

Hellenic Financial Stability Fund



Interim Financial Statements

For the 9 month period ended 30/09/2015

(In accordance with International Accounting Standard 34)

February 2016



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Statement of Financial Position

<i>Amounts in €</i>	Note	30/09/2015	31/12/2014
ASSETS			
Cash and balances with banks	4	344,309,997	670,061,078
Investment securities	5	-	10,937,104,252
Financial assets at fair value through profit or loss	6	2,116,817,708	11,622,072,637
Property and equipment		93,026	136,134
Intangible assets		17,652	25,808
Accrued interest receivable	12	3,197,753	-
Receivables from banks under liquidation	7	2,263,674,962	2,542,518,543
Other assets	8	64,419	9,135,084
Total Assets		4,728,175,517	25,781,053,536
LIABILITIES			
Derivative financial liability	9	38,624,053	1,272,010,914
Provisions and other liabilities	10	2,393,191	3,959,435
Total Liabilities		41,017,244	1,275,970,349
EQUITY			
Capital	11	38,767,097,000	49,700,000,000
Accumulated losses		(34,079,938,727)	(25,194,916,813)
Total Equity		4,687,158,273	24,505,083,187
Total Liabilities & Equity		4,728,175,517	25,781,053,536

The Notes from pages 8 to 23 form an integral part of these condensed interim financial statements

Athens, 11 February 2016

The Chief Executive Officer

The Deputy Chief
Executive Officer

The Chief Financial & Operating Officer

Aristides Xenofos

George Koutsos

Evangelia D. Chatzitsakou



Statement of Comprehensive Income for the 9 month period ended 30/09/2015

<i>Amounts in €</i>	Note	01/01/2015 - 30/09/2015	01/01/2014 - 30/09/2014
Interest income	12	15,035,175	58,589,606
Personnel expenses	13	(2,195,393)	(2,029,278)
General administrative & other operating expenses	14	(1,466,809)	(16,708,767)
Impairment of receivables from banks under liquidation	7	(70,149,171)	(34,275,213)
Loss from financial instruments at fair value through profit or loss	15	(8,271,719,168)	(5,093,635,143)
Gain from disposal of investments	10	1,421,415	8,814,170
Depreciation and amortization of property, equipment and intangible assets		(61,515)	(64,212)
One-off expense	16	(555,886,748)	-
Other income/(expenses)		300	(1,180)
Loss for the period		(8,885,021,914)	(5,079,310,017)
Other comprehensive income/(expenses)		-	-
Total comprehensive income/(expenses) for the period		(8,885,021,914)	(5,079,310,017)

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Statement of Comprehensive Income for the 3 month period ended 30/09/2015

<i>Amounts in €</i>	01/07/2015 - 30/09/2015	01/07/2014 - 30/09/2014
Interest income	3,197,753	19,653,018
Personnel expenses	(643,099)	(631,780)
General administrative & other operating expenses	(430,952)	(662,910)
Loss from financial instruments at fair value through profit or loss	(4,739,287,944)	(1,596,601,192)
Gain from disposal of investments	-	8,814,170
Depreciation and amortization of property, equipment and intangible assets	(19,932)	(21,122)
Other income/(expenses)	-	(114)
Loss for the period	(4,737,184,174)	(1,569,449,930)
Other comprehensive income/(expenses)	-	-
Total comprehensive income/(expenses) for the period	(4,737,184,174)	(1,569,449,930)

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Statement of Changes in Equity

<i>Amounts in €</i>	Capital	Reserves & accumulated losses	Total
Balance as of 01/01/2014	49,700,000,000	(15,278,149,222)	34,421,850,778
Loss for the period from 01/01/2014 to 30/09/2014	-	(5,079,310,017)	(5,079,310,017)
Balance as of 30/09/2014	49,700,000,000	(20,357,459,239)	29,342,540,761
Loss for the period from 01/10/2014 to 31/12/2014	-	(4,837,457,574)	(4,837,457,574)
Balance as of 01/01/2015	49,700,000,000	(25,194,916,813)	24,505,083,187
Capital decrease on 27/02/2015	(10,932,903,000)	-	(10,932,903,000)
Loss for the period from 01/01/2015 to 30/09/2015	-	(8,885,021,914)	(8,885,021,914)
Balance as of 30/09/2015	38,767,097,000	(34,079,938,727)	4,687,158,273

The Notes from pages 8 to 23 form an integral part of these condensed interim financial statements



Statement of Cash Flows

<i>Amounts in €</i>	01/01/2015 - 30/09/2015	01/01/2014 - 30/09/2014
Cash flows from operating activities		
Loss for the period	(8,885,021,914)	(5,079,310,017)
Adjustments for non-cash items included in statement of comprehensive income and other adjustments:	8,337,310,686	5,093,826,141
Accrued interest income	(3,197,753)	(25,334,257)
Impairment of receivables from banks under liquidation	70,149,171	34,275,213
(Gain)/loss from financial instruments at fair value through profit or loss	8,271,719,168	5,093,635,143
(Gain)/Loss from disposal of investments	(1,421,415)	(8,814,170)
Depreciation and amortization of property, equipment and intangible assets	61,515	64,212
Net (increase)/decrease in operating assets:	213,152,157	(128,177,969)
Change in receivables from funding gap and liquidations	208,694,410	(134,329,165)
Change in accrued interest receivable	4,201,252	5,129,977
Change in other assets	256,495	1,021,219
Net increase/(decrease) in operating liabilities:	(144,829)	(83,950)
Change in other liabilities	(144,829)	(83,950)
Net cash from operating activities	(334,703,900)	(113,745,795)
Cash flows from investing activities		
Proceeds received from warrants exercised	148,901	250,326,418
Proceeds from disposal of investments	8,814,170	-
Purchase of property, equipment and intangibles assets	(10,252)	(12,444)
Net cash from investing activities	8,952,819	250,313,974
Cash flows from financing activities		
Net cash from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(325,751,081)	136,568,179
Cash and cash equivalents at the beginning of period	670,061,078	488,766,493
Cash and cash equivalents at the end of period	344,309,997	625,334,672

The Notes from pages 8 to 23 form an integral part of these condensed interim financial statements



Notes to the Condensed Interim Financial Statements

Note 1 General Information

The Hellenic Financial Stability Fund (hereinafter the Fund or HFSF) was founded on 21/07/2010 under Law 3864/2010 as a private legal entity and does not belong to the public sector, neither to the broader public sector. It has administrative and financial autonomy, operates exclusively under the rules of the private economy and is governed by the provisions of the founding law as in force. On a supplementary basis, the provisions of company codified Law 2190/1920 are applied as in force, provided they are not contrary to the provisions and the objectives of the founding law of the Fund. The purely private nature of the Fund is neither affected by the fact that its entire capital is subscribed solely by the Greek State, nor by the issuance of the required decisions by the Minister of Finance (hereinafter MoF). The Fund shall comply with the obligations arising from the Master Financial Facility Agreement (hereinafter MFAFA) signed on 15/03/2012 and the new FAFA signed on 19/8/2015. According to Law 4340/2015, the Fund's tenor has been extended from 30/06/2017 to 30/06/2020. By decisions of the MoF, the duration of the Fund may be extended further, if deemed necessary for the fulfilment of its scope.

The Fund began its operation on 30/09/2010 with the appointment of the members of the Board of Directors (hereinafter BoD) by the Ministry of Finance according to the decision 44560/B. 2018 on 30/09/2010 of the MoF. On 30/01/2013 the BoD was substituted by the Executive Board and the General Council. The purpose of the Fund is to maintain the stability of the Greek banking system, through the strengthening of the capital adequacy of credit institutions, including subsidiaries of foreign credit institutions, provided they legally operate in Greece under the authorization of the Bank of Greece (hereinafter BoG). The Fund according to Law 4224/2013 was liable to pay until 31/12/2014 the amount that the HDIGF would have paid for the process of the resolution of the credit institutions in accordance to Law 4261/2014, acquiring the right and the privilege of the HDIGF in accordance to paragraph 4 of Article 13A of the Law 3746/2009. According to Law 4340/2015 and Law 4346/2015 the Fund may grant a resolution loan as defined in the new FAFA of 19/08/2015 to the Hellenic Deposits and Investments Guarantee Fund (hereinafter HDIGF) for the purposes of funding bank resolution costs, subject to the provisions of the aforementioned facility agreement and in line with the European Union's (hereinafter "EU") state aid rules. Furthermore the Fund can provide guarantees to states, international organisations or other recipients and take any action required for the implementation of decisions of euro area bodies concerning the support of the Greek economy. It facilitates the management of the non-performing loans (hereinafter NPLs) of the credit institutions and operates under a comprehensive strategy for the banking sector and the NPLs management, which is agreed between the MoF, the BoG and the Fund.

The Fund's registered address is in Athens, 10 Eleftheriou Venizelou Avenue.

As of the date of issuance of the Fund's interim financial statements, the Executive Board and General Council comprised of the following:

Executive Board*	Position
Xenofos Aristides	Chief Executive Officer
Koutsos George	Deputy Chief Executive Officer
Gagales Anastasios	Member
General Council**	Position
Michelis George	Chairman
Mariani Pierre	Member
Devriendt Wouter	Member
Franck Steven	Member
Stratos Christoforos	Member
Karakitsos Elias	Member
Sigurgeisson Jon	Member
Kerasina Raftopoulou	Member, Representative of the MoF
Vasilios Spiliotopoulos	Member, appointed by the BoG



**On 15/07/2015 Mr. Aristides Xenofos was appointed CEO of HFSF, replacing Mrs. Anastasia Sakellariou, whose resignation to the MoF was accepted on 08/05/2015.*

*** On 06/03/2015 Mrs. Kerasina Raftopoulou replaced Mr. Abraam Gounaris who resigned on 27/02/2015.*

*** On 25/05/2015 Mr. George Michelis was appointed Chairman of General Council, replacing Mr. Christos Sclavounis who resigned on 23/03/2015.*

*** On 18/06/2015 Mr. Elias Karakitsos and Mr. Jon Sigurgeisson were appointed as non-executive members of the General Council following the resignations of Mr. Stephan Wilcke on 24/03/2015 and Mr. John Zafiriou on 01/04/2015.*

The interim condensed financial statements were approved by the Fund's General Council on 11/02/2016.

Note 2 Summary of Significant Accounting Policies

2.1 Basis of preparation

The condensed interim financial statements of the Fund for the nine month period ended 30/09/2015 (the "interim financial statements") have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". These interim financial statements include selected explanatory notes and do not include all the information required for full annual financial statements. Therefore, the interim financial statements should be read in conjunction with the annual financial statements for the year ended 31/12/2014, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as endorsed by the EU.

The amounts are presented in Euro rounded to the whole, unless otherwise stated (i.e. "bn" stands for billion, "m" stands for million and "k" stands for thousand).

The interim financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and derivative financial liabilities (share ownership rights - hereinafter "warrants") which have been measured at fair value.

The Fund does not prepare consolidated financial statements as these do not represent the substance of the investments of the Fund, which according to its founding law are aiming to contribute to the maintenance of the stability of the Greek banking system, for the sake of public interest and do not meet the needs of their users.

2.2 Adoption of International Financial Reporting Standards

The HFSF applied the same accounting standards as stated in the published annual financial statements for the year ended 31/12/2014, after adopting the following amendments which are effective from 01/01/2015.

- **Annual Improvements to IFRS 2010-2012 Cycle** (effective for annual periods beginning on or after 1 July 2014)
- **Annual Improvements to IFRS 2011-2013 Cycle** (effective for annual periods beginning on or after 1 July 2014)

The adoption of the above amendments had no impact on the HFSF's interim financial statements.

The adoption by the EU of new standards, interpretations or amendments by 31/12/2015, which have been issued or may be issued during the year by the International Accounting Standards Board (IASB), and their mandatory or optional adoption for periods beginning on or after 01/01/2015, may affect retrospectively the periods presented in these interim financial statements.

2.3 Critical judgments and estimates

In preparing these interim financial statements, the significant estimates, judgments and assumptions made by the Management in applying the Fund's accounting policies and the key sources of estimation uncertainty regarding the recoverability of receivables and fair value of financial instruments were similar to those applied in the annual financial statements for the year ended 31/12/2014.



Note 3 Segment Reporting

The Fund's operating segments are consistent with the management reporting system. Income and expenses are associated with each segment and are included in determining business segment performance. The Fund has no geographical segments as, according to its founding law, its operations are solely in Greece. The Fund has no intersegment/intragroup transactions as it does not consolidate any of its investments and each of its business segments is independent. The Fund operates through the following business segments:

Systemic Banks: This segment includes all the financial institutions which had received capital advances and were eventually recapitalized by the Fund as per the BoG's capital requirements, i.e. Alpha Bank (Alpha), Eurobank Ergasias (Eurobank), National Bank of Greece (NBG) and Piraeus Bank (Piraeus).

Transitional Credit Institutions (TCIs) & Banks under Liquidation: This segment includes a) the credit institutions, which have been derived as a result of a resolution and the incorporation of new transitional credit institutions, namely New HPB and New Proton, and b) the banks which have been placed under liquidation and the Fund has provided for their funding gap on behalf of the HDIGF, in accordance with the Law 4051/2012 as amended by Law 4224/2013.

Other: This segment includes the Fund's results relating to internal operations and procedures which ensure the appropriate design and implementation of the Fund's policies and principles. It also includes the cash and balances with banks and the interest income derived from both cash balances as well as European Financial Stability Facility floating rate notes (EFSF FRNs).

Analysis by Operating Segment

Amounts in €	01/01/2015 - 30/09/2015			Total
	Systemic Banks	TCIs & Banks under Liquidation	Other	
Interest income	-	-	15,035,175	15,035,175
Personnel expenses	(1,176,775)	(387,181)	(631,437)	(2,195,393)
General administrative & other operating expenses	(297,833)	(165,519)	(1,003,457)	(1,466,809)
Impairment of receivables from banks under liquidation	-	(70,149,171)	-	(70,149,171)
Loss from financial instruments at fair value through profit or loss	(8,271,719,168)	-	-	(8,271,719,168)
Gain from disposal of investments	-	1,421,415	-	1,421,415
Depreciation and amortization of property, equipment and intangible assets	(43,061)	(12,303)	(6,151)	(61,515)
One-off expense	(555,600,000)	-	(286,748)	(555,886,748)
Other income	-	-	300	300
Profit/(Loss) for the period	(8,828,836,837)	(69,292,759)	13,107,682	(8,885,021,914)

	30/09/2015			
Total segment assets	2,116,817,708	2,263,674,962	347,682,847	4,728,175,517
Total segment liabilities	38,787,531	2,050,605	179,108	41,017,244

Amounts in €	01/01/2014 - 30/09/2014			Total
	Systemic Banks	TCIs & Banks under Liquidation	Other	
Interest income	-	-	58,589,606	58,589,606
Personnel expenses	(1,079,727)	(350,272)	(599,279)	(2,029,278)
General administrative & other operating expenses	(15,350,240)	(149,249)	(1,209,278)	(16,708,767)
Impairment of receivables from banks under liquidation	-	(34,275,213)	-	(34,275,213)
Loss from financial instruments at fair value through profit or loss	(5,093,635,143)	-	-	(5,093,635,143)
Gain from disposal of investments	-	8,814,170	-	8,814,170
Depreciation and amortization of property, equipment and intangible assets	(44,949)	(12,842)	(6,421)	(64,212)
Other income/(expenses)	(1,180)	-	-	(1,180)
Profit/(Loss) for the period	(5,110,111,239)	(25,973,406)	56,774,628	(5,079,310,017)



31/12/2014

Total segment assets	11,622,072,637	2,551,332,713	11,607,648,186	25,781,053,536
Total segment liabilities	1,272,233,203	3,494,538	242,609	1,275,970,349

Note 4 Cash and Balances with Banks

<i>Amounts in €</i>	30/09/2015	31/12/2014
Cash and balances with banks	13,313	10,958
Balances with Central Bank	3,482,568	670,050,120
Cash management account in Central Bank	340,814,116	-
Total	344,309,997	670,061,078

The cash and balances with banks include the cash in hand and a non-interest bearing sight account with a retail bank for the Fund's day-to-day obligations.

The Fund's balances with Central Bank pertain to balances, which are compulsory deposited and maintained in a special interest account at BoG.

Pursuant to the provisions of par. 4 art.3 of L.3864/2010, as amended by the art. 35 L.4320/2015, the Fund is obliged until 31/12/2015 to place 90% of its available cash amounting to €340,8m. in a cash management account with BoG. Cash management account in Central Bank includes cash which was transferred from balances with Central Bank.

By way of derogation to the above and according to the Law 4323/2015 (Government Gazette A 43/27.4.2015), the Fund is obliged to deposit in the cash management account in BoG any funds that are not necessary for covering the current cash needs. The cash balance in the cash management is available at all times to be utilized by the Fund in order to fulfil its purposes.

The cash in the cash management account is placed on repos, reverse repos, buy/sell back, sell/buy back with counterparty the Greek State in accordance with paragraph 11 (g) of the article 15 of the law 2469/1997.

Note 5 Investment Securities

Following a ministerial decision (Government Gazette B' 292/26.02.2015) issued on 26/02/2015, in accordance with the MFAFA as amended and in alignment with the Eurogroup statement of 20/02/2015, the HFSF proceeded with the re-delivery of all the unused EFSF Notes, with nominal value of € 10,932,903,000 to the EFSF on 27/02/2015 and collected all accrued interest amounted to € 13,234,336. The Fund's EFSF FRNs as of 30/09/2015 and 31/12/2014 are presented in the table below:

<i>Amounts in €</i>				30/09/2015		31/12/2014	
ISIN	Issue Date	Interest Rate	Maturity Date	Nominal Value	Fair Value	Nominal Value	Fair Value
EU000A1G0A57	19/12/2012	6M Euribor + 34 b.p.	19/12/2022	-	-	1,524,900,000	1,558,920,519
EU000A1G0A65	19/12/2012	6M Euribor + 35 b.p.	19/12/2023	-	-	1,069,394,000	1,096,043,298
EU000A1G0A73	19/12/2012	6M Euribor + 36 b.p.	19/12/2024	-	-	1,138,609,000	1,169,636,095
EU000A1G0BE6	31/5/2013	6M Euribor + 33 b.p.	30/5/2024	-	-	3,600,000,000	3,724,344,000
EU000A1G0BD8	31/5/2013	6M Euribor + 34 b.p.	30/5/2025	-	-	3,600,000,000	3,735,468,000
Subtotal				-	-	10,932,903,000	11,284,411,912
Plus: Accrued Interest				-	-	4,201,252	4,201,252
Total				-	-	10,937,104,252	11,288,613,164

The Fund had classified all EFSF FRNs received as Loans and Receivables.



The movement of the EFSF FRNs during the 9 month period ended 30/09/2015 and 31/12/2014 is as follows:

<i>Amounts in €</i>	01/01/2015 - 30/09/2015	01/01/2014 - 31/12/2014
Opening balance	10,937,104,252	10,938,032,977
Additions	-	-
Return to EFSF	(10,932,903,000)	-
Accrued interest receivable from EFSF FRNs	9,033,084	4,201,252
Accrued interest received from EFSF FRNs	(13,234,336)	(5,129,977)
Closing balance	-	10,937,104,252

Note 6 Financial Assets at Fair Value through Profit or Loss

The Fund has classified under this F/S line the shares received from its participation in the share capital increases (SCI) of the four systemic banks that took place within 2013. The Fund has designated these shares at initial recognition at fair value through profit or loss and subsequently the gains or losses are recognized in the statement of comprehensive income.

The following table presents the fair value of the shares per bank as well as the Levels of the fair value hierarchy.

<i>Amounts in €</i>	Fair value	Fair value hierarchy			Fair value
	30/09/2015	Level 1	Level 2	Level 3	31/12/2014
Alpha	905,087,035	905,087,035	-	-	3,958,746,283
Eurobank	114,577,482	114,577,482	-	-	973,908,596
NBG	778,588,449	778,588,449	-	-	2,972,814,566
Piraeus	318,564,742	318,564,742	-	-	3,716,603,192
Total	2,116,817,708	2,116,817,708	-	-	11,622,072,637

The fair value of the shares was determined based on the market prices in the Athens Exchange (ATHEX) at the reporting date. The Level 1 classification is based on the fact that the market prices are unadjusted quotes in an active market. Quoted prices as of 30/06/2015 represented a Level 2 input in the fair value hierarchy due to closure of ATHEX following the capital controls imposed. In this context, HFSF transferred the fair value of its shares in the four systemic banks from Level 2 to Level 1 at the measurement date.

Movement of shares

The movement of the Fund's participations in systemic banks during the 9 month period ended 30/9/2015 is presented in the table below:

<i>No of Shares</i>	Alpha	Eurobank*	NBG	Piraeus**
Shares held as of 31/12/2014	8,458,859,579	5,208,067,358	2,022,322,834	4,084,179,332
Additions	-	-	-	-
Disposals	(102,239)	-	(15,174)	(15,969)
Shares held as of 30/09/2015	8,458,757,340	5,208,067,358	2,022,307,660	4,084,163,363

*The total number of shares are free transferrable (no warrants issued).

**Out of the total number of shares held by the Fund, 308,235,294 shares correspond to the part of the share capital increase which pertained to the Cypriot banks (€ 524m) and are freely transferrable (no warrants issued).

Following the warrants' exercise in January of 2015, the Fund disposed 15,969 Piraeus shares at a price of € 1.8105 per share. The Fund realized gains of € 1,765 from the exercise of warrants reflecting the difference between the share's exercise price and the share's issue price (€ 1.70).



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ΣΤΑΘΕΡΟΤΗΤΑΣ**

HELLENIC FINANCIAL STABILITY FUND

Similarly, in June 2015 the Fund sold 102,239 and 15,174 shares of Alpha and NBG respectively. The Fund realized gains of € 4,049 from Alpha's shares exercise and € 5,859 from NBG's shares exercise reflecting the difference between the warrant's exercise price (Alpha: € 0.4796, NBG: € 4.6761) and the share's issue price (Alpha: € 0.44, NBG: € 4.29).

HFSF's percentage participation in systemic banks as of 30/09/2015 and 31/12/2014 was as follows:

Banks	Percentage Participation	
	30/09/2015	31/12/2014
Alpha	66.24%	66.24%
Eurobank	35.41%	35.41%
NBG	57.24%	57.24%
Piraeus	66.93%	66.93%

Following the SCIs took place in November and December of 2015, HFSF's participation in systemic banks as of the date of issuance of the interim financial statements stands as follows: Alpha: 11.01%, Eurobank: 2.38%, NBG: 40.39%, Piraeus: 26.42%.

Note 7 Receivables from Banks under Liquidation

According to par. 15 of article 9 of the Law 4051/2012 (A' 40) as amended by the Law 4224/2013, the Fund became liable to pay until 31/12/2014 the amount that the HDIGF would have covered, in the context of the resolution of the financial institutions, as foreseen by par. 13 of art. 141 and par. 7 of art. 142 of Law 4261/2014. In this case the Fund took over the rights of HDIGF as per par. 4 of art. 13A of Law 3746/2009. The liquidators of credit institutions under liquidation are nominated by the BoG and are subject to its monitor and control.

Further to that, the Fund's law, as amended by Law 4254/2014, explicitly states that the monitoring and supervision of the actions and decisions of the bodies of the special liquidation of the credit institutions do not fall within the functions of the Fund and therefore, the Fund has no involvement or control over the liquidation process and the recovery of any amounts, but nevertheless maintains its own independent valuation estimates over amounts to be recovered. In this context, HFSF's receivables are a combination of its contribution of EFSF FRNs and cash, instead of the HDIGF, in order to cover the funding gap of financial institutions, which were desolved.

During the 9 month period ended 30/09/2015 the Fund received a total amount of €208.7m from the banks under liquidation. Up to 30/09/2015 the total amount provided by the Fund to cover funding gap reached the amount of € 13,489m, out of which € 486m were recovered and € 10,739m were assessed as non-recoverable.

The funding gap, the cumulative impairment and the collections per bank under liquidation as of 30/09/2015 are presented in the following table:

Amounts in €

Bank under Liquidation	Funding Gap	Cumulative Impairment	Cumulative Collections	Estimated Recoverable Amount
Achaiki Cooperative Bank	209,473,992	(89,438,705)	(48,000,000)	72,035,287
ATEbank	7,470,717,000	(5,580,720,498)	(315,000,000)	1,574,996,502
Dodecanese Cooperative Bank	258,547,648	(143,449,103)	(49,000,000)	66,098,545
Evia Cooperative Bank	105,178,136	(79,640,859)	(2,000,000)	23,537,277
First Business Bank	456,970,455	(397,709,364)	(7,500,000)	51,761,091
Hellenic Post Bank	3,732,554,000	(3,387,750,706)	(15,000,000)	329,803,294
Lamia Cooperative Bank	55,493,756	(26,818,008)	(10,000,000)	18,675,748
Lesvos-Limnos Cooperative Bank	55,516,733	(29,868,178)	(12,000,000)	13,648,555
Probank	562,733,502	(471,496,264)	(5,500,000)	85,737,238
Proton Bank	259,621,860	(244,760,837)	(5,018,676)	9,842,347
T-Bank	226,956,514	(224,944,714)	(2,011,800)	0
Western Macedonia Cooperative Bank	95,244,475	(62,705,397)	(15,000,000)	17,539,078
Total	13,489,008,071	(10,739,302,633)	(486,030,476)	2,263,674,962



The movement of the Fund's receivables, including impairments and collections, from the banks under liquidation for the 9 month period ended 30/09/2015 is presented in the following table:

<i>Amounts in €</i>		01/01/2015 - 30/09/2015			
Bank under Liquidation	Opening balance	Additions	Collections	Impairment charges	Closing balance
Achaiki Cooperative Bank	83,260,542	-	(10,000,000)	(1,225,255)	72,035,287
ATEbank	1,700,030,040	-	(95,000,000)	(30,033,538)	1,574,996,502
Dodecanese Cooperative Bank	117,531,421	-	(49,000,000)	(2,432,876)	66,098,545
Evia Cooperative Bank	28,252,922	-	(2,000,000)	(2,715,645)	23,537,277
First Business Bank	60,975,626	-	(7,500,000)	(1,714,535)	51,761,091
Hellenic Post Bank	367,047,367	-	(15,000,000)	(22,244,073)	329,803,294
Lamia Cooperative Bank	23,692,931	-	(4,000,000)	(1,017,183)	18,675,748
Lesvos-Limnos Cooperative Bank	20,548,979	-	(5,000,000)	(1,900,424)	13,648,555
Probank	96,954,709	-	(5,500,000)	(5,717,471)	85,737,238
Proton Bank	11,684,928	-	(694,410)	(1,148,171)	9,842,347
T-Bank	-	-	-	-	-
Western Macedonia Cooperative Bank	32,539,078	-	(15,000,000)	-	17,539,078
Total	2,542,518,543	-	(208,694,410)	(70,149,171)	2,263,674,962

The movement of the Fund's receivables, including impairments and collections, from the banks under liquidation for the 9 month period ended 30/06/2014 is presented in the following table:

<i>Amounts in €</i>		01/01/2014 - 30/09/2014			
Bank under Liquidation	Opening balance	Additions	Collections	Impairment charges	Closing balance
Achaiki Cooperative Bank	147,868,800	-	(38,000,000)	-	109,868,800
ATEbank	1,750,678,850	-	-	-	1,750,678,850
Dodecanese Cooperative Bank	166,008,901	-	-	-	166,008,901
Evia Cooperative Bank	63,939,049	-	-	(12,765,849)	51,173,200
First Business Bank	80,274,457	-	-	-	80,274,457
Hellenic Post Bank	380,271,150	-	-	-	380,271,150
Lamia Cooperative Bank	39,967,991	-	-	-	39,967,991
Lesvos-Limnos Cooperative Bank	26,908,340	-	-	-	26,908,340
Probank	128,782,552	-	-	-	128,782,552
Proton Bank	11,684,928	-	-	-	11,684,928
T-Bank	2,011,800	-	(2,011,800)	-	-
Western Macedonia Cooperative Bank	54,681,344	13,222,459	-	(21,509,364)	46,394,439
Total	2,853,078,162	13,222,459	(40,011,800)	(34,275,213)	2,792,013,608

Note 8 Other Assets

The balance as of 31/12/2014 includes an additional gain from the sale of New HPB that took place in 2013, due to the finalization of a contingency included in the SPA between HFSF and Eurobank in the third quarter of 2014 amounting to € 8.8m. The amount was received from Eurobank on 13/03/2015.

Note 9 Derivative Financial Liability

Derivative financial liability includes the warrants issued by the Fund and granted to the private investors participating in the capital increase of the 3 out of 4 systemic banks according to Law 3864/2010 and Cabinet Act 38/2012.

The fair values of warrants per bank as of 30/09/2015 and 31/12/2014 are set out below:



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HELLENIC FINANCIAL STABILITY FUND

<i>Amounts in €</i>	Fair value	
	30/09/2015	31/12/2014
Alpha's warrant	21,692,949	1,073,243,089
NBG's warrant	9,338,371	39,319,753
Piraeus' warrant	7,592,733	159,448,072
Total	38,624,053	1,272,010,914

Warrants are freely transferrable securities, which are listed for trading in the securities market of ATHEX. The fair values are determined by reference to the unadjusted prices in the ATHEX and therefore they are classified into Level 1. Quoted prices as of 30/06/2015 represented a Level 2 input in the fair value hierarchy due to closure of ATHEX following the capital controls imposed. In this context, HFSF transferred the fair value of the warrants from Level 2 to Level 1 at the measurement date.

Movement of warrants

The number of warrants outstanding as of 30/09/2015 and 31/12/2014, the movement during the 9 month period ended 30/09/2015 and the number of shares corresponding to 1 warrant (multiplier), if exercised, are presented below:

	Alpha	NBG	Piraeus
Warrants outstanding as of 31/12/2014	1,141,747,967	245,748,459	843,640,590
Warrants exercised	(13,800)	(1,844)	(3,568)
Warrants outstanding as of 30/09/2015	1,141,734,167	245,746,615	843,637,022
Multiplier as of 30/09/2015	7.4087	8.2292	4.4758

In January 2015 the Fund received an amount of € 28,912 following the third exercise of 3,568 of Piraeus' warrants. In June 2015 the Fund received the amounts of € 49,034 and € 70,955 following the fourth exercise of Alpha's and NBG's warrants respectively.

Following the reverse split of systemic banks, the 43th cabinet act (Government Gazette A' 163/02.12.2015) was issued on 02/12/2015 based on which the new multipliers and the strike prices per bank are as follows:

	Alpha	NBG	Piraeus
New multiplier	0.148173663047785	0.54861592129144	0.044757733395671
5th strike price	24.64	72.0720	190.40
6th strike price	25.30	74.0025	195.50
7th strike price	26.07	76.2555	201.45
8th strike price	26.84	78.5070	207.40
9th strike price	27.72	81.0810	214.20

Note 10 Provisions and Other Liabilities

<i>Amounts in €</i>	30/9/2015	31/12/2014
Provisions	1,990,770	3,412,185
Creditors and suppliers	186,259	145,488
Taxes payable – other than income taxes	131,763	237,822
Contributions payable to social security funds	72,099	114,498
Other expenses payable	12,300	49,442
Total	2,393,191	3,959,435

The provision recognized regarding an obligation arising from the sale of New HPB to Eurobank that took place in 2013 has been finalized at an amount lower than previously estimated, resulting to the recognition of a gain of € 1.4m from the reversal of the provision.



Note 11 Capital

Following a ministerial decision (Government Gazette B' 292/26.02.2015) issued on 26/02/2015, in accordance with the Master Financial Assistance Facility Agreement signed on 15/03/2012 as amended and in alignment with the Eurogroup statement of 20/02/2015, HFSF proceeded with the re-delivery of the unused EFSF Notes, with nominal value of €10,932,903,000 to the EFSF on 27/02/2015. Additionally, HFSF proceeded with the reduction of its paid in capital by the amount of € 10,932,903,000.

Amounts in €

Balance as of 21 July 2010	-
Capital increase - Cash	1,500,000,000
Balance as of 31 December 2011	1,500,000,000
Capital increase - EFSF FRNs issued on 19/04/2012	25,000,000,000
Capital increase - EFSF FRNs issued on 19/12/2012	16,000,000,000
Balance as of 31 December 2012	42,500,000,000
Capital increase - EFSF FRNs issued on 31/05/2013	7,200,000,000
Balance as of 31 December 2013	49,700,000,000
Balance as of 31 December 2014	49,700,000,000
Capital decrease - EFSF FRNs returned on 27/02/2015	(10,932,903,000)
Balance as of 30 September 2015	38,767,097,000

Note 12 Interest Income

A breakdown of the Fund's interest income for the 9 month period ended 30/09/2015 and 30/09/2014 is provided in the table below:

Amounts in €	01/01/2015 - 30/09/2015	01/01/2014 - 30/09/2014
Interest income from EFSF FRNs	9,033,084	58,304,681
Interest income from deposits	-	284,925
Interest income from cash management account	6,002,091	-
Total	15,035,175	58,589,606

The cash in the cash management account is placed on repos, reverse repos, buy/sell back, sell/buy back with counterparty the Greek State in accordance with paragraph 11 (g) of the article 15 of the law 2469/1997.

In the third quarter of 2015 the accrued interest income from the cash management account amounted to € 3.2m.

Note 13 Personnel Expenses

The number of directors and employees included in the payroll of the Fund was 31 and 33 as of 30/09/2015 and 30/09/2014 respectively.

The total personnel expenses for the 9 month period ended 30/09/2015 and 30/09/2014 are analysed as follows:

Amounts in €	01/01/2015 - 30/09/2015	01/01/2014 - 30/09/2014
Salaries	(1,885,320)	(1,763,212)
Employer's contribution	(310,073)	(266,066)
Total	(2,195,393)	(2,029,278)



The average number of employees including directors during the 9 month period ended 30/09/2015 and 30/09/2014 was 32 and 28 respectively.

Note 14 General Administrative and Other Operating Expenses

<i>Amounts in €</i>	01/01/2015 - 30/09/2015	01/01/2014 - 30/09/2014
Utilities and rentals	(257,295)	(263,262)
General Council remuneration	(248,226)	(266,250)
Lawyers' fees	(122,658)	(340,770)
Audit firms' fees	(13,118)	(106,721)
Advisors' fees	(67,858)	(14,398,348)
Professionals' fees	(87,090)	(110,580)
Custody fees	(171,540)	(630,744)
Insurance fees	(273,018)	(206,140)
Fees to bank representatives	-	(48,729)
Other fees	(88,159)	(79,899)
Other expenses	(137,847)	(257,324)
Total	(1,466,809)	(16,708,767)

The increased operating expenses in the first 9 months of 2014 are due to a) the fees for services rendered by investment banks for the systemic banks' SCIs which amounted to € 14.2m, in compliance with the legal requirement to obtain two fairness opinions per SCI per bank and b) the decrease by € 0.46m in custody fees due to the re-delivery of HFSF notes and the decrease of the Fund's participations value in systemic banks.

Note 15 Gain/(Loss) from Financial Instruments at Fair Value through Profit or Loss

This caption includes the gains or losses resulting from the revaluation of the shares held in systemic banks and the warrants issued, as well as the results from the disposals of the shares upon the exercise of the warrants. The breakdown of the gain or loss by financial instrument during the 9 month period ended 30/09/2015 and 30/09/2014 is presented in the table below.

<i>Amounts in €</i>	01/01/2015 - 30/09/2015	01/01/2014 - 30/09/2014
Gain/(loss) from equity instruments		
Alpha	(3,053,610,214)	(222,294,060)
Eurobank	(859,331,114)	(1,255,144,233)
NBG	(2,194,155,162)	(3,094,153,329)
Piraeus	(3,398,009,538)	(770,168,999)
Subtotal	(9,505,106,028)	(5,341,760,621)
Gain/(loss) from warrants		
Alpha	1,051,550,140	(217,743,647)
NBG	29,981,382	178,167,773
Piraeus	151,855,338	287,701,352
Subtotal	1,233,386,860	248,125,478
Total	(8,271,719,168)	(5,093,635,143)

Note 16 One-off Expense

Pursuant to the provisions of par. 7 art. 16c of Law 3864/2010, all financial institutions that have received a capital support from HFSF were obliged to pay a one-off amount totaling € 555.6m, which was recognised in 2012 Financial Statements, as one-off income fee and actually received by the Fund in December 2012. On 19/03/2015, according to



the article 35 L. 4320/2015, HFSF transferred this amount and the relevant accrued interest totaling to € 555.9m from the HFSF account held in BoG to the Hellenic Republic.

Note 17 Commitments and Contingent Liabilities

Commitments: The Fund's commitments relate to the operational lease for its offices. The minimum future payments are presented in the table below (it is noted that the Fund may terminate the operating lease for its office following a three-month notice):

<i>Amounts in €</i>	30/09/2015	31/12/2014
No later than 1 year	170,074	253,688
Later than 1 year and no later than 5 years	121,855	380,532
Total	291,929	634,220

Legal Proceedings: No legal cases of third parties against the Fund exist at the issuance date of the interim financial statements that is probable to affect negatively the Fund's financial position.

Undertakings deriving from FAFA: Until the facility granted under the FAFA has been fully reimbursed, the Fund acts as a guarantor and has certain security related undertakings in the context of the facility agreement.

Note 18 Related Party Transactions

Related parties include the Fund's Management, close relatives to the Management, companies owned by the Management and credit institutions in which the Fund has substantial influence over the financial and operating policies.

The significant transactions entered into by the HFSF with related parties during the 9 month period ended 30/09/2015 and 30/09/2014 and the balances outstanding as of 30/09/2015 and 31/12/2014 are presented below.

Transactions with key management personnel

The members of the Executive Board and the General Council, as well as close relatives or companies controlled individually or jointly by them, did not enter into transactions with the Fund. The gross remuneration paid in the first 9 months of 2015 amounted to € 573.5k (first 9 months of 2014: €671k). Furthermore, for the Executive Members an amount of € 41.4k (first 9 months of 2014: € 47.3k) had been paid for social security contributions.

Transactions and balances with systemic banks

Following the contribution of EFSF FRNs to the systemic banks in the context of the pre-subscription agreements and subsequently due to the participation of the HFSF in the recapitalization of the banks, the Fund considers the systemic banks to be related parties as defined in IAS 24.

The fair value of the shares held of the Fund as of 30/09/2015 amounted to € 2,117m (31/12/2014: € 11,622m). In the first 9 months of 2014 the Fund contributed € 174.4m in cash to Alpha that undertook the deposits and other transferred liabilities and assets of the Dodecanese, Evia and Western Macedonia Cooperative Banks.

The custody fees, relating to shares held by HFSF, paid to the systemic banks for the 9 month period ended 30/09/2015 and 30/09/2014 amounted to € 125k and € 377k respectively.

Transactions and balances relating to transitional credit institutions

In the first 9 months of 2015 the Fund received the amount of € 8.8m from Eurobank following the finalization of a contingency from the sale of New HPB. Moreover, a provision regarding an obligation arising from the sale of New HPB to Eurobank that took place in 2013 amounting to € 1.99m and a gain of € 1.4m derived from the reversal of the provision is recognized in the statement of comprehensive income for the current period.



Note 19 Post Balance Sheet Events

Following the date of the interim financial statements, the following events related to HFSF took place:

HFSF's Law amendments

The HFSF's Law was revised by Law 4340/2015 (Government Gazette A 134/1.11.2015) and Law 4346/2015 (Government Gazette A 152/20.11.2015) in order to reflect the Fund's new roles and extended operations stemming from the new FAFA and new MoU commitments. According to the amendments, HFSF shall act in line with the obligations arising from the new FAFA and with the commitments under the new MoU and its new operations include the facilitation of NPLs management and the provision of a resolution loan to HDIGF for the purposes of funding bank resolution costs. The Fund's capital derives from the funds raised from the EU and the IMF financial support mechanism and the funds raised under the new FAFA and it can be reduced upon the request of the MoF, provided a request from the EFSF or the ESM has been received. A new appointment procedure of the General Council and Executive Board members is placed according to which a selection panel is established which pre-selects the members, proposes their remuneration and performs their annual evaluation. The term of the Selection Panel is set for two years and can be renewed. The Fund, with the assistance of an independent consultant, shall evaluate the corporate governance arrangements of credit institutions with which the Fund has signed Relationship Framework Agreements (RFAs). In this context HFSF shall evaluate the BoD of the banks and its committees based on the process and specific criteria provided in the HFSF's law, RFAs and in line with the best practices in corporate governance. HFSF covers the capital shortfall determined by a competent authority in case of a precautionary recapitalization and in order to cover the residual amount of the shortfall after any private sector participation or any amount coming from the implementation of the burden sharing measures. In case of a credit institution's resolution, the Fund may act as an entity providing capital in compliance with BRRD (Banking Recovery and Resolution Directive) rules. A new RFA or an amended RFA need to be signed between HFSF and the credit institution before any capital injection. Finally the Fund's duration extended until June 2020.

Approval of the Restructuring Plans

In November 2015 the HFSF approved the four systemic banks' Final Restructuring Plan before their submission to the Ministry of Finance and DG Competition. The Fund may request additional restructuring measures through the budgeting and business planning exercises of the banks.

HFSF's acceptance of SCI prices for the four systemic banks

According to the amendments of the HFSF Law and based on the results of the book building process performed by the four systemic banks for the private placement of new common shares, HFSF accepted the subscription price proposed by each Bank's BoD. Alpha's offer price was set at € 0.04 per share or € 2 following the 50-to-1 reverse stock split. Eurobank's offer price was set at € 0.01 per share or € 1 following the 100-to-1 reverse stock split. NBG's offer price was set at € 0.02 per share or € 0.3 following the 15-to-1 reverse stock split. Piraeus's offer price was set at € 0.003 per share or € 0.3 following the 100-to-1 reverse stock split.

HFSF's Capital Increase through ESM Notes

Due to the HFSF's participation in the recapitalization of NBG and Piraeus, Hellenic Republic contributed the necessary capitals in the form of ESM notes disbursed following the approval of ESM, increasing equally HFSF's capital. Since the capital increase of HFSF was in kind, the ESM notes were valued in accordance with article 9 of Company Law 2190/1920 for their registration in HFSF's books based on two independent valuation reports. The nominal amount of the difference between the fair value of the received ESM notes and the actual amount contributed by HFSF to the two banks was redelivered to ESM. The HFSF's capital currently amounts to € 44,193m, following the capital increases of the amount of € 2,720m on 1/12/2015 and the amount of € 2,706m on 8/12/2015.

The notes that were contributed to HFSF have the following characteristics:

ISIN	Issue Date	Maturity Date	Interest Rate	Nominal Value
EU000A1U9852	27/08/2015	27/02/2017	6M Euribor - 18 b.p.	1.6 billion
EU000A1U9860	27/08/2015	27/08/2017	6M Euribor - 20 b.p.	1.6 billion
EU000A1U9878	27/08/2015	27/02/2018	6M Euribor - 21 b.p.	2.2 billion



Recapitalization of Piraeus and NBG

The HFSF contributed ESM notes in order to fully cover the capital needs under the adverse scenario of NBG and Piraeus. The fair value of the ESM notes, as determined based on two independent valuation reports amounted to € 2,706m and € 2,720m for NBG and Piraeus respectively. In return, the Fund received the amount of € 677m and € 680m in NBG's and Piraeus' common shares respectively and the amount of € 2,029m and € 2,040m in the form of CoCos, issuance of NBG and Piraeus respectively. HFSF also received the amount of € 391.5m in common shares of NBG, after the mandatory conversion of the bank's preference shares.

Amended Relationship Frameworks Agreements

Following the share capital increases of the systemic banks in November and December of 2015, HFSF and the four systemic banks proceeded with the signing of the amended RFAs to reflect its new objectives and rights deriving from its participation in their share capital.

Warrants exercise

In December 2015 NBG's fifth warrants exercise took place. There were 890 warrants exercised and 488 shares exchanged, resulting to the Fund receiving €35,182. Following the exercise, HFSF's shareholding in NBG amounted to 40.39%. In the context of the fifth warrant exercise of Alpha and Piraeus no warrant has been exercised.

Formation of Selection Panel

Following the Minister of Finance's decision (Government Gazette 10/15.01.2016), the Selection Panel of the Fund's members of the General Council and the Executive Board has been formed. The Selection Committee is composed of the President Francesco Papadia and the members Júlia Király, Eric Rajendra, Panagiotis Doumanoglou, Emiliios Avgouleas and Peter Yngwe.

Note 20 Significant Events of Systemic Banks

During the 9 month period ended on 30/09/2015 and up to the issuance date of the Fund's interim financial statements, the following events relating to the systemic banks took place:

Alpha

In January 2015 Alpha announced the sale of Alpha Insurance Limited, its subsidiary in Cyprus, and the sale of Cardlink S.A., formerly held by Alpha and Eurobank at 50% each.

In February 2015 the HFSF provided its consent to Alpha's BoD to proceed with the merge by absorption of Diners Club of Greece with the Bank, which was completed in June 2015.

In March 2015, Alpha Bank Cyprus Ltd announced the completion of the merger of Alpha Bank Cyprus Ltd and Emporiki Bank Cyprus Ltd, by absorption of the second from the first.

In July 2015 Alpha and Eurobank announced that they have reached a preliminary agreement regarding the acquisition of Alpha's Branch in Bulgaria by Eurobank Bulgaria AD, Eurobank's subsidiary.

In October 2015 ECB announced the results of its Comprehensive Assessment (CA) on the Greek systemic banks based on which Alpha's capital shortfall amounted to € 263m and € 2,743m under the baseline and the adverse scenario respectively. Taking into account the positive impact stemming from the capital actions approved by Single Supervisory Mechanism (hereinafter SSM), the capital needs under both the baseline and the adverse scenarios decreased by €180m. Consequently, the amount that Alpha needed to raise has been reduced to €2,563m for the adverse scenario.

In November 2015 Alpha announced exchange offers for senior debt, subordinated debt and hybrid capital, within the framework of a Liability Management Exercise (LME), as approved by HFSF. In November 2015 the bank announced



that the aggregate amount from the exchange offers relating to these securities validly tendered was equal to approximately € 1,011m.

In November 2015 the General Meeting of its shareholders decided the increase of the nominal value of each common share through a reverse split with a respective decrease of the total number thereof (at a ratio of 50 old shares to 1 new share), so that the nominal value of each common share amounted to € 15. In turn, the bank decreased the share capital, by a decrease of the nominal value of each common share from € 15 to € 0.30 and credit of the amount deriving from the decrease to the special reserve of article 4 par. 4a of codified law 2190/1920.

In November 2015 Alpha raised € 1,552m through a book building process by offering new common shares. Combined with the results of the LME and the capital enhancement plan, Alpha covered solely from private investors its total capital needs amounting to € 2,563m, as determined under the adverse scenario of the overall rating of the SSM. Following the above, a share capital increase has been decided by the General Meeting of its shareholders of a total amount of € 2,563m, by an abolition of the preemption rights of the existing shareholders, through a payment in cash of an amount of € 1,552m via a private placement to investors and the capitalisation of the monetary claims of an amount of € 1,011m in the context of the voluntary exchange of existing securities by their holders that participated in the LME. Following the share capital increase, HFSF's participation in Alpha decrease from 66.24% to 11.01%.

Eurobank

In January 2015 Eurobank announced the sale of the entire share capital of Cardlink S.A., formerly held by Alpha and Eurobank at 50% each.

In October 2015 ECB announced the results of its CA on the Greek systemic banks based on which the Eurobank's capital shortfall amounted to € 339m and € 2,122m under the baseline and adverse scenario respectively. Taking into account the positive impact stemming from the third quarter results, the capital needs under both the baseline and the adverse scenarios decreased by €83m. Consequently, the amount that Eurobank needed to raise has been reduced to €2,039m for the adverse scenario.

In October 2015 Eurobank announced exchange offers for senior debt, subordinated debt and hybrid capital, within the framework of LME as approved by the HFSF. In November 2015 the bank announced that the aggregate amount from the exchange offers relating to these securities validly tendered was equal to approximately € 418m.

In November 2015 the General Meeting of its shareholders decided the increase of the nominal value of each common share through a reverse split with a respective decrease of the total number thereof (at a ratio of 100 old shares to 1 new share), so that the nominal value of each common share amounted to € 30. In turn, the bank decreased the share capital, by a decrease of the nominal value of each common share from € 30 to € 0.30 aiming at offsetting equal losses carried forward by forming a special reserve of an equal amount, in accordance with article 4 par. 4a of codified law 2190/1920.

In November 2015 Eurobank raised € 1,621m through a book building process by offering new common shares. Combined with the results of the LME and the capital enhancement plan, the Bank covered, solely from private investors, its total capital needs amounting to € 2,039m, as determined by SSM under the adverse scenario. Following the above, a share capital increase has been decided by the General Meeting of its shareholders of a total amount of €2,039m through a payment in cash via a private placement to investors and by an abolition of the preemption rights of the existing shareholders. Following the reverse split and the share capital increase, HFSF's participation in Eurobank decreased from 35.41% to 2.38%.

In December 2015 Eurobank announced it has reached an agreement with Fairfax Financial Holdings Limited to sell 80% of Eurolife ERB Insurance Group Holdings S.A. following a competitive bidding process, in which a number of international parties participated. Under the terms of the transaction, Fairfax will acquire 80% of Eurolife from Eurobank for a cash consideration of €316m, while Eurobank will retain a 20% stake.



NBG

In January 2015 the HFSF provided its consent to NBG's BoD to proceed with the reverse merger of Pangaea REIC with MIG REIC. In August 2015 NBG announced that the BoD of its affiliates under the name Pangaea REIC and MIG REIC approved the draft merger agreement.

In October 2015 ECB announced the results of its CA on the Greek systemic banks based on which the NBG's capital shortfall amounted to € 1,576m and € 4,602m under the baseline and the adverse scenario respectively. Taking into account the positive impact stemming from the third quarter results, the capital needs under both the baseline and the adverse scenarios decreased by € 120m. Consequently, the amount that NBG needed to raise was reduced to € 1,456m and € 4,482m for the baseline and the adverse scenario respectively.

In November 2015 NBG announced exchange offers for senior debt, subordinated debt and hybrid capital, within the framework of the LME as approved by the HFSF. In November 2015 the bank announced that the aggregate amount from the exchange offers relating to these securities validly tendered was equal to approximately € 695m.

In November 2015 the General Meeting of its shareholders decided the increase of the nominal value of each common share through a reverse split with a respective decrease of the total number thereof (at a ratio of 15 old shares to 1 new share), so that the nominal value of each common share amounted to € 4.50. In turn, the bank decreased the share capital, by a decrease of the nominal value of each common share from € 4.50 to € 0.30.

In November 2015 NBG raised € 458m through a book building process by offering new common shares to institutional investors and in December raised a further € 300m through a public offering in Greece. Combined with the results of the LME and of additional capital of an amount of € 544m following the implementation of burden sharing measures and the mandatory conversion of liabilities to common shares, NBG covered more than its capital needs of € 1,456m, as determined under the baseline scenario of the overall rating of the SSM.

HFSF, in order for NBG to fully cover the capital needs under the adverse scenario contributed the amount of € 2,706m in ESM Notes, and in return received an amount of € 677m in bank's shares and € 2,029m in the form of Contingent Convertible securities (CoCos), issuance of the bank. HFSF also received the amount of € 391.5m in common shares after the mandatory conversion of the bank's preference shares. Following the share capital increase, HFSF's participation in NBG decreased from 57.24% to 40.39%.

In December 2015 the HFSF provided its consent to NBG for the sale of NBG's 99.81% stake in Finansbank A.Ş. together with other minor direct and indirect interests to Qatar National Bank (QNB). The agreed consideration for the transaction amounts to €2,750m. In addition, QNB will repay upon closing the \$910m of subordinated debt that NBG has extended to Finansbank, increasing the liquidity position of the NBG Group by approximately €3.5bn.

In February 2016 NBG entered into a definitive agreement to sell 100% of its interests in eleven Limited Partnerships held directly or indirectly by NBG and managed by NBGI PE Limited.

Piraeus

In February 2015 Piraeus announced that Capital Group Companies, as of 03/02/2015 owns indirectly, through funds managed by it, the 9.85% of Bank's total voting rights exclusive of HFSF's shareholding.

In April 2015 Piraeus acquired the "good" part of Panellinia Bank S.A. with the consent of HFSF, following a tender offer launched by the BoG. HDIGF covered the initial funding gap of € 273m.

In October 2015 ECB announced the results of its CA on the Greek systemic banks based on which Piraeus' capital shortfall amounted to € 2,213m and € 4,933m under baseline and adverse scenario respectively. Taking into account the positive impact stemming from the capital actions approved by SSM, the capital needs under both the baseline



and the adverse scenarios decreased by € 271m. Consequently, the amount that Piraeus needed to raise has been reduced to € 4,662m for the adverse scenario.

In October 2015 Piraeus announced exchange offers for senior debt, subordinated debt and hybrid capital, within the framework of the LME as approved by HFSF. In November 2015 the bank announced that the aggregate amount from the exchange offers relating to these securities validly tendered was equal to approximately € 602m.

In November 2015 the General Meeting of its shareholders decided the increase of the nominal value of each common share through a reverse split with a respective decrease of the total number thereof (at a ratio of 100 old shares to 1 new share), so that the nominal value of each common share amounted to € 30. In turn, the bank decreased the share capital, by a decrease of the nominal value of each common share from € 30 to € 0.30 the creation of the special reserve in accordance with article 4 par. 4a of codified law 2190/1920.

In November 2015 Piraeus raised € 1,340m through a book building process by offering new common shares. Combined with the results of the LME and the capital enhancement plan, the bank covered from private investors its capital needs amounting to € 1,942m, as determined under the baseline scenario of the overall rating of the SSM. The HFSF, in order for Piraeus to fully cover the capital needs under the adverse scenario, contributed the amount of € 2,720m, in ESM Notes, and in return received an amount of € 680m in Bank's shares and € 2,040m in the form of CoCos, issuance of the bank. Following the share capital increase, HFSF's participation in Piraeus decreased from 66.93% to 26.42%.

In November 2015 Piraeus announced the completion of the sale of its stake (98.5%) in the Egyptian subsidiary Piraeus Bank Egypt S.A.E. to Al Ahli Bank of Kuwait K.S.C.P., after receiving all required approvals including HFSF's.

Key financial information per bank

Key financial information for the 9 month period ended on 30/09/2015 per each bank in group level is presented in the table below:

<i>Amounts in € million</i>	Alpha	Eurobank	NBG	Piraeus
Total Assets	69,782	73,755	110,872	85,910
Total Liabilities	62,826	68,393	103,522	79,186
Total Equity	6,956	5,362	7,350	6,724
Profit/(Loss) Before Tax	(1,473)	(1,835)	(3,161)	(1,413)
Net Profit/(Loss)	(838)	(987)	(2,148)	(625)
Capital Adequacy Ratio	12.7%	12.6%	9.6%	10.9%
Common Equity Tier I	12.5%	12.1%	9.6%	10.9%