00%	100.00%	100.00%	100.00%
NBG Leasing d.o.o. Belgrade	Serbia	2004-2009	100.00%	100.00%	100.00%	100.00%
NBG Services d.o.o. Belgrade	Serbia	2009	100.00%	100.00%	-	-
Stopanska Banka AD-Skopje (*)	FYROM	2005-2009	94.64%	94.64%	94.64%	94.64%

Subsidiaries	Country	Tax years unaudited	Group % 31.12.2009	Group % 31.12.2008	Bank % 31.12.2009	Bank % 31.12.2008
NBG Greek Fund Ltd	Cyprus	2004-2009	100.00%	100.00%	100.00%	100.00%
National Bank of Greece (Cyprus) Ltd	Cyprus	2006-2009	100.00%	100.00%	100.00%	100.00%
National Securities Co (Cyprus) Ltd	Cyprus	-	100.00%	100.00%	-	-
NBG Management Services Ltd	Cyprus	2003-2009	100.00%	100.00%	100.00%	100.00%
Ethniki Insurance (Cyprus) Ltd	Cyprus	2003-2009	100.00%	100.00%	-	-
Ethniki General Insurance (Cyprus) Ltd	Cyprus	2005-2009	100.00%	100.00%	-	-
The South African Bank of Athens Ltd (SABA)	S. Africa	2009	99.67%	99.67%	94.32%	94.32%
NBG Asset Management Luxemburg SA(1)	Luxembourg	-	100.00%	100.00%	94.67%	94.67%
NBG Luxfinance Holding SA (1)	Luxembourg	-	-	100.00%	-	94.67%
NBG International Ltd	UK	2004-2009	100.00%	100.00%	100.00%	100.00%
NBGI Private Equity Ltd	UK	2004-2009	100.00%	100.00%	-	-
NBG Finance Plc	UK	2004-2009	100.00%	100.00%	100.00%	100.00%
NBG Finance (Dollar) Plc	UK	2008-2009	100.00%	100.00%	100.00%	100.00%
NBG Finance (Sterling) Plc	UK	2008-2009	100.00%	100.00%	100.00%	100.00%
NBG Funding Ltd	UK	-	100.00%	100.00%	100.00%	100.00%
NBGI Private Equity Funds	UK	2004-2009	100.00%	100.00%	-	-
Eterika Plc (Special Purpose Entity)	UK	2008-2009	-	-	-	-
Revolver APC Limited (Special Purpose Entity)	UK	2009	-	-	-	-
Revolver 2008-1 Plc (Special Purpose Entity)	UK	2009	-	-	-	-
Titlos Plc (Special Purpose Entity)	UK	2009	-	-	-	-
NBGI Private Equity SAS	France	2008-2009	100.00%	100.00%	-	-
NBG International Inc (NY)	USA	2000-2009	100.00%	100.00%	-	-
NBG International Holdings BV	The Netherlands	2008-2009	100.00%	100.00%	100.00%	100.00%
CPT Investments Ltd	Cayman Islands	-	50.10%	50.10%	50.10%	50.10%

(*) % of participation includes the effect of put and call option agreements

(1) NBG Luxembourg Holding SA was merged with NBG Luxfinance Holding SA on 30 June 2009 and renamed to NBG Asset Management Luxemburg SA.

(2) National Bank of Greece a.d. Beograd which was merged with Vojvodjanska Banka a.d. Novi Sad has been tax audited up to 2000.

(3) Finans Malta Holdings Ltd and Finansbank Malta Ltd have been renamed to NBG Malta Holdings Ltd and NBG Bank Malta Ltd on 3.2.2010 and 10.3.2010 respectively.

Independent Auditor's Fees

Deloitte Hadjipavlou Sofianos & Cambanis SA has served as our principal independent public accountant for the year ended 31 December 2009. The following table presents the aggregate fees for professional audit services and other services rendered by the Group's principal accounting firm Deloitte Hadjipavlou Sofianos & Cambanis SA, the other member firms of Deloitte Hadjipavlou Sofianos & Cambanis SA, and their respective affiliates (collectively, "Deloitte").

	Group		Bank	
	2009	2008	2009	2008
Audit fees	3,938	3,636	1,075	1,050
Audit related fees	4,247	5,596	3,581	4,905
Tax fees	83	66	-	-
All other fees	28	31	20	18
Total	**8,296**	**9,329**	**4,676**	**5,973**

Events after the reporting period

On 18 February 2010, the 2nd Repeat General Meeting of the Bank's shareholders approved assignment to the Board of Directors of the right to issue bonds convertible to shares, as per the provisions of articles 3a and 13 of the Companies Act and article 5 of the Bank's Articles of Association, for a period of five years, up to an amount corresponding to 50% of the paid-up share capital of the Bank as at the time of the assignment of the said right, i.e. €1,696 million. The Meeting leaves it to the Board to decide the particular terms and details of such issuance, as well as the procedure by which the bonds will be converted to shares.

Reclassifications

Reclassifications of financial assets

Group

In 2009 the Group, in accordance with its accounting policy, transferred certain debt securities from the loans and receivables to the available-for-sale category. At the time of the transfer the amortized cost and the fair value of these debt securities was €1,721.2 million and €1,487.5 million respectively.

In 2008 the Group reclassified certain available-for-sale and trading securities as loans and receivables, and certain trading securities to the available-for-sale and held to maturity categories.

On 31 December 2009, the carrying amount and the fair value of the securities reclassified in 2008 and remain in the portfolio reclassified is €2,813.1 million and €2,698.5 million respectively. During the year ended 31 December 2009 €96.5 million interest income, €1.2 million dividend income and €6.2 million impairment loss were recognized. Had these securities not been reclassified, net trading income for the year ended 31 December 2009 would have been lower by €67.5 million (€50.7 million net of tax), and the movement in the available-for-sale securities reserve, net of tax, would have been higher by €57.3 million.

Bank

In 2009 the Bank, in accordance with its accounting policy, transferred certain debt securities from the loans and receivables to the available-for-sale category. At the time of the transfer the amortized cost and the fair value of these debt securities was €958.7 million and €826.6 million respectively.

In 2008, the Bank reclassified certain trading securities into loans and receivables or available-for-sale.

On 31 December 2009, the carrying amount and the fair value of the securities reclassified in 2008 and remain in the portfolio reclassified is €2,634.3 million and €2,523.2 million respectively. During the year ended 31 December 2009 €90.6 million interest income, €0.6 million dividend income and €6.2 million impairment loss were recognized. Had these securities not been reclassified, net trading income for the year ended 31 December 2009 would have been lower by €72.1 million (€54.8 million net of tax), and the movement in the available-for-sale securities reserve, net of tax, would have been higher by €56.9 million.

SUMMARY FINANCIAL DATA

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "NATIONAL BANK OF GREECE SA"

Report on the Financial Statements

We have audited the accompanying stand alone financial statements of "NATIONAL BANK OF GREECE SA" (the "Bank") and the consolidated financial statements of the Bank and its subsidiaries (the "Group"), which comprise the stand alone and consolidated statement of financial position as at December 31, 2009, and the stand alone and consolidated income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these stand alone and consolidated financial statements in accordance with International Financial Reporting Standards as these have been adopted by the European Union, as well as for the internal controls that management considers necessary for the preparation of company and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these stands alone and consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the stand alone and consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the stand alone and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the stand alone and consolidated financial statements, whether due to fraud or error. In making this risk assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the stand alone and consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the stand alone and consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying stand alone and consolidated financial statements present fairly, in all material respects, the financial position of the Bank and the Group as of December 31, 2009, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as these were adopted by the European Union.

Report on Other Legal Requirements

We have agreed and confirmed the content and consistency of the Directors' Report to the accompanying stand alone and consolidated financial statements according to the provisions of the article 43a, 107 and 37 of the Codified Law 2190/1920.

Athens, 30 March 2010

The Certified Public Accountant

Deloitte.

Nicos Sofianos

Reg. No. SOEL: 12231

Deloitte. Hadjipavlou Sofianos & Cambanis SA

250 – 254 Kifissias Avenue, 152 31 Halandri

Reg. No. SOEL: E. 120

National Bank of Greece SA

"FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY 2009 TO 31 DECEMBER 2009
(Published in accordance with article 135 of Law 2190/1920, for enterprises preparing annual stand-alone and consolidated financial statements in accordance with IFRS) (amounts in thousand €)

Company Information

Company Information	Headquarters:86, Eolou Str., 102 32 Athens
Register Numbers of S.A.	6062/06/B/86/01
Supervising Prefecture:	Athens Prefecture
Date of approval of Financial Statements by BoD:	18 March 2010
Certified Public Accountant - Auditor:	Nicolaos C. Sofianos (RN SOEL 12231)
Audit Firm:	Deloitte, Hadjipavlou Sofianos & Cambanis S.A. Assurance & Advisory Services
Auditors's review report:	Unqualified opinion
Issue date of Auditor's review report:	30 March 2010
Website:	www.nbg.gr

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

Statement of Financial Position

	Group		Bank	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
ASSET				
Cash and balances with central banks	4,252,854	4,145,395	2,073,721	1,959,249
Due from banks (net)	3,707,911	2,490,064	5,881,701	5,202,048
Financial assets at fair value through Profit or Loss	4,066,059	2,190,604	3,003,966	1,717,902
Derivative financial instruments	1,875,851	1,590,320	1,670,914	1,303,708
Loans and advances to customers (net)	74,752,545	69,897,602	58,129,698	53,440,200
Investment securities	16,315,150	12,909,576	9,892,407	10,066,441
Investment property	164,895	148,073	-	-
Investments in subsidiaries	-	-	8,064,609	7,149,862
Investments in associates	42,680	55,683	27,631	6,921
Goodwill, software and other intangible assets	2,486,943	2,473,994	124,854	111,285
Property and equipment	2,099,152	1,982,768	381,642	986,405
Deferred tax assets	174,218	258,819	82,094	173,947
Insurance related assets and receivables	805,960	707,721	-	-
Current income tax advance	189,481	113,903	189,481	113,903
Other assets	2,460,484	2,241,827	1,697,746	1,587,984
Non current assets held for sale	-	116,893	-	-
Total assets	**113,394,183**	**101,323,242**	**91,220,464**	**83,819,855**
LIABILITIES				
Due to banks	21,643,338	14,840,030	18,390,685	13,801,415
Derivative financial instruments	1,329,164	1,567,815	1,204,621	1,426,951
Due to customers	71,194,471	67,656,948	58,081,167	56,291,053
Debt securities in issue	1,859,699	1,813,678	1,485,109	-
Other borrowed funds	1,224,973	1,922,873	1,209,377	3,874,881
Insurance related reserves and liabilities	2,581,323	2,266,256	-	-
Deferred tax liabilities	137,336	104,443	-	-
Retirement benefit obligations	245,301	230,747	134,284	108,057
Current income tax liabilities	74,924	12,428	60,497	-
Other liabilities	3,276,136	2,632,114	2,430,563	1,883,712
Liabilities held for sale	-	8,856	-	-
Total liabilities	**103,566,665**	**93,056,188**	**82,996,303**	**77,386,069**
SHAREHOLDERS' EQUITY				
Share capital	3,392,708	2,490,771	3,392,708	2,490,771
Share premium account	3,335,881	2,682,050	3,335,881	2,682,050
Less: treasury shares	(10,626)	(145,277)	-	(145,277)
Reserves and retained earnings	1,735,487	944,063	1,495,572	1,406,242
Equity attributable to NBG shareholders	8,453,450	5,971,607	8,224,161	6,433,786
Minority interest	857,376	842,408	-	-
Preferred securities	516,692	1,453,039	-	-
Total equity	**9,827,518**	**8,267,054**	**8,224,161**	**6,433,786**
Total equity and liabilities	**113,394,183**	**101,323,242**	**91,220,464**	**83,819,855**

Statement of Changes in Equity

	Group		Bank	
	12 month period ended		12 month period ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Balance at beginning of period	8.267.054	8.541.935	6.433.786	6.535.921
Changes during the period:				
Total comprehensive income/(expense), net of tax	630.267	(493.801)	177.311	(146.212)
Share capital increase/ Share premium	1.552.348	494.076	1.552.348	494.076
Dividends declared	(87.038)	(290.160)	(42.192)	(223.363)
Net change in treasury shares	134.651	(123.676)	145.277	(123.676)
Other changes	(669.764)	138.680	(42.369)	(102.960)
Balance at end of period	9.827.518	8.267.054	8.224.161	6.433.786

Income Statement

	Group		Bank	
	12 month period ended		12 month period ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Interest & similar income	6,551,829	6,941,418	3,677,056	4,065,836
Interest expense & similar charges	(2,611,540)	(3,361,884)	(1,445,996)	(2,018,256)
Net interest income	3,940,289	3,579,534	2,231,060	2,047,580
Fee and commission income	741,733	841,252	306,465	307,689
Fee and commission expense	(55,319)	(69,183)	(27,027)	(28,402)
Net fee and commission income	686,414	772,069	279,438	279,287
Earned premia net of reinsurance	936,091	713,441	-	-
Net claims incurred	(840,539)	(590,561)	-	-
Earned premia net of claims and commissions	95,552	122,880	-	-
Net trading income and results from investment securities	428,415	427,289	197,413	24,725
Net other income/(expense)	(73,575)	24,059	(71,629)	1,795
Total income	5,077,095	4,925,831	2,636,282	2,353,387
Personnel expenses	(1,577,474)	(1,447,667)	(995,114)	(885,102)
General, administrative & other operating expenses	(725,032)	(771,742)	(338,872)	(338,656)
Depreciation, amortization & impairment charges of fixed assets	(197,842)	(163,499)	(105,581)	(75,957)
Amortization of intangible assets recognized on business combinations	(24,071)	(27,406)	-	-
Finance charge on put options of minority interests	(5,556)	(11,940)	(5,556)	(11,940)
Credit provisions and other impairment charges	(1,295,172)	(537,631)	(787,532)	(408,558)
Share of profit / (loss) of associates	117	(28,932)	-	-
Profit before tax	1,252,065	1,937,014	403,627	633,174
One- off social responsibility tax	(47,736)	-	(45,669)	-
Tax expense	(240,984)	(352,071)	(132,973)	(152,868)
Profit for the period (A)	963,345	1,584,943	224,985	480,306
Attributable to:				
Minority interests	40,777	38,931	-	-
NBG equity shareholders	922,568	1,546,012	224,985	480,306
Net other comprehensive income/(expense), net of tax (B)	(333,078)	(2,078,744)	(47,674)	(626,518)
Total comprehensive income/(expense), net of tax (A+B)	630,267	(493,801)	177,311	(146,212)
Attributable to:				
Minority interests	40,777	38,931	-	-
NBG equity shareholders	922,568	1,546,012	224,985	480,306
Earnings per share- Basic	1.48	2.71	0.32	0.84
Earnings per share- Diluted	1.48	2.70	0.32	0.84

Notes to the Financial Statements for the period ended 31 December 2009

	Group		Bank	
	12 month period ended		12 month period ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Profit for the period	**963,345**	**1,584.943**	**224,985**	**480,306**
Other comprehensive income, net of tax:				
Available for sale securities, net of tax	(193,759)	(814,646)	(47,767)	(626,003)
Currency translation differences, net of tax	(28,111)	(1,115,491)	93	(515)
Net investment hedge, net of tax	(111,208)	(148,607)	-	-
Net other comprehensive income/(expense), net of tax	**(333,078)**	**(2,078,744)**	**(47,674)**	**(626,518)**
Total comprehensive income/(expense), net of tax	630,267	(493,801)	177,311	(146,212)
Attributable to:				
Minority interests	16,255	(87,791)	-	-
NBG equity shareholders	**614,012**	**(406,010)**	**177,311**	**(146,212**

The Board of Directors

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

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

Notes

1) The principal accounting policies that have been adopted are in accordance with the requirements of International Financial Reporting Standards (IFRS) and are the same with those applied in the 2008 financial statements, except for the new accounting policy regarding transfers of debt securities from the loans and receivables category to the available for sale category. The Bank has adopted the amended International Accounting Standard (IAS 1) "Presentation of Financial Statements", International Financial Reporting Standard (IFRS 8) "Operating Segments", the amendments in IFRS 7 "Financial Instruments: Disclosures" and the amendment of IFRIC 16 "Hedges of a Net Investment in a Foreign Operation" included in the Improvements issued in April 2009. Details are included in Note 2 of the financial statements as at 31 December 2009.

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

3) Cases under litigation or in arbitration as well as pending cases before the Courts or Arbitration Courts are not expected to have a material impact on the financial position or operations of the Group. As at 31 December 2009, the provisions recognized by the Group and the Bank, amounted to: a) for cases under litigation €60,7 million and €29,2 million respectively, b) for unaudited tax years €19,1 million and €6,6 million respectively and c) for other risks €9,8 million and €2,4 million respectively.

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

5) Related party transactions and balances as defined in IAS 24 are analyzed as follows: Amounts due from and owed to as well as income from and expenses to and off-balance sheet items with associated companies of the Group, as at 31 December 2009, amounted to €5,6 million, €11,2 million, €0,6 million, €2,1 million and €1,4 million respectively. The corresponding balances and transactions with subsidiaries and associated companies of the Bank as at 31 December 2009 were €6.657,5 million, €2.390,8 million, €186,3 million, €192,6 million and €229,2 million respectively. Loans, deposits, other payables, letters of guarantee, other income and total compensation of members of the Board of Directors and members of management of Group companies amounted as at 31 December 2009 to €25 million, €78 million, €0,2 million, €12 million, €8,7 and €26 million respectively, and for the Bank alone the corresponding amounts (excluding other payables, letters of guarantee and other income which are nil) amounted to €16 million, €40 million and €9,6 million respectively. In addition the Bank has granted a loan to the lump sum benefit plan for its employees, the outstanding balance of which as at 31 December 2009 was €49,6 million (2008: €54,2 million) and has also receivables amounting to €118,2 million as at 31 December 2009 (2008: €54,1 million) from other benefit plans for its employees.

6) Acquisitions, disposals & other capital transactions:
   (a) On 24 February 2009, Finansbank sold its subsidiary Finans Malta Holdings Ltd to NBG International Holdings B.V. (a wholly owned subsidiary of the Bank), for the amount of €185 million. The disposal, which is part of the Group restructuring efforts, was made at arm's length and no gain or loss has arisen in the consolidated financial statements. The transaction was financed through a share capital increase. Therefore, NBG International Holdings B.V. increased its share capital by €185,5 million.
   (b) Since March 2009, the Bank consolidates Titlos Plc, a Special Purpose Entity established in the UK, for the purposes of Greek State loans securitization, in which the Bank has a beneficial interest.
   (c) On 19 May 2009, the Bank established Ethniki Factors SA, a wholly owned subsidiary company.
   (d) On 8 June 2009, Finansbank established Finans Faktoring Hizmetleri AS, a wholly owned subsidiary company.
   (e) On 30 June 2009, NBG Luxembourg Holding SA and NBG Luxfinance Holding SA were merged, through the absorption of the latter by the first. The new company was renamed to NBG Asset Management Luxembourg SA
   (f) On 10 July 2009, the Bank disposed of a 20% of its participation in Social Securities Funds Management S.A. for a consideration of €1.270 thousand. The profit on sale for the Group and the Bank was €576 thousand and €1.035 thousand respectively. After the disposal the participation of the Bank on Social Securities Funds Management S.A. was reduced from 40% to 20%.
   (g) On 15 July 2009, the Bank participated with 21,83% in Pyrrichos Real Estate SA, a newly established company active in real estate management. The initial cost of investment amounted to €432 thousand.
   (h) On 31 July 2009, the Bank and TOMI SA of ELLAKTOR Group entered into a private agreement to acquire joint control of AKTOR FM, through the acquisition by the Bank of a minority interest in AKTOR FM. On 18 January 2010, the Bank paid the amount of €161,5 thousand and acquired 53.846 new ordinary registered shares at their nominal value of €3,00 each, which represents the 35% of the share capital of AKTOR FM.
   (i) On 15 September 2009, the Group disposed of its investment in Phosphoric Fertilizers Industry SA for a consideration of €18,9 million, €2,6 million of which has been deposited in an escrow account to set off contingent liabilities. The loss on sale for the Group and the Bank was €10 million and €7,5 million respectively.
   (j) Finansbank participated with 33,33% in Bantas AS, a newly established company active in cash transfer and security services.
   (k) On 14 October 2009, the Bank participated in the share capital increase of its associate Larco SA The Bank's contribution amounted to €20.513 thousand, while after the completion of Larco's SA share capital increase the Bank's participation was reduced from 36,43% to 33,36%.
   (l) On 16 October 2009, UBB established UBB Factoring EOOD, a wholly owned subsidiary of UBB.

   Details are included in Notes 24 & 46 of the financial statements as at 31 December 2009.

7) Included in Notes 47 & 24 of the financial statements as at 31 December 2009, are the group companies consolidated, their country of residence, the direct or indirect participation of the Bank in their share capital and the consolidation method applied for each such company. Of all companies consolidated as at 31 December 2009:
   a) Fully consolidated: Titlos Plc (a Special Purpose Entity), Ethniki Factors S.A., Finans Faktoring Hizmetleri A.S. and UBB Factoring EOOD are consolidated in the current period but were not consolidated in the respective period in 2008. From the companies consolidated as at 31 December 2008, NBG Luxemburg Holding SA and NBG Luxfinance Holding SA were merged, through the absorption of the latter by the first.
   b) Equity method: Pyrrichos Real Estate SA and Bantas AS were consolidated for the first time as at 30 September 2009. From the companies included in the 31 December 2008 consolidation, Phosphoric Fertilizers Industry S.A. is no longer included due to its disposal on 15 September 2009.
   c) There are no entities exempted from the consolidation.

   d) There have been no changes in the method of consolidation since the previous annual financial statements.
8) "Other comprehensive income, net of tax" in the current period ended 31 December 2009, is comprised of €(193,8) million relating to the measurement at fair value of available for sale investments, €28,1) million relating to currency translation differences and €(111,2) million relating to net investment hedge. The corresponding amounts for the Bank (excluding net investment hedge amount which is NIL) are €(47,8) million and €0,1 thousand respectively.
9) As at 31 December 2009, the Group held 337.350 treasury shares with acquisition cost of €10.626 thousand, while the Bank did not hold any treasury shares.

10) Other events:
   a) The Extraordinary General Meeting of the Bank's Shareholders held on 22 January 2009, approved the issue of 70.000.000 Redeemable Preference Shares at a par value of €5 each with the cancellation of the pre-emptive rights of the existing shareholders in favour of the Greek State, in accordance with the Law 3723/2008. On 24 February 2009, the Ministry of Development approved the above mentioned issue (resolution K2-1950 / Registrar of Companies). On 21 May 2009, the Bank's Board of Directors certified that the Greek State fully covered the said issue of preferred shares. This increase was covered through the transfer to the Bank of an equal market value Greek Government Bond with a coupon rate of 6-month Euribor plus 130 basis points. On 25 May 2009, the Board of Directors' minutes for the above mentioned certification were filed with the Ministry of Development (resolution K2-5300 / Registrar of Companies).
   b) On 2 June 2009, the Annual General Meeting of the Bank's Shareholders, approved the following: 1) The payment of the interim dividend in the amount of €32,7 million (USD 42,2 million) to the holders of non-cumulative, non-voting, redeemable preference shares for the financial year ended 31 December 2008, which was authorized for payment by the Board of Directors on 17 November 2008, 2) The distribution of dividends to the holders of non-cumulative, non-voting, redeemable preference shares of €42,2 million (USD 56,25 million), pursuant to the terms of non-cumulative, non-voting, redeemable preference shares, 3) No dividends were declared to the ordinary shares, following the participation of the Bank in the Hellenic Republic's Liquidity Support Plan.
   c) Following the Board of Directors' resolution on 18 June 2009, the Bank, in July 2009, increased its ordinary share capital by offering 110.367.615 new ordinary shares of nominal value of €5,00 each and subscription price of €11,30 each through a rights issue. The shares were initially offered to existing ordinary shareholders at a ratio of 2 new shares for every 9 shares held. The total capital raised amounted to €1.247.154 thousand, €551.838 thousand of which have been credited to "Share capital" account and the remaining amount less expenses incurred has been credited to "Share premium" account. The new shares were listed in the ATHEX on 30 July 2009.
   d) On 22 June 2009, the Bank announced a voluntary tender offer for the acquisition of any and all of the five series of the preferred securities issued by NBG Funding. The tender offer was for all the preferred securities in an aggregate nominal value of approximately €1.050 million, excluding the preferred securities that had already been acquired on open market by the Bank of an aggregate nominal value of approximately €450 million. On 7 July 2009, the Bank announced the results of the voluntary tender offer for the preferred securities, where holders of preferred securities of an aggregate nominal value of approximately €450 million (equal to approximately 43% of the aggregate nominal value of the preferred securities subject to the tender offer) validly tendered their preferred securities at a price lower than their nominal value. The settlement date for the purchase by the Bank of the preferred securities that have been validly tendered was the 8 July 2009 and the purchases were funded by existing liquidity reserves of the Bank. Subsequent to 7 July 2009 (expiry date of the tender offer) the Bank purchased an additional portion of the outstanding preferred securities of an aggregate nominal amount of €19,1 million of series A, B and D, GBP 46,6 million of series E and USD 0,8 million of series C. The above transactions resulted in a further strengthening of the Bank's core Tier I capital by approximately €318,4 million, net of tax.
   (e) On 8 October 2009, Finansbank redeemed, at the first repayment option date, the subordinated loan of amount USD 200 million, issued in October 2004 and with original maturity of 10 years and an interest rate of 9% for the first five years and step up of 11,79% thereafter.
   (f) On 1 September 2009, the Bank sold to institutional investors, part of covered bonds issued in 2008, with nominal value of €100 million. On 7 October 2009, the Bank issued the 3rd series of covered bonds of €1,5 billion, with a maturity of seven years, which are secured primarily by residential mortgage loans and have interest paid annually at a fixed coupon rate of 3,875%. The Note has been given AA and Aaa ratings by Fitch and Moody's respectively. The issue forms part of the Bank's €10 billion covered bonds programme.
   (g) On 22 May 2009, NBG Finance Plc redeemed the €1.500 million Floating Rate Notes issued in May 2007. At 31 December 2008, an amount of €299 million was held by the Bank. On 9 October 2009, NBG Finance Plc redeemed the USD 300 million Floating Rate Notes issued in October 2007. As at 31 December 2008, an amount of USD 259 million was held by the Bank.
   (h) According to the Bank's Board of Directors decision on 29 September 2009, the Bank, as the lone shareholder of the Group's Real Estate company named NBG Pangaea Reic, has contributed tangible assets of €614.953 thousand.
   (i) On 16 November 2009, Finansbank redeemed the last tranche of the USD 125 million Series 2004-B Fixed Rate Notes, obtained via a special purpose entity and secured on Finansbank's Diversified Payment Rights.
   (j) On 7 December 2009, Finansbank redeemed the second tranche of USD 221 million, of the term loan facility of USD 700 million, with a three year maturity and interest paid monthly at Libor plus 60 bps. The first tranche of USD 479 million redeemed in December 2008.
   (k) On 11 December 2009, Finansbank redeemed its floating rate syndication loan of amount USD 470 million, with one year maturity.

(i) Pursuant to Law 3723/2008, article 28 of Law 3756/2009 and a new draft law submitted to the Greek Parliament on 17 March 2010, for the period the bank is participating in the govrnment's liquidity support programme for the Greek economy, only stock dividend for periods 2008 and 2009 is allowed for common shares. These shares cannot be repurchased ones. Dividend for preferred shares issued abroad are excluded from this regulation.

11) Certain amounts in the financial statements as at 31 December 2008 were reclassified in order to render them comparable to the respective amounts of 31 December 2009. This reclassification has no impact on Profit & Loss and Equity of the Group and the Bank. Details are included in Note 51 of the financial statements of 31 December 2009.

Athens, 18 March 2010

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL AND CHIEF OPERATING OFFICER	THE DEPUTY CHIEF FINANCIAL OFFICER
VASSILIOS T. RAPANOS	APOSTOLOS S. TAMVAKAKIS	ANTHIMOS C. THOMOPOULOS	IOANNIS P. KYRIAKOPOULOS
Α.Δ.Τ. Μ 942534/4.1.1991/Α.Τ. ΑΝΤΙΜΑΧΕΙΑΣ	Α.Δ.Τ. Π 704691/1.11.1991/Τ.Α. ΑΓ. ΠΑΡΑΣΚΕΥΗΣ	Α.Δ.Τ. Μ 221872/7.2.83/Υ.Γ.Α. ΠΑΤΡΩΝ	Α.Δ.Τ. ΑΕ 620394/17.7.2007/Τ.Α. ΑΓ. ΣΤΕΦΑΝΟΥ

AUDIT COMMITTEE REPORT TO SHAREHOLDERS

The Audit Committee of NBG was composed of the following five members:

Petros Sabatacakis:	Economist, Banker *Chairman*
Stefanos Vavalidis:	Member of the Board of the European Bank for Reconstruction & Development (EBRD) *Member*
George Zanias:	Professor and Chairman of the Council of Economic Advisors of the Finance Ministry *Member*
Vassilios Konstantakopoulos:	Shipowner *Member*
Alexandra Papalexopoulou:	Economist, Member of the Board of Titan Cement SA *Member*

The Audit Committee, under its previous composition, i.e. George Lanaras (Chairman), Stefanos Pantzopoulos (Vice-Chairman and Advisor on US Securities and Exchange Commission matters), and Drakoulis Fountoukakos-Kyriakakos, Dimitrios Tzaninis and Nikolaos Efthymiou (members), convened 13 times in 2009 compared with 11 the previous year. The Committee is responsible for supervising the Group Internal Audit Division and monitoring its work, which has displayed steady improvement in effectiveness.

The Audit Committee held regular meetings with the certified auditors of the Bank so as to be duly updated on the progress of its audit schedule. The Committee also met regularly with the Bank's financial division to ensure that the procedures for drawing up the financial statements and reports of the Bank and the Group are adequate and effective. The Bank's internal and external auditors assured the Audit Committee that their controls did not reveal any substantial issue that could materially affect the financial statements and smooth operation of the Bank. The relevant meetings of the internal and external auditors with the Committee took place without the presence of Board members. Furthermore, the Committee reviewed all related parameters and submitted to the Board of Directors its recommendation for the appointment of the auditing firm for 2009, which is then submitted to the AGM.

In collaboration with the Bank's relevant officers, the Committee monitors the implementation of provisions regarding regulatory compliance.

Throughout the year, the Committee monitored the implementation of procedures for receiving confidential complaints submitted by staff or third parties regarding accounting and auditing issues.

The Committee held meetings with various General Managers of the Bank on matters relating to its task, placing particular emphasis on the credit, regulatory compliance and risk management functions.

Throughout the year, the Committee devoted considerable time to communicating with the chairmen of the audit committees of the Group's subsidiary banks and larger affiliated companies so as to foster a stronger Group spirit and common approach to auditing issues. To this end, it organized in Istanbul a working meeting for the heads of the Group's various audit committees, in which General Managers of the Bank and its affiliates, as well as officers of the Group Internal Audit and Compliance divisions also participated.

The Committee submitted quarterly progress reports to the Board of Directors. It also presented this annual report on its activities, the schedule of its operations for 2009, and summaries of the quarterly reports prepared by the Group Internal Audit Division. Last, it reported on the progress of earlier important recommendations which it made.

The Committee's collaboration with individuals and bodies of the Bank and the Group was entirely satisfactory and problem free. Lastly, the Bank's Management provided the Committee with all the information and data it requested, as well as the means to ensure that it could carry out its work effectively.

The Chairmanof the Audit Committee of the NBG Board

Petros Sabatacakis

INVITATION TO THE BANK'S ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD ON FRIDAY, 21 MAY 2010, AT 12:00 HOURS

Pursuant to the provisions of Companies Act 2190/1920 (the Companies Act) and of law 2396/96 on dematerialized shares, and to the Bank's Articles of Association (Article 11) and Board of Directors' resolution dated 29 April 2010, the Shareholders of National Bank of Greece SA, whose registered office is at Aiolou 86, Athens, Greece, are invited to the Bank's AGM to be held at 12:00 hours on Friday, 21 May 2010 at Aiolou 93 (Megaro Mela), Athens.

AGENDA

1. Submission for approval of the Board of Directors' and the Auditors' Reports on the annual financial statements for the financial year 2009 (i.e. 1 January – 31 December 2009).
2. Submission for approval of the annual financial statements of the Bank for the financial year 2009 (i.e. 1 January – 31 December 2009). Appropriation of profits.
3. Discharge of the members of the Board of Directors and the Auditors of National Bank of Greece from any liability for indemnity regarding the annual financial statements and management for the year 2009 (i.e. 1 January – 31 December 2009).
4. Approval of the remuneration of the Board of Directors of the Bank for the financial year 2009 (pursuant to Article 24, par. 2 of the Companies Act). Determination of the BoD Chairman's, the Chief Executive Officer's and non-executive Directors' remuneration until the AGM of 2011. Approval, for the financial year 2009, of the remuneration of the Bank's Directors in their capacity as members of the Bank's Audit, Corporate Governance & Nominations, Human Resources & Remuneration, Risk Management, and Strategy Committees, and determination of their remuneration until the AGM of 2011.
5. Approval of participation by members of the Board of Directors, General Managers and Managers in the Boards of Directors or in the management of NBG Group companies pursuing similar or related business goals (as per Article 23, par. 1 of the Companies Act and Article 30, par. 1 of the Bank's Articles of Association).
6. Announcement of a Board member's election in replacement of a Board member who resigned.
7. Election of regular and substitute Certified Auditors for the Bank's financial statements and the Group's consolidated financial statements, and determination of their remuneration, for 2010.
8. Announcements and other approvals.

All of the Bank's shareholders are entitled to participate in the General Meeting and to vote in person or by proxy. Each share entitles its holder to one vote. Shareholders who wish to participate in the AGM in person or by proxy should take the following steps:

1. Shareholders of dematerialized shares not held in the Special Securities Account (SSA) with the Central Securities Depository SA (CSD) should have their shares blocked, in all or in part, via their Securities Account Operators and receive from them the relevant certificate, issued by the CSD, and submit it to the Bank (Head Office, network branches or the Shareholders Department at Aiolou 93, Athens) at least 5 days before the date of the AGM (i.e. by Friday, 14 May 2010).
2. Shareholders of dematerialized shares held in the SSA with the CSD should have their shares blocked, in all or in part, by written declaration to the CSD, and submit the relevant certificate, issued and delivered to them by the CSD, to the Bank (Head Office, network branches or the Shareholders Department at Aiolou 93, Athens) at least 5 days before the date of the AGM (i.e. by Friday, 14 May 2010).

Shareholders that are legal entities must also, in accordance with the law, submit their legalization documents to the Bank within the same deadline, unless they have already supplied them to an NBG Unit, in which case they need only specify in their proxy the NBG Unit where their documents are held.

Similarly, shareholders who wish to participate in the AGM by proxy should deliver their proxy documents to the Bank by the same deadline (i.e. Friday, 14 May 2009).

For their convenience, Shareholders who wish to participate in the AGM may authorize the Bank to take steps to block their shares on their behalf (contact Shareholders Department: e-mail: mfrousios@nbg.gr, tel. +30 210-3343414/16/21/26/28/60/94, fax +30 210- 3343404/06/10).

Athens, 29 April 2010

By order of the Board of Directors

The Chairman of the Board of Directors

Vassilios T. Rapanos

CONTACT INFORMATION

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http://www.nbg.gr

	Telephone	*Fax*	*Website*
CUSTOMER SERVICE:			
In Greece (round the clock)	181818		www.nbg.gr
Overseas	+30-210-4848484		
SHAREHOLDER SERVICES:			
BoD Secretariat and Shareholder Services	210 3343411-2	210 3343404	www.nbg.gr
Domestic shareholders	210 3343417	210 3343406	
	210 3343416	210 3343443	
Overseas shareholders	210 3343421	210 3343410	
	210 3343426	210 3343410	
Overseas stock-exchange relations	210 3343424	210 3343424	
SPECIAL BANKING SERVICES:			
Investor Relations	210 3342310	210 3341670	www.nbg.gr
Treasury Division	210 3328803	210 3328850	
Dealing - Room	210 3328813-7	210 3328820	
International Division I	210 3328602	210 3328630	
Southeast Europe	210 3328623	210 3328640	
International Division II	210 3328611	210 3328630	
Other countries	210 3328617	210 3328630	
Relations with Financial Institutions	210 3328206	210 3328215	
Payment Systems	210 3574041	210 3374240	
Private Banking	210 3664144	210 3664140	
Business Credit Division	210 5181252	210 5181270	
Small Business Loans Division	210 7727677	210 7727664	
Corporate Finance Division	210 5180214	210 5180220	
Structures & International Finance Division	210 5180234	210 5180245	
Mortgage Lending Division	210 3695201	210 3695220	
Consumer Credit Division	210 9306201	210 9306233	
Card Issuing & Acquiring Division	210 9503801	210 9522057	
Shipping Finance Division	210 4144101	210 4144120	
Shipping Branch	210 4144001	210 4144005	
INVESTMENT BANKING SERVICES:			
Investment Banking Division	210 3349600	210 3349688	www.nbg.gr
Project Finance Division	210 5181381	210 5181400	
STOCK BROKING SERVICES:			
National P&K Securities Investment Services SA	210 7720000	210 7720001	www.nationalpk.gr
Customer services (landline calls)	801 11 77000		
Customer services (mobile calls)	210 7720100		
CUSTODIAN SERVICES:			
Domestic & Overseas Customers	210 9477901	210 9477910	www.nbg.gr
PRIVATE EQUITY SERVICES:			
NBG Private Equity Ltd (London)	004420 7661 5656	004420 7661 5655	
Athens offices	210 3319560	210 3319569	

	Telephone	Fax	Website
LEASING SERVICES:			
Ethniki Leasing SA	210 5158060-3	210 5158079	www.ethnolease.gr
FACTORING SERVICES:			
Ethniki Factors	210 5181088	210 5181090	www.nbgfactors.gr
MUTUAL FUNDS			
Ethniki Asset Management SA	210 9007400	210 9007499	www.nbgam.gr
INSURANCE SERVICES:			
Ethniki Hellenic General Insurance Co. SA	210 9099000	210 9099111	www.ethniki-asfalistiki.gr
REAL ESTATE AND STORAGE SERVICES:			
Property Management	210 3345501	210 3345504	www.nbg.gr
NBG Pangaea REIC	210 3340098	210 3340160	
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ISSN: 1108-6750