NBG FACTORS

Financial Statements as of 31.12.2011

(In accordance with the International Financial Reporting Standards – "IFRS")

Athens, June 2012

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Board of Directors' Report on the Financial Statements of Ethniki Factors S.A. for the financial year 2011

According to the provisions of Company's Act and Company's Articles of Association, are presented below the activities of the Company during its third fiscal year which was the period from 1 January to 31 December 2011.

Financial position and comprehensive income of the Company

The period from 1 January to 31 December 2011 was the third fiscal year for the Company during which main activities focused on constantly providing broad range of Factoring services to National Bank of Greece corporate customers, enhancing synergies with parent Bank and maintaining robust portfolio through sophisticated receivables management despite adverse economic conditions. On 31 December 2011 Company's corporate portfolio, after provision amounted to € 397.779,3 thousand, resulting in an increase of 12,9% against 2010 whereas total Factoring turnover reached € €1.670,9 millions compared with €1.446,5 millions in 2010 (+15,5%). Profit after taxes reached €5.469,4 thousand related to €4.079,3 thousand for 2010 (+34,1%).

Company's capital adequacy is supervised by Bank of Greece which is responsible for collecting necessary reporting data, according to the Bank of Greece Governor's Act 2640/18.01.2011 (as it has been replaced by Bank of Greece Governor's Act 2651/20.1.2012). Calculation of capital adequacy for Factoring Companies is carried under a new supervisory framework (Basel II), according to Law N3601/2007 that was enforced by Bank of Greece Governor's Act 2622/21.12.2009.

In 2011 the capital adequacy ratios of basic and total equity amounted to 15,89% compared with 15,68% in 2010.

In its third financial year and as a consequence of country's deep recession the Company's allowance for impairment on customers receivable amounted to € 846,4 thousand and as referred to in Note 3, the management believes that this provision clearly reflects the reality at that particular time.

Company's total operating income in 2011 amounted to €9.005,6 thousand (+26,9%) of which amount of €6.517,1 thousand (+37,3%) relates to net interest income and amount of €2.488,5 thousand (+5,8%) relates to net commission income. Total expenses, excluding credit provisions of €846,4 thousand, amounted to €1.382,9 thousand, of which €615,6 thousand relates to personnel expenses and the remaining amount of €767,3 thousand relates to other administrative expenses (office rentals, marketing expenses, third party expenses etc). Therefore the cost (excluding credit provisions) to income ratio amounted to 15,5%. Following the decision of the Company's Shareholder General Meeting that took place on 28 November 2011,the Company increased its share capital by € 5.000 thousand through the issue of 1.000.000 common shares at a nominal value of €5 each by capitalization of share premium

Management actions during 2011 and for the first five months of 2012.

During the third financial year the actions of the management were focused in maintaining the robust portfolio and further developing synergies with the parent Bank and especially the Corporate Units. In that direction the Company develops its turnover mainly through Recourse Factoring services but also enhancing Export and Reverse Factoring. Servicing export companies interests the Company Factored €146,7 millions of export business, an increase of 84,5% compared to 2010. Out of total export Factoring turnover, amount of €99,6 millions relates to two Factors system business ((2010: €17,1 millions). Reverse Factoring turnover in 2011 reached € 43,4 millions (2010: €34,3 millions) underlining substantial potential for this type of Factoring business.

As in 2010 Company's strategic decisions focused on upgrading IT and operational infrastructure. In that direction the Company kept it actions on improving all of its software and since January 2012 is using SAP/FI solution for its management accounting and bookkeeping activities, in order to be in compliance with NBG Group.

As for operational activities during 2011 the Board or Directors approved and the Company adopted:

- Administration, Collection, Credit Control and Relationship Management Departments' manuals,
- Policy for Avoiding Conflicts of Interests for Senior Executives
- Operational Risk Framework,
- Business Line Mapping with Capital Adequacy Regulatory Framework (Basel II) for Operational Risk,

- Remuneration Policy and
- Outsourcing Policy.

During 2011 three internal audits took place carried by NBG Group Internal Audit Division namely ¨Compliance Audit, Credit Procedures Audit and Financial Audit the reports of which have been promptly notified to all members of Board.

It is noted that since November 2009, the Company is, an inaugural member of Hellenic Factors Association represented in its Board of Directors.

Factoring market evolution

Greek Factoring market in 2011 remains stable according to Factors Chain International reports despite adverse economic conditions that strongly affects individuals and corporate. Maintaining its volumes explains the fact that Factoring has been established as a reliable and useful financial instrument for collecting and managing receivables with substantial added value.

Events after the reporting period

There are no significant events after the reporting period.

Risk Management

The Company adopts Risk Management Policies of the Group. National Bank of Greece Group operates in a fast growing and changing environment and acknowledges its exposure to banking risks as well as the need for effective risk management.

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 a Bank's subsidiary. For all facilities, the Group employs credit risk rating and measurement systems, specifically designed to meet the particular characteristics of its various loan exposures (e.g. NBG Corporate Risk Rating Model for the corporate portfolio, internally developed application and behavioural scorecards for the retail portfolio, etc.). The objective of such credit risk rating systems is to appropriately classify an obligor to a particular credit rating class and estimate the parameters of expected and unexpected loss, with the ultimate goal of protecting the profitability and the capital base of the Group.

Active credit risk management is achieved through:

- The application of appropriate limits for exposures to a particular obligor, a group of associated obligors, obligors that belong in the same economic sector, etc.;
- The use of credit risk mitigation techniques (such as collateral and guarantees);
- The estimation of risk adjusted pricing for most products and services.

Market Risk

To effectively measure market risk, i.e. the risk of loss attributed to adverse changes in market factors such as foreign exchange rates, interest rates, equity and equity index prices and prices of derivative products, the Group applies a Value at Risk (VaR) methodology to all its Trading and Available for Sale (AFS) positions in all currencies. The Group has established a framework of VaR limits in order to control and efficiently manage the market risk to which it is exposed. The limits refer to both individual types of risk (interest rate, foreign exchange and equity risk) and to the total market risk of the portfolio.

Additionally, the Group performs back testing on a daily basis in order to assess the predictive power of its VaR model. Supplementary to the VaR model, the Group conducts stress testing on a weekly basis on both the Trading and the Available for Sale portfolios, based on specific scenarios.

Operational risk

The Group, acknowledging the importance of operational risk, has since 2006 established and maintained a firm wide and effective, high quality framework for its management. Based on that, it developed and implemented in 2009 a new software application (Algorithmics OpVar system).

During 2011:
- The OpVar application was successfully implemented, in order to enhance the Group's Operational Risk Management Framework (ORMF)
- It implemented the annual cycle of ORMF on all Group entities

  Especially the implementation of this ORMF cycle consisted of:
  - The identification, assessment and monitoring of operational risks (Risk Control Self Assessment);
  - The determination of Action Plans for their mitigation;
  - The definition and monitoring of Key Risk Indicators;
  - The collection of operational risk loss events.

Finally the Bank, aiming at the prospective adoption of an Advanced Measurement Approach for the calculation of its operational risk capital charges both on a solo as well as on a consolidated basis, is developing an internal model for the quantification of its operational risk.

In 2011 the Board of Directors approved the Company's Operational Risk Management Framework (ORMF)

Interest rate risk in the banking book and liquidity risk

The Group systematically measures and manages the interest rate risk arising from its banking book items as well as liquidity risk, through:
- The analysis of re-pricing and liquidity gaps arising from its balance sheet structure;
- The measurement of economic value of equity and net interest income sensitivity under normal and exceptional changes in interest rates;
- The broadening and diversification of its liquidity sources;
- The maintenance of adequate stock of liquid assets;
- The establishment of relevant limits.

Risk related to the Greek crisis and the European debt crisis

The escalation in the European crisis and in effect the crisis in the Greek economy, resulted in impairment losses in several classes of assets like Greek government bonds and other loans in Greece which have adversely impacted the financial position, the results, cash flows and regulatory ratios of NBG and consequently of the Group. Furthermore, the crisis has reduced NBG's access to liquidity from other financial institutions. The recapitalization program for Greek banks was established as an integral part of the financial assistance under the second economic adjustment program for Greece, adopted by the Council of the EU (the "Eurogroup") meetings on 21 February 2012 and 13 March 2012 (the "Program"). The Program, which has already been approved by the EU and the International Monetary Fund (the "IMF"), along with a specific sequencing of disbursements, commits funds for the recapitalization plan, amounting to about €50 billion and is now in the implementation phase under the auspices of the Bank of Greece (the "BoG"). On 28 May 2012, HFSF contributed 5 series of European Financial Stability Facility bonds, maturing from 2018 to 2022, with nominal amount of €1.486 million each, totaling €7.430 million, as an advance for the participation in the Bank's future share capital increase.

Despite the negative global trends in the financial services industry, the Company remained well-capitalized, highly liquid, enhanced by quick financial assets turnover. The Company maintains sight deposits due from its parent company, National Bank of Greece S.A. amounting to €1.253,9 thousand and has issued bonds amounting to €335.057,5 thousand covered by the parent company National Bank of Greece S.A. and its affiliate company National Bank of Greece (Cyprus) Ltd maturing on 30 November 2012. The strong capital base in combination with a capital adequacy ratio of 15,89%, as disclosed in Note 25, enables the Company to face any reasonably foreseeable adversity. Management believes that the Company is well positioned to adequately support its business plan over the coming year.

Board of Directors' Report

2012 Perspectives

As regards economic prospects of the Greek economy, it is expected that activity will continue on a downward trend in 2012, declining by a further 4,5%-5,0% y-o-y, dragged down by the additional fiscal policy tightening and further reductions in private and public sector wages and pensions, still high uncertainty and an unfavourable terms of trade shock related to high oil prices. In this respect, labour market conditions will deteriorate further. On the positive side, the beneficial impact from the activation of the new four-year financing Program on economic confidence, the adequate coverage of banking sector's capital and liquidity needs envisaged by the program, a compelling and effective implementation of the ambitious agenda of structural reforms, in conjunction with a convincing acceleration of fiscal consolidation effort and increasing inflows of EU and EIB funds, could support an improvement in the economic environment in H2:2012, although the turning point for economic activity in Greece is delayed to 2013.

As for the sector stressed liquidity is expected to keep the demand for Factoring in high level from corporates. We predict that Factoring will further penetrate to corporate and sectors as its use has been proved valuable over the last years.

Yet Factoring is a useful service both from corporates due to limited liquidity and extended credit risk management and from Banks due to its solid and secured structure.

Among strategic goals of the Company for 2012 are:

1. The further development of synergies with the related Corporate Banking Divisions of the parent Bank supporting corporates
2. Further improvement of financial risk management practices
3. To maintain the high portfolio quality resulting in limited non performing loans
4. To enhance market share and sustain high profitability despite the fact of increased cost of funding
5. To maintain an efficient Cost to Income ratio
6. To upgrade the basic IT platforms,
7. To develop an efficient pricing model.

Dividend Policy

The Company will not distribute any dividend for financial year 2011. This decision is subject to the approval from the Annual General Meeting of the Shareholders. Also Management will propose to the Annual General Meeting of the shareholders to approve the appropriation of amount €273.470 as a statutory reserve according to provisions of Company Law 2190/1920.

Athens, 6 June 2012

The Chairperson of the Board of Directors

Eleni Tzakou Lampropoulou

TRUE TRANSLATION

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of "ETHNIKI FACTORS S.A."

Report on the Financial Statements

We have audited the accompanying financial statements of "ETHNIKI FACTORS S.A." (the Company), which comprise the statement of financial position as at December 31, 2011, and the statements of comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting principles and policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 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 financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the 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 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 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 financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2011, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as these were adopted by the European Union.

Independent Auditor's Report

Report on Other Legal Requirements

We have agreed and confirmed the content and consistency of the Director's Report to the accompanying financial statements according to the provisions of the article 43a and 37 of the Codified Law 2190/1920.

Athens, June 6, 2012

The Certified Public Accountant

Alexandra Kostara
Reg. No SOEL 19981
Deloitte.
Hadjipavlou Sofianos & Cambanis S.A.
Assurance & Advisory Services
Fragoklissias 3a & Granikou Str.
151 25 Marousi
Reg. No. SOEL: E 120

Statement of Comprehensive Income

For the period ended 31 December 2011

Amounts in €	Note	01.01.2011 - 31.12.2011	01.01.2010 - 31.12.2010
Interest and similar income	4	20.184.759	7.620.522
Interest expense and similar charges	4	(13.667.674)	(2.874.671)
Net Interest Income		**6.517.085**	**4.745.851**
Fee and commission income	5	3.836.944	2.424.333
Commission expense	5	(1.348.428)	(72.211)
Net fee and commission income		**2.488.516**	**2.352.122**
Net trading income		35	1.300
Total Income		**9.005.636**	**7.099.273**
Personnel expenses	6	(615.555)	(562.703)
General, administrative and other operating expenses	7	(738.719)	(954.967)
Depreciation of property and equipment	13	(28.634)	(184)
Credit provisions	8	(846.354)	(205.872)
Total expenses		**(2.229.262)**	**(1.723.726)**
Profit before tax		**6.776.374**	**5.375.547**
Tax expense	9	(1.306.968)	(1.296.210)
Profit for the period		**5.469.406**	**4.079.337**
Total comprehensive income for the period, net of tax		**5.469.406**	**4.079.337**

Athens, 6 June 2012

THE CHAIRPERSON	THE CHIEF EXECUTIVE OFFICER	THE SUPERVISOR OF FINANCIAL SERVICES
ELENI TZAKOU LAMPROPOULOU	ALEXANDROS KONTOPOULOS	PANAGIOTIS MAVRAGANIS
No of Pol. Identity AI 091541	No of Pol. Identity X 549459	No of Pol. Identity X 010495

The notes on pages 13 to 38 form an integral part of these financial statements

Statement of Financial Position

as at 31 December 2011

Amounts in €	Note	31.12.2011	31.12.2010
ASSETS			
Cash & cash equivalents	10	1.253.894	1.130.025
Customer receivables	11	397.779.251	352.228.818
Software and other intangible assets	12	315.000	115.000
Property and equipment	13	1.048	28.973
Other assets	15	6.050	6.450
Total assets		**399.355.243**	**353.509.266**
LIABILITIES			
Debt securities in issue	16	335.057.503	295.013.974
Due to customers	17	1.979.880	2.606.257
Current income tax liabilities	9	624.332	1.048.069
Deferred tax liabilities	14	330.753	239.010
Retirement benefit obligations	18	20.011	15.731
Other liabilities	19	1.745.447	413.714
Total liabilities		**339.757.926**	**299.336.755**
SHAREHOLDERS' EQUITY			
Share capital	20	10.000.000	5.000.000
Share premium	20	40.000.000	45.000.000
Reserves & retained earnings	21,22	9.597.317	4.172.511
Total Shareholders' Equity		**59.597.317**	**54.172.511**
Total Liabilities and Equity		**399.355.243**	**353.509.266**

Athens, 6 June 2012

THE CHAIRPERSON	THE CHIEF EXECUTIVE OFFICER	THE SUPERVISOR OF FINANCIAL SERVICES
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Statement of Changes in Equity

For the period ended 31 December 2011

Amounts in €	Share Capital	Share Premium	Reserves	Retained earnings	Total
At 1 January 2010	**5.000.000**	**45.000.000**	**-**	**93.174**	**50.093.174**
Total comprehensive income	-	-	-	4.079.337	4.079.337
Statutory reserve	-	-	6.584	(6.584)	-
Balance at 31 December 2010 & at 1 January 2011	**5.000.000**	**45.000.000**	**6.584**	**4.165.927**	**54.172.511**
Capitalization of share premium	5.000.000	(5.000.000)	-	-	-
Share capital issue costs, net of tax	-	-	-	(44.600)	(44.600)
Total comprehensive income	-	-	-	5.469.406	5.469.406
Statutory reserve	-	-	203.967	(203.967)	-
Balance at 31 December 2011	**10.000.000**	**40.000.000**	**210.551**	**9.386.766**	**59.597.317**

The notes on pages 13 to 38 form an integral part of these financial statements

Cash Flow Statement

For the period ended 31 December 2011

Amounts in €	01.01.2011 - 31.12.2011	01.01.2010 - 31.12.2010
Cash Flows from operating activities		
Profit before tax	**6.776.374**	**5.375.547**
Non cash items included in statement of comprehensive income and other adjustments	**14.364.126**	**3.033.281**
Depreciation of property and equipment	28.634	184
Credit provisions	846.354	205.872
Provision for employee benefits	4.280	3.164
Interest from financing activities	13.484.858	2.824.061
Net (increase)/decrease in operating assets :	**(47.022.764)**	**(264.175.350)**
Due from / to customers (net amount)	(47.023.164)	(264.186.028)
Other assets	400	10.678
Net increase/(decrease) in operating liabilities:	**(346.828)**	**197.768**
Other Liabilities	1.281.733	226.694
Income tax paid	(1.628.561)	(28.926)
Net Cash flows from / (used in) operating activities	**(26.229.092)**	**(255.568.754)**
Cash flows from investing activities:		
Purchase of software and other intangibles	(200.000)	(115.000)
Purchase of property and equipment	(709)	(29.157)
Net Cash flows from/ (used in) investing activities	**(200.709)**	**(144.157)**
Cash flows from financing activities:		
Proceeds from debt securities	340.000.000	245.000.000
Repayment of debt securities	(300.000.000)	-
Debt securities issue costs	(39.500)	(16.000)
Repayment of debt securities interest expenses	(13.401.830)	(2.742.761)
Repayment of borrowings	-	(5.000.000)
Interest paid	-	(4.669)
Share capital issue costs (Note 20)	(5.000)	-
Net cash flows from / (used in) financing activities	**26.553.670**	**237.236.570**
Net increase / (decrease) in cash and cash equivalents	**123.869**	**(18.476.341)**
Cash and cash equivalents at beginning of period	**1.130.025**	**19.606.366**
Cash and cash equivalents at end of period	**1.253.894**	**1.130.025**

The notes on pages 13 to 38 form an integral part of these financial statements

Notes to the Financial Statements

NOTE 1: General information

The Company was founded on 19 May 2009 and operates under the name “ETHNIKI FACTORS S.A.” (hereinafter the “Company”). The Company’s headquarters are located at 128-132 Athinon Av. & Ifigeneias Str. Athens, Greece, (Reg. 68123/01/B/09/166). The Company’s duration has been set to be fifty (50) years and may be extended by resolution of its Shareholders’ General Meeting.

The Company’s purpose is to provide all types of factoring services according to the provisions of law 1905/1990.
The Company is a subsidiary of National Bank of Greece S.A., which owns 100% of the Company’s share capital.
The Board of Directors of the Company, whose term expires at the first General Meeting of the Shareholders that will be called in the first half of 2012 according to article 20 of the Articles of Association and the meeting held on June 02 2011, consists of the following members:

Eleni A. Tzakou, The Non-Executive Chairperson of the Board of Directors

Dimitrios G. Dimopoulos, Non – Executive Member

Vasileios D. Gavroglou, Non – Executive Member

Theofanis Th. Panagiotopoulos, Non – Executive Member

Charalampos G. Mazarakis, Non – Executive Member

Dimitrios A. Mavros, Non – Executive Member

Ioannis G. Vagionitis, Non – Executive Member

Georgios P. Skotidas, Non – Executive Member

Panagiotis – Ioannis A. Dasmanoglou, Non – Executive Member

Alexandros V. Kontopoulos, Chief Executive Officer

These financial statements have been approved for issue by the Company’s Board of Directors on June 6 2012.

NOTE 2: Summary of significant accounting policies

2.1 Basis of Preparation

The financial statements of the Company for the year ended 31 December 2011 (the “financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) as endorsed by the E.U. E.U.-endorsed IFRSs may differ from IFRSs as issued by the International Accounting Standards Board (“IASB”) if, at any point in time, new or amended IFRSs have not been endorsed by the E.U. At 31 December 2011, there were no unendorsed standards effective for the year ended 31 December 2011, which affect these financial statements, and there was no difference between IFRSs endorsed by the EU and IFRSs issued by the IASB in terms of their application to the Company. Accordingly, Company’s financial statements for the year ended 31 December 2011 are prepared in accordance with IFRSs as issued by the IASB. The amounts are stated in Euro, (unless otherwise stated).

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Use of available information and application of judgment are inherent in the formation of estimates in the following areas: retirement benefits obligation, impairment of loans and receivables, liabilities from unaudited tax years and contingencies from litigation. Actual results in the future may differ from those reported.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Going Concern

The escalation in the European crisis and in effect the crisis in the Greek economy, resulted in impairment losses in several classes of assets like Greek government bonds and other loans in Greece which have adversely impacted the financial position, the results, cash flows and regulatory ratios of NBG and consequently of the Group. Furthermore, the crisis has reduced NBG's access to liquidity from other financial institutions. The recapitalization program for Greek banks was established as an integral part of the financial assistance under the second economic adjustment program for Greece, adopted by the Council of the EU (the "Eurogroup") meetings on 21 February 2012 and 13 March 2012 (the "Program"). The Program, which has already been approved by the EU and the International Monetary Fund (the "IMF"), along with a specific sequencing of disbursements, commits funds for the recapitalization plan, amounting to about €50 billion and is now in the implementation phase under the auspices of the Bank of Greece (the "BoG"). "). On 28 May 2012, HFSF contributed 5 series of European Financial Stability Facility bonds, maturing from 2018 to 2022, with nominal amount of €1.486 million each, totaling €7.430 million, as an advance for the participation in the Bank's future share capital increase.

Despite the negative global trends in the financial services industry, the Company remained well-capitalized, highly liquid, enhanced by quick financial assets turnover. The Company maintains sight deposits due from its parent Bank National Bank of Greece S.A. amounting to €1.253,9 thousand and has issued bonds amounting to €335.057,5 thousand covered by parent company National Bank of Greece S.A. and its affiliate company National Bank of Greece (Cyprus) Ltd with a maturity up to 30 November 2012.
The strong capital base in combination with a capital adequacy ratio of 15,89%, as disclosed in Note 25, enables the Company to face any reasonably foreseeable adversity. Management believes that the Company is well positioned to adequately support its business plan over the coming year and continue to adopt the going concern basis in preparing the financial statements.

2.3 Adoption of International Financial Reporting Standards (IFRS).

2.3.1 New standards, amendments and interpretations to existing standards applied from 1 January 2011

- **IFRIC 14 "IAS 19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"** (Amendment "Prepayments of a Minimum Funding Requirement" November 2009) (effective for annual periods beginning on or after 1 January 2011). The amendments remove an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme. It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements. This amendment had no impact on the Company's financial statements.

- **IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"** (effective for annual periods beginning on or after 1 July 2010). The interpretation clarifies that the profit or loss on extinguishing liabilities by issuing equity instruments should be measured by reference to fair value, preferably of the equity instruments. This Interpretation had no impact on the Company's financial statements.

- **IAS 32 "Financial Instruments: Presentation"** (Amendment) (effective for annual periods beginning on or after 1 February 2010). The amendment addresses the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer. Previously such rights issues were accounted for as derivative liabilities. However, the amendment requires that, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated. This amendment had no impact on the Company's financial statements.

- **IAS 24 "Related parties"** (Revised) (effective from 1 January 2011). The revised standard provides a partial exemption for government-related entities, a revised definition of a related party and includes an explicit requirement to disclose commitments involving related parties. This amendment had no impact on related party disclosures in the Company's financial statements.

- **Improvements to IFRSs, May 2010** (effective for the Group's annual period beginning on 1 January 2011). The new or amended disclosures required by the amendments in IFRS 7 "Financial Instruments: Disclosure" are provided in Note 26.1, and include the financial effect of collateral held as security and of other credit enhancements. The other amendments in the Improvements to IFRSs, May 2010 did not have an impact on the Company's financial statements.

2.3.2 New standards, amendments and interpretations to existing standards effective after 2011

- **IFRS 9 "Financial Instruments"** (effective for annual periods beginning on or after 1 January 2015). IFRS 9 specifies how an entity should classify and measure financial assets and financial liabilities, including some hybrid contracts.

The new standard requires all financial assets to be:

a) classified on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

b) initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs.

c) subsequently measured at amortised cost or fair value.

d) investments in equity instruments can be designated as "fair value through other comprehensive income" with only dividends being recognized in profit or loss.

e) the concept of "embedded derivatives" does not apply to financial assets within the scope of the Standard and the entire instrument must be classified and measured in accordance with the above guidelines.

The standard also requires a financial liability to be classified as either at fair value through profit or loss or at amortised cost. For a financial liability designated as at fair value through profit or loss using the fair value option, the change in the liability's fair value attributable to changes in the liability's credit risk is recognised directly in other comprehensive income, unless it creates or increases an accounting mismatch and the amount that is recognised in other comprehensive income is not recycled when the liability is settled or extinguished. The Company has not applied this Standard and is currently evaluating the impact of IFRS 9 on the financial statements and the timing of its adoption.

- **IFRS 7 "Financial Instruments: Disclosures"** (Amendment) (effective for annual periods beginning on or after 1 July 2011). The amendment requires certain additional disclosures in relation to transferred financial assets that are not de-recognised and for any continuing involvement in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. The Company has not applied this amendment.

- **IAS 12 "Income Tax"** (Amendment) (effective for annual periods beginning on or after 1 January 2012). The amendments provide a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 Investment Property. The Company has not applied this amendment, which will not have an impact on the Company's financial statements because the Company does not own investment property.

- **IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements", IFRS 12 "Disclosure of Interests in Other Entities", IAS 27 "Separate Financial Statements"** (Amendment)**, IAS 28 "Investments in Associates and Joint Ventures"** (Amendment) (effective for annual periods beginning on or after 1 January 2013).

This amendment does not apply to the Company as the Company does not have investments in associates and joint ventures.

- **IFRS 13 "Fair Value Measurement"** (effective for annual periods beginning on or after 1 January 2013). IFRS 13:

- defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price);
- sets out in a single IFRS a framework for measuring fair value; and
- requires disclosures about fair value measurements.

IFRS 13 applies to IFRSs that require or permit fair value measurements or disclosures about fair value measurements (and measurements, such as fair value less costs to sell, based on fair value or disclosures about those measurements), except in specified circumstances. IFRS 13 explains how to measure fair value for financial reporting. It does not require fair value measurements in addition to those already required or permitted by other IFRSs and is not intended to establish valuation standards or affect valuation practices outside financial reporting. The Company has not applied this Standard and is currently evaluating the impact of IFRS 13 on the financial statements.

- IAS 32 "Financial Instruments: Presentation" (Amendment) (effective for annual periods beginning on or after 1 January 2014). The amendment provides clarifications on the application of the offsetting rules. The Company has not applied this amendment.

- IFRS 7 "Financial Instruments: Disclosures" (Amendment) (effective for annual periods beginning on or after 1 January 2013). The amendment requires information about all financial instruments that are set off in accordance with paragraph 42 of IAS 32. The amendment also require disclosure of information about recognized financial instruments subject to enforceable master netting arrangements and similar agreements even if they are not set off under IAS 32. The Company has not applied this amendment.

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

- eliminate the option to defer the recognition of gains and losses, known as the "corridor method" and require companies to report these changes as they occur. As a result any deficit or surplus in a plan will be included on the statement of financial position;

- require to include service and finance cost in income statement and remeasurements in other comprehensive income ("OCI");

- enhance the disclosure requirements for defined benefit plans to provide better information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in those plans.

- modify the accounting for termination benefits including distinguishing benefits provided in exchange for service and benefits provided in exchange for the termination of employment and affect the recognition and measurement of termination benefits.

The Company has not applied this amendment and is currently evaluating its impact on the financial statements.

- **IAS 1 "Presentation of Financial Statements"** (Amendment) (effective for annual periods beginning on or after 1 July 2012). The amendments require to group together items within OCI that may be reclassified to the profit or loss section of the income statement subsequently. The Company has not applied this amendment.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company's financial statements.

2.4 Foreign currency transactions

The items included in the financial statements of the Company are measured and presented in Euro (€), which is the functional currency of the Company.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

When preparing the financial statements, monetary items are translated at the exchange rates prevailing at the reporting date. Foreign exchange gains and losses resulting from the translation of monetary items at the preparation of financial statements are recognised in the income statement

2.5 Financial assets and liabilities

This category includes cash and cash equivalents, customer receivables, other assets and liabilities and finally debt securities issued and other bank borrowings.

Financial instruments are presented as assets, liabilities or equity in accordance with the substance of the contractual arrangements from which they derive. Interests, dividends, gains or losses derive from financial instruments characterized as assets or liabilities are recognized as income of expenses respectively. Dividends' distribution to shareholders is recognized directly in Equity.

The Company does not enter into derivative financial instruments used for hedging and trading.

2.6 Customer receivables

Customer receivables include financing to customers.

Customer receivables are recognised when cash is advanced to customers. Customers receivables are initially recorded at fair value, which is usually the net amount disbursed at inception including directly attributable origination costs and are subsequently measured at amortised cost using the effective interest rate method.

Interest income is recorded to interest and similar income and recognized when being accrued.

2.7 Allowance for Impairment on customer receivables

An allowance for impairment is established if there is objective evidence that the Company will be unable to collect all amounts due according to the original contractual terms. The term "receivables" includes discounting receivables from corporate customers and approved credit limits to customers.

The impairment loss is reported on the statement of financial position as a deduction from "Customer receivables". Provisions regarding off balance sheet items, such as a contractual obligation, are recorded as "Other liabilities". The Company assesses whether objective evidence of impairment exists individually for receivables that are considered individually significant and collectively for receivables that are not considered individually significant.

If there is objective evidence that an impairment loss on customer receivables has been incurred, the amount of the loss is measured as the difference between the customer receivables carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at a) the customer receivables original effective interest rate, if the customer receivables bears a fixed interest rate, or b) current effective interest rate, if the customer receivables bears a variable interest rate.

The calculation of the present value of the estimated future cash flows of a collateralised receivable reflects the cash flows that may result from obtaining and selling the collateral, whether or not confiscation is probable.

For the purposes of a collective evaluation of impairment, receivables are grouped on the basis of similar credit risk characteristics. Receivables from corporate customers are grouped based on days in arrears, product type, economic sector, size of business, collateral type and other relevant credit risk characteristics. Those characteristics are relevant to the estimation of future cash flows for pools of receivables by being indicative of the customers' ability to pay all amounts due and together with historical loss experience for receivables with credit risk characteristics similar to those in the pool form the foundation of the loss allowance computation. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects and conditions in the historical period that do not currently exist.

The Company reviews regularly the impairment losses on customer receivables and reassesses the existing estimations at least once a year. Any changes occurred to the expected future cash flows in relation to the previous estimations are considered for the evaluation of impairments on customer receivables and debited or credited to account "Allowance for impairment on customer receivables". The methodology and assumptions used in estimating future cash flows are reviewed regularly by the Company to reduce any differences between loss estimates and actual loss experience.

When a customer receivables is deemed to be uncollectible or forgiven, is written off against the related provision for customer receivables impairment. Subsequent recoveries are credited to "Credit provisions" in the Statement of Comprehensive Income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the Statement of Comprehensive Income as part of impairment losses on customer receivables.

2.8 Derecognition

2.8.1 Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.8.2 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

2.9 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when, and only when there is a legally enforceable right to offset the recognized amounts and there is an intention to realize the asset and settle the liability simultaneously or on a net basis.

2.10 Interest income and expense

Interest income and expense are recognised in the Statement of Comprehensive Income for all interest bearing instruments using the effective interest rate method. Interest income mainly includes interest earned from customer receivables and secondly interests earned from banks.

Fees and direct costs relating to financing clients or to receivable commitments are deferred and amortised to interest income over the life of the instrument using the effective interest rate method.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2.11 Fees and Commissions

Fees and commissions are generally recognised on an accrual basis over the period the factoring services are provided.

2.12 Property & Equipment

Property and equipment include mainly equipment, held by the Company for use in the supply of services or for administrative purposes. Property and equipment are initially recorded at cost, which includes all costs that are required to bring an asset into operating condition.

Subsequent to initial recognition, property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Costs incurred subsequent to the acquisition of an asset, which is classified as property and equipment are capitalised, only when it is probable that they will result in future economic benefits to the Company beyond those originally anticipated for the asset, otherwise they are expensed as incurred.

Depreciation of an item of property and equipment begins when it is available for use and ceases only when the asset is derecognised. Therefore, the depreciation of an item of property and equipment that is retired from active use does not cease unless it is fully depreciated, but its useful life is reassessed. Property and equipment are depreciated on a straight-line basis over their estimated useful life, however if the acquisition cost of the equipment is less than €600, fully depreciated within the fiscal year.

At each reporting date the Company assesses whether there is any indication that an item of property and equipment may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit

2.13 Software and other intangible assets

Software includes costs that are directly associated with identifiable and unique software products controlled by the Company that are anticipated to generate future economic benefits exceeding costs beyond one year. Expenditure, which enhances or extends the performance of computer software programs beyond their original specifications is recognized as a capital improvement and added to the original cost of the software.

Software is amortized using the straight-line method over the useful life, not exceeding a period of 12 years.

Expenditure on starting up an operation or branch, training personnel, advertising and promotion is recognised as an expense when it is incurred.

2.14 Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset.

2.14.1 The Company is the lessee

Finance lease: Leases where the Company has substantially all the risks and rewards of ownership of the asset are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other liabilities. The interest element of the finance cost is charged to the income statement over the lease period. All assets acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Operating lease: Leases where a significant portion of the risks and rewards of ownership of the asset are retained by the lessor, are classified as operating leases. The total payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2.15 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, and amounts due from other banks with original maturities of less than three months from the date of acquisition, which are subject to insignificant risk of changes to fair value and are used by the Company in the management of its short-term commitments.

2.16 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

2.17 Retirement benefit obligations

Defined contribution plans relates to fixed payments in Social Security Funds. The Company's contributions to these funds are charged to the Statement of Comprehensive Income in the year to which they relate and are included in staff costs.

Defined benefit plans are pension plans that define an amount to be provided as pension, usually as a function of one or more factors such as years of service, age and salary. The difference with the defined contribution plans is that the employer is responsible for the payment obligation to the employee. The only existing defined benefit plan for the Company is the one imposed by Greek law relating to compensation under C.L. 2112/1920. This defined benefit plan is not sponsoring itself. For defined benefit plans, the liability is the present value of the defined benefit obligation as at the reporting date, including any adjustments for unrecognized actuarial gains/losses and past service cost. The Company follows the "corridor" approach of IAS 19 "Employee Benefits" according to which a certain amount of actuarial gains and losses remains unrecognized and is amortized over the average remaining service lives of the employees participating in the plan.

The defined benefit obligation and the related costs are calculated by independent actuaries on an annual basis using the projected unit credit method. The present value of the defined obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds and, which have terms to maturity approximating the terms of the related liability. Defined benefit plan costs, as estimated, are charged to the income statement over the service lives of employees.

2.18 Income taxes

Income tax payable on profits, based on the applicable tax law, is recognised as an expense in the period in which profits arise.

Deferred income tax is fully provided, using the liability method, on all temporary differences arising between the carrying amounts of assets and liabilities in the statement of financial position and their amounts as measured for tax purposes.

Deferred tax assets relating to the unused tax losses carried forward are recognised to the extent that it is probable that sufficient taxable profits will be available in the future against which these losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted or substantially enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the management intends to settle its current tax assets and liabilities on a net basis.

Deferred tax, related to fair value changes s, which are charged or credited to other comprehensive income, is also credited or charged to other comprehensive income where applicable and is subsequently recognized in the income statement together with the deferred gain or loss.

2.19 Debt securities in issue and other borrowed funds

Debt securities issued and other borrowed funds are initially recognized at fair value net of transaction costs incurred. Subsequent measurement is at amortized cost and any difference between net proceeds and the redemption value of debt securities issued and other borrowed funds is recognized in the income statement over the period of borrowings using the effective interest rate method. Interest expenses are recognized as accrued.

The mid-long term borrowed funds of the Company consisted on bond loan issued according to law N.3156/2003.

2.20 Share capital, treasury shares and other equity items

Share and other equity items issue costs: Incremental external costs directly attributable to the issue of shares are deducted from equity net of any related income tax benefit.

Dividends on ordinary shares: Dividends on ordinary shares are recognised as a liability in the period in which they are approved by the Company's Shareholders at the Annual General Meeting.

2.21 Related party transactions

Related parties include entities of National Bank of Greece (NBG) Group. Furthermore, related parties include directors, their close relatives, companies owned or controlled by them and companies over which they can influence the financial and operating policies. All transactions entered into with related parties are made on substantially the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with unrelated parties and do not involve more than a normal amount of risk.

NOTE 3: Critical judgments and estimates

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, income and expense in the Company's financial statements. The Company believes that the judgments, estimates and assumptions used in the preparation of the financial statements are appropriate given the factual circumstances as of 31 December 2011.

The most significant areas, for which judgments, estimates and assumptions are required in applying the Company's accounting policies, are the following:

Allowance for impairment on customer receivables

The amount of the allowance set aside for losses on customer receivables is based upon management's ongoing assessments of the probable estimated losses. Assessments are conducted by members of management responsible for various types of customers financing employing a methodology and guidelines, which are continually monitored and improved.

This methodology has two primary components: specific allowances and collective allowances and is described in Note 2.7.

Applying this methodology requires management to make estimates regarding the amount and timing of the cash flows, which are expected to be received. In estimating these cash flows, management makes judgements about the counterparty's financial situation and received guarantees. Each impaired asset is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently reviewed.

In assessing the need for collective customer receivables loss allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance, assumptions are made both to define the way inherent losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions. The accuracy of the allowances and provisions depends on the model assumptions and parameters used in determining collective allowances. While this necessarily involves judgment, management believes that impairments where recognised, are reasonable and supportable.

Net periodic benefit cost

The net periodic benefit cost is actuarially determined using assumed discount rates and assumed rates of compensation and retirement pension's increase. These assumptions are ultimately determined by reviewing the Company's salary increases each year.

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Notes to the Financial Statements

NOTE 4: Net interest income

The net interest income is analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Interest earned on		
Amounts due from banks	1.983.698	254.983
Amounts due from customers	18.201.061	7.365.539
Total	**20.184.759**	**7.620.522**
Interest payable on		
Amounts due to banks	(182.816)	(51.935)
Debt securities in issue	(13.484.858)	(2.822.736)
Total	**(13.667.674)**	**(2.874.671)**
Net interest income	**6.517.085**	**4.745.851**

NOTE 5: Net fee and commission income

Net fee and commission income is exclusively derived from factoring services.

Amounts in €	31.12.2011	31.12.2010
Commission income		
Due to customers	3.836.944	2.424.333
Total	**3.836.944**	**2.424.333**
Commission expense		
Due to banks	(344.788)	(48.644)
Other	(1.003.640)	(23.567)
Total	**(1.348.428)**	**(72.211)**
Net fee and commission income	**2.448.516**	**2.352.122**

Other commission expense of €1.003.640 includes a fee of €978.675 to parent company National Bank of Greece S.A. for clients' recommendation services.

NOTE 6: Personnel expenses

The personnel expenses are analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Salaries	(481.162)	(424.705)
Social security costs	(116.312)	(92.919)
Defined benefit plans (Note 18)	(4.280)	(26.011)
Other staff related benefits	(13.801)	(19.068)
Total	**(615.555)**	**(562.703)**

Notes to the Financial Statements

NOTE 7: General, administrative & other operating expenses

General, administrative and other operating expenses are analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Rentals & software expenses	(46.213)	(44.877)
Duties and taxes	(1.425)	(1.095)
Promotion & advertising expenses	(20.680)	(37.214)
Insurance expenses	(944)	(30.250)
Third party fees	(564.069)	(730.717)
Other operating expenses	(105.388)	(110.814)
Total	**(738.719)**	**(954.967)**

NOTE 8: Credit provisions

Amounts in €	31.12.2011	31.12.2010
From loans to Customers (Note 11)	(846.354)	(205.872)
Total	**(846.354)**	**(205.872)**

NOTE 9: Tax expense

The Tax expense is analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Current tax credited in the income statement	1.226.603	1.075.693
Discount due to lump sum payment of income tax of 2010	(21.778)	-
Social responsibility tax	-	6.741
Settlement of “open” tax years	-	3.428
Deferred taxes (Note 14)	102.143	210.348
Total	**1.306.968**	**1.296.210**

The reconciliation between current and effective tax rate is as follows:

Amounts in €	31.12.2011	31.12.2010
Profit before tax	**6.776.374**	**5.375.547**
Tax calculated based on the current tax rate of 20% (2010: 24%)	1.355.275	1.290.131
Increase/(Decrease) arising from:		
Expenses not deductible for tax purposes	5.706	2.833
Social responsibility tax	-	6.741
Settlement of “open” tax years	-	3.428
Untaxed income	(21.778)	-
Effect of changes in tax rates	(32.235)	(9.116)
Additional income tax for fiscal year 2009	-	2.193
Income tax expense	**1.306.968**	**1.296.210**
Effective tax rate for the period	**19,3%**	**24,1%**

The current income tax liability as of 31 December 2011 and 2010 is analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Current income tax liability	1.226.603	1.073.500
Increase/(Decrease) arising from:		
Income tax prepayment for the year	(403.902)	-
Withholding tax on time deposits	(198.369)	(24.120)
Social responsibility tax	-	6.740
Previous years income tax advance	-	(6.673)
Other	-	(1.378)
Total income tax liability	**624.332**	**1.048.069**

The new Law 3943/2011 which was enacted in 31 March 2011 provides that for the periods commencing from 1 January 2011 thereon, the nominal corporation tax rate is reduced to 20%. Furthermore, upon profit distribution a 25% withholding tax is imposed on distributed profits.

The nominal corporation tax rate for the Company for the years 2011 and 2010 is 20% and 24% respectively. Based on the new tax rates, the Company examined the timing of the reversal of the temporary differences and adjusted the deferred tax asset / liability amounts accordingly.

In accordance with Law 3845/2010 "Measures for the implementation of the support mechanism of the Greek economy through the Eurozone Member-States and the International Monetary Fund", a non-recurring tax was imposed on legal entities for social responsibility purposes and is calculated on the total net income for the year 2009, provided that it exceeded €100. The tax accrued to the Company's current year income statement amounted to €6.741.

The Company has settled its "open" tax year of 2009 under the amnesty decision as provided by Law 3888/2010. The imposed tax amounted to €3.428.

The unaudited tax years of Company are 2010 and 2011.

NOTE 10: Cash and cash equivalents

Cash and cash equivalents are analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Cash in hand	158	482
Sight deposits	1.253.736	1.129.543
Total	**1.253.894**	**1.130.025**

Notes to the Financial Statements

NOTE 11: Customer receivables

Customer receivables are analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Domestic Factoring with recourse	119.786.028	88.947.655
Domestic Factoring without recourse	239.539.438	234.993.550
Invoices discounting	29.808.588	21.719.283
Export Factoring	9.697.423	6.774.202
Total	**398.831.477**	**352.434.690**
Less: Allowance for impairment on customer receivables	(1.052.226)	(205.872)
Total customer receivables	**397.779.251**	**352.228.818**

Movement in the allowance for impairment on customers' receivables

Amounts in €	2011	2010
Balance at 1 January	**205.872**	**-**
Allowance for impairment on customer receivables credit risk	846.354	205.872
Total	**1.052.226**	**205.872**

NOTE 12: Software and other intangible assets

Software and other intangible assets are analyzed as follows:

Amounts in €	Software	Total
Cost		
At 1 January 2010	-	-
Additions	115.000	115.000
At 31 December 2010	**115.000**	**115.000**
Accumulated depreciation		
At 1 January 2010	-	-
Depreciation	-	-
At 31 December 2010	-	-
Net book amount at 31 December 2010	**115.000**	**115.000**
Cost		
At 1 January 2011	115.000	115.000
Additions	200.000	200.000
At 31 December 2011	**315.000**	**315.000**
Accumulated depreciation		
At 1 January 2011	-	-
Depreciation	-	-
At 31 December 2011	-	-
Net book amount at 31 December 2011	**315.000**	**315.000**

Additions relates to prepayments for the implementation of new software which on 31 December was under construction.

Notes to the Financial Statements

NOTE 13: Property and equipment

Property and equipment is analyzed as follows:

Amounts in €	Equipment	Total
Cost		
At 1 January 2010	3.002	3.002
Additions	29.157	29.157
At 31 December 2010	**32.159**	**32.159**
Accumulated depreciation		
At 1 January 2010	(3.002)	(3.002)
Depreciation	(184)	(184)
At 31 December 2010	**(3.186)**	**(3.186)**
Net book amount at 31 December 2010	**28.973**	**28.973**
Cost		
At 1 January 2011	32.159	32.159
Additions	709	709
At 31 December 2011	**32.868**	**32.868**
Accumulated depreciation		
At 1 January 2011	(3.186)	(3.186)
Depreciation	(28.634)	(28.634)
At 31 December 2011	**(31.820)**	**(31.820)**
Net book amount at 31 December 2011	**1.048**	**1.048**

Notes to the Financial Statements

NOTE 14: Deferred tax assets and liabilities

Deferred tax assets and liabilities are analyzed as follows:

Amounts in €	Balance 31/12/2009	Recognition in Statement of Comprehensive Income	Recognition in Equity	Balance 31/12/2010
Deferred tax assets:				
Share Capital issue costs	9.000	(2.400)	-	6.600
Retirement benefit obligations	2.890	256	-	3.146
Long term amortization expenses	8.388	(1.036)	-	7.352
Total deferred tax assets	**20.278**	**(3.180)**	**-**	**17.098**
Deferred tax liabilities:				
Customer receivables	(42.690)	(209.738)	-	(252.428)
Debt securities issue costs	(6.250)	2.570	-	(3.680)
Total deferred tax liabilities	**(48.940)**	**(207.168)**	**-**	**(256.108)**
Net deferred tax liability	**(28.662)**	**(210.348)**	**-**	**(239.010)**

Amounts in €	Balance 31/12/2010	Recognition in Statement of Comprehensive Income	Recognition in Equity	Balance 31/12/2011
Deferred tax assets:				
Share Capital issue costs	6.600	(2.200)	10.400	14.800
Retirement benefit obligations	3.146	856	-	4.002
Long term amortization expenses	7.352	(3.148)	-	4.204
Other temporary differences	-	5.200	-	5.200
Total deferred tax assets	**17.098**	**708**	**10.400**	**28.206**
Deferred tax liabilities:				
Customer receivables	(252.428)	(99.856)	-	(352.284)
Debt securities issue costs	(3.680)	(2.995)	-	(6.675)
Total deferred tax liabilities	**(256.108)**	**(102.851)**	**-**	**(358.959)**
Net deferred tax liability	**(239.010)**	**(102.143)**	**10.400**	**(330.753)**

The Company has offset the deferred tax assets and deferred tax liabilities based on the legally enforceable right to set off current tax assets against current tax liabilities.

NOTE 15: Other assets

Other assets are analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Prepaid expenses	6.050	6.450
Total	**6.050**	**6.450**

NOTE 16: Debt securities in issue

On 30 November 2011 the Company entered into a bond loan agreement with its parent company National Bank of Greece S.A. and its affiliate company National Bank of Greece (Cyprus) Ltd matured at 30 November 2011 with renewal right. This bond loan agreement has been drawn in accordance with the provisions of laws 3156/2003 and 2190/1920. Under this agreement the Company has the right to issue a bond loan amounting to €300.000.000 and divided in 300 million bonds with a nominal amount of €1 per bond. Interest rate is determined as the OVERNIGHT or the one-month, two-month, three-month or six month Euribor at the discretion of the issuer, plus margin.

On 31 December 2011 the Company issued a bond loan amounted to €300.000.000 according to the referred agreement and the related issuance costs amounted to €31.000. Furthermore, on 30 November 2011 the Company has fully repaid the bond loan amounted to €300.000.000 and the respective accrued interests, signed with the 24 December 2009 bond issue agreement.

On 29 July 2011 the Company entered into a bond loan agreement with its parent company National Bank of Greece S.A. and its affiliate company National Bank of Greece (Cyprus) Ltd matured at 29 July 2012 with renewal right. Under this agreement the Company has the right to issue a bond loan amounting to €50.000.000 and divided in 50 million bonds with a nominal amount of €1 per bond. Interest rate is determined as the OVERNIGHT or the one-month, two-month, three-month or six month Euribor at the discretion of the issuer, plus margin.

On 31 December 2011 the Company issued a bond loan amounted to €35.000.000 according to the referred agreement and the related issuance costs amounted to €8.500.

The bond loans are fully payable at maturity (30 November 2012 and 29 July 2012 respectively). The issuer has the right to redeem the loans during the contract period on condition that will repay the capital and the respective accrued interests. The accrued interest at 31 December 2011 for both loans amounted to €90.878.

NOTE 17: Due to customers

Due to customers consists of credit amounts of customers related to collection-only and current accounts which have not been reimbursed to them at the end of the year. Due to customers as of 31 December 2011 and 2010 is analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Overfdraft accounts	918.710	696.197
Collection-only accounts	1.061.170	1.910.060
Total	**1.979.880**	**2.606.257**

NOTE 18: Retirement benefit obligations

In accordance with law 2112/20 employees are entitled to a lump sum payment in case of redundancy or retirement. The retirement benefit is dependent on each employee's final salary and the years of service upon the retirement date. If the employee remains to the company until the expected retirement date the retirement compensation is calculated at 40% of the total compensation if the employee was redundant at the same date. The Company recognizes the valuation of retirement benefit obligations in accordance with provisions of IAS19. The specific retirement benefit of Company is an unfunded defined benefit plan.

The amounts recognized in Statement of Comprehensive income and the net liabilities recognized in statement of financial position are as follows:

	31.12.2011	31.12.2010
Current service cost	4.268	6.491
Interest cost on obligation	337	628
Recognized actuarial losses /(gains)	(325)	-
Losses on curtailments / settlements / service cost	-	18.892
Total losses in Statement of Comprehensive Income	**4.280**	**26.011**

	31.12.2011	31.12.2010
Present value of unfunded obligations	10.882	6.734
Unrecognized actuarial (losses) /gains	9.129	8.997
Net liability recognized in Statement of Financial Position	**20.011**	**15.731**

The movement in the present value of defined benefit obligation in the Statement of Financial Position is as follows:

	31.12.2011	31.12.2010
Present value of obligation at the beginning of the year	6.734	12.567
Current service cost	4.268	6.491
Interest cost on obligation	337	628
Benefits paid directly by the Company	-	(22.847)
Additional payments or expenses / (income)	-	18.892
Unrecognised actuarial (losses)/gains	(457)	(8.997)
Present value of obligation at the end of the year	**10.882**	**6.734**

The movement of net liability is as follows:

	31.12.2011	31.12.2010
Net liability at the beginning of the period	15.731	12.567
Total expense recognized in the statement of comprehensive income	4.280	26.011
Benefits paid directly by the Company	-	(22.847)
Net liability recognized in Statement of Financial Position	**20.011**	**15.731**

The actuarial study was developed by the accredited company “AON Hewitt Associates SA” after the year end of 2011. The key assumptions used for the calculation of the liability for 2011 and 2010 are:

Actuarial key assumptions	2011	2010
Discount rate	4,75%	5,00%
Expected rate of salary increase	0% for years 2012-2014 1% for years 2015-2016 2% from 2016	3,00%

No compensation costs are expected to occur in 2012.

Notes to the Financial Statements

NOTE 19: Other liabilities

Other liabilities are analyzed as follows:

Amounts in €	31.12.2011	31.12.2010
Taxes payable – (other than income taxes)	326.955	211.397
Social security funds	25.739	23.242
Creditors	1.316.732	179.054
Accrued expenses	76.000	-
Other Liabilities	21	21
Σύνολο	**1.745.447**	**413.714**

Creditors' amounted to €1.316.732 includes a liability of €1.222.379 to the parent company National Bank of Greece S.A. (Note 5). This liability was fully repaid at 18 January 2012.

NOTE 20: Share capital and share premium

The Extraordinary Shareholders' General Meeting held on 28 November 2011 approved capital increase, amounted to €5.000.000 by capitalization of share premium, , through the issuance of 1.000.000 new ordinary shares of nominal value of €5 per share.

Following the above increase, the new share capital of the Company as at 31 December 2011 amounted to €10.000.000 divided into 2.000.000 ordinary shares with a nominal value of €5 per share. The share premium at the same date amounted to €40.000.000.

NOTE 21: Reserves

The Company, in accordance with article 5 of its Articles of Association is required, , to allocate 5% of its net profits as statutory reserve until this reserve equals at least one-third of the Company's share capital. According to article 44 of Greek law 2190/1920 this reserve is used exclusively to cover cumulative retained losses.

At 2 June 2011, the annual General Meeting of Shareholders decided the appropriation of amount €203.967 as a statutory reserve, arising from the net profits of 2010.

The total statutory reserve for the period ended at 31 December 2011 amounted to €210.551.

NOTE 22: Retained earnings

Retained earnings at 31 December of 2011 and 2010 amounted to €9.386.766 and €4.165.927 respectively.

Retained earnings as of 31 December 2011 are analyzed as follows:

Amounts in €	
Retained earnings	9.469.266
Capital issue costs, net of tax	(82.500)
Σύνολο	**9.386.766**

For the fiscal year ended at 31 December 2011 the Board of Directors will propose to the annual General Meeting of Shareholders no dividend distribution and the appropriation of amount €273.470 as a statutory reserve.

NOTE 23: Fair value of financial instruments

According to IFRS the companies should disclose the fair value of their reported financial assets and financial liabilities

Management consider that the carrying amounts of financial assets and financial liabilities, as presented in the financial statements approximates their fair values, as either their term is less than one year or carry floating interest rate.

NOTE 24: Contingent liabilities and commitments

a) Legal proceedings
In the opinion of the management, after consultation with legal consultant there are not pending cases that expected to have a material effect on the financial position of the Company.

b) Pending Tax audits
The financial year of 2010 will be audited by the tax authorities whereas the financial year 2011 is audited by the certified auditors of the Company, Deloitte Hadjipavlou Sofianos & Cambanis S.A., in accordance with article 82 of Law 2238/1994. By the date the financial statements were approved for issue by the Board of Directors, the tax audit has not yet been completed and therefore the related tax audit certificate will be issued after the publication of the financial statements. Although during the tax audit additional tax liabilities may arise, it is not expected to have a material effect on the Company's financial statements. After the completion of the tax audit the Company will receive the tax audit certificate. The financial year will be considered final for tax audit purposes after 18 months from the issue of the tax certificate during which the tax authorities are entitled to re-examine the tax books of the Company (Ministerial Decision 1159/22.7.2011).

c) Unutilized credit limits and credit coverage limits
Conditional liabilities of the Company from the unutilized credit limits and credit coverage limits as at 31 December 2011 amounted to € 235.606.809.

d) Operating Lease commitments
The operating lease commitments of the Company relates to the operating lease rentals of buildings and vehicles.

The minimum future lease payments are as follows::

Amounts in €	31.12.2011	31.12.2010
No later than 1 year	43.448	42.813
Later than 1 year and no later than 5 years	79.699	120.429
Total	**123.147**	**163.242**

Lease of buildings has duration of 6 years and will be renewed with new lease contract.

NOTE 25: Risk management

Risk management is assigned to the specific risk management department of the Parent Company (National Bank of Greece S.A.), according to the relevant contract signed between the two parties.

25.1 Credit risk

Credit risk is defined as current or future risk relating to the failure of a borrower to honour its contractual factoring obligations with the Company.

According to the referred contract agreement, the credit risk valuation for debtors and sellers is coordinated by the relevant departments and the related approval authorities of National Bank of Greece S.A. Furthermore, the management of customer receivables which are past due is in line with the principles of management of nonperforming loans followed by the Parent Company National Bank of Greece S.A.

The separation of offered factoring products (Domestic Factoring with recourse, Domestic Factoring without recourse, Invoices discounting, Export Factoring) relates to the different credit risk exposure for each of them. The separation of factoring products by credit risk exposure mainly relates to Factoring with recourse, where the credit risk derive from debtors, and Factoring without recourse where credit risk derives from sellers. In each case the valuation models of credit risk are accordingly adjusted (debtor or seller).

The Company's credit policy adheres to the Credit Policy for Corporate Portfolio of National Bank of Greece S.A.

The Company's customers credit risk rating system, which adheres to the corresponding system of the Parent Company (National Bank of Greece S.A.), refers to methodologies, processes, controls, IT and database systems supporting the assessment of credit risk and obligors and classification of obligors and credit facilities in risk categories or in groups with similar risk characteristics, as well as the quantification of risk parameters, i.e. default and loss for each obligor and risk rating.

Maximum credit exposures as at 31.12.2011

Amounts in €	Portfolio Credit exposures (w/o impairments)	Impairments	Portfolio net Credit exposures
Deposits to NBG	1.253.894	-	1.253.894
Customer receivables	398.831.477	(1.052.226)	397.779.251
Total	**400.085.371**	**(1.052.226)**	**399.033.145**

Maximum credit exposures as at 31.12.2010

Amounts in €	Portfolio Credit exposures (w/o impairments)	Impairments	Portfolio net Credit exposures
Deposits to NBG	1.130.025	-	1.130.025
Customer receivables	352.434.690	(205.872)	352.228.818
Total	**353.564.715**	**(205.872)**	**353.358.843**

Credit exposures analysis of customer receivables per industry sector

Amounts in €	31.12.2011	31.12.2010
Industry & mining	219.136.193	215.745.430
Small scale industry	2.642.124	2.072.429
Trade and services (excl. tourism)	171.808.810	128.262.709
Construction and real estate development	1.021.587	1.529.218
Transportation and telecommunications (excl. shipping)	4.222.763	4.824.904
Less: Credit provisions and other impairment charges	(1.052.226)	(205.872)
Total	**397.779.251**	**352.228.818**

As at 31 December 2011 the collaterals secured the credit risk exposure of customer receivables mainly consists of clients invoices and receivable cheques and secondarily of Greek State government bonds The fair value of above mentioned collaterals amounted to € 404.160.607 (2010: €311.911.432). All credit exposures are not past due and of acceptable credit risk.

25.2 Market risk

25.2.1 Currency risk

The majority of transactions undertaken by the Company are made in Euro. Hence, as at 31 December 2011, there were no exposures to exchange rate fluctuations.

25.2.2 Interest rate risk

The Company monitors the gap in maturities between assets and liabilities (Gap Analysis).

Assets and liabilities are classified in time buckets based on next re-pricing date. For assets and liabilities carrying floating interest rate, next re-pricing date is the date of the preparation of financial statements while for assets and liabilities carrying fixed interest rate is the maturity date. In order to provide a hedge for the interest rate risk, the Company determines, at a maximum in a monthly basis, the rates of financial assets and liabilities (excluding their spreads).

The Company's interest rate risk relating to assets and liabilities based on next re-pricing date is summarized as follows:

Interest rate risk (Gap Analysis) as at 31.12.2011

Amounts in €

Assets	Up to 1 month	1 to 3 months	3 to 12 months	Non Interest bearing	Total
Cash & cash equivalents	-	-	1.159.833	94.061	1.253. 894
Customer receivables	397.779.251	-	-	-	397.779.251
Other assets	-	-	-	6.050	6.050
Total assets	**397.779.251**	**-**	**1.159.833**	**100.111**	**399.039.195**
Liabilities	Up to 1 month	1 to 3 months	3 to 12 months	Non Interest bearing	Total
Debt securities in issue	(334.966.625)	-	-	(90.878)	(335.057.503)
Due to customers	-	-	-	(1.979.880)	(1.979.880)
Other liabilities	-	-	(6.271)	(1.336.461)	(1.342.732)
Total Liabilities	**(334.966.625)**	**-**	**(6.271)**	**(3.407.219)**	**(338.380.115)**
Total interest gap of assets & liabilities	**62.812.626**	**-**	**1.153.562**	**(3.307.108)**	**60.659.080**

Notes to the Financial Statements

Interest rate risk (Gap Analysis) as at 31.12.2010

Amounts in €

Assets	Up to 1 month	1 to 3 months	3 to 12 months	Non Interest bearing	Total
Cash & cash equivalents	-	-	993.183	136.842	1.130.025
Customer receivables	352.228.818	-	-	-	352.228.818
Other assets	-	-	-	6.450	6.450
Total assets	**352.228.818**	**-**	**993.183**	**143.292**	**353.365.293**

Liabilities	Up to 1 month	1 to 3 months	3 to 12 months	Non Interest bearing	Total
Debt securities in issue	(294.984.000)	-	-	(29.974)	(295.013.974)
Due to customers	-	-	-	(2.606.257)	(2.606.257)
Other liabilities	-	-	-	(179.054)	(179.054)
Total Liabilities	**(294.984.000)**	**-**	**-**	**(2.815.285)**	**(297.799.285)**
Total interest gap of assets & liabilities	**57.244.818**	**-**	**993.183**	**(2.671.993)**	**55.566.008**

25.2.3 Pricing risk

Due to the subject of its business the Company is not exposed to pricing risk. The Company does not hold financial assets traded in stock markets.

25.3 Liquidity risk

Liquidity risk monitoring focused in the Company's ability to retain sufficient liquidity to meet its liabilities. In order to cover its liquidity needs the Company performs Liquidity Gap Analysis.

The management assesses the cash flows arising from all assets and liabilities and classifies them in time buckets, based on their expected maturities. In the following table is presented the liquidity gap analysis.

Contractual non discounted cash flows from financial liabilities are analyzed as follows:

Amounts in €

31.12.2011	On demand	Up to 1 month	1 to 3 months	3 to 12 months	Total
Debt securities in issue	-	51.378	-	350.837.079	350.888.457
Due to customers	-	1.979.880	-	-	1.979.880
Other liabilities	-	1.326.732	16.000	-	1.342.732
Total	**-**	**3.357.990**	**16.000**	**350.837.079**	**354.211.069**

31.12.2010	On demand	Up to 1 month	1 to 3 months	3 to 12 months	Total
Debt securities in issue	-	13.974	-	301.375.000	301.388.974
Due to customers	-	2.606.257	-	-	2.606.257
Other liabilities	-	179.054	-	-	179.054
Total	**-**	**2.799.285**	**-**	**301.375.000**	**304.174.285**

Notes to the Financial Statements

Liquidity risk analysis as at 31.12.2011

Amounts in €

Assets	On demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 2 years	Total
Cash & cash equivalents	-	1.253.894	-	-	-	1.253.894
Customer receivables	-	96.825.218	257.046.900	25.255.848	18.651.285	397.779.251
Other assets	-	-	6.050	-	-	6.050
Total	-	**98.079.112**	**257.052.950**	**25.255.848**	**18.651.285**	**399.039.195**
Liabilities						
Debt securities in issue	-	-	-	(335.057.503)	-	(335.057.503)
Due to customers	-	(1.346.195)	(512.698)	(120.987)	-	(1.979.880)
Other liabilities	-	(1.326.732)	(16.000)	-	-	(1.342.732)
Total	**-**	**(2.672.927)**	**(528.698)**	**(335.178.490)**	**-**	**(338.380.115)**
Liquidity gap	**-**	**95.406.185**	**256.524.252**	**(309.922.642)**	**18.651.285**	**60.659.080**

Liquidity risk analysis as at 31.12.2010

Amounts in €

Assets	On demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 2 years	Total
Cash & cash equivalents	-	1.130.025	-	-	-	1.130.025
Customer receivables	-	32.840.921	272.904.107	46.483.790	-	352.228.818
Other assets	-	-	6.450	-	-	6.450
Total	**-**	**33.970.946**	**272.910.557**	**46.483.790**	**-**	**353.365.293**
Liabilities						
Debt securities in issue	-	-	-	(295.013.974)	-	(295.013.974)
Due to customers	-	(2.606.257)	-	-	-	(2.606.257)
Other liabilities	-	(179.054)	-	-	-	(179.054)
Total	**-**	**(2.785.311)**	**-**	**(295.013.974)**	**-**	**(297.799.285)**
Liquidity gap	**-**	**31.185.635**	**272.910.557**	**(248.530.184)**	**-**	**55.566.008**

Debt securities in issue are presented above based on the agreed contractual terms. However, the Company retains the right to redeem them during the contract period on condition that will repay the capital and the respective accrued interests.

25.4 Operational risk

Operational risk is defined as the current or future risk on the Company's gains and capital arising from inadequate or ineffective internal procedures, from insufficient management of Human Resources or from external factors.

The Company has outsourced to its parent Company, National Bank of Greece S.A, Risk Division all the related procedures in order to meet operational risk. Management has assessed the operational risk as medium and low level of significance.

25.5 Capital adequacy

The Company manages actively its capital base, in cooperation with its parent Company, by taking advantage of the contemporary means for raising capital, with the objective to sustain its capital adequacy ratios well above the minimum regulatory levels and at the same time to improve the weighted average cost of capital. In this framework, both the calculation of the capital requirements and the dynamic management of the capital base are embedded in the business plan and the annual budgeting processes, in accordance with the capital adequacy targets that have been set in the Group's Risk Strategy.

Capital adequacy at 31 December 2011 and 2010 was calculated as follows:

Amounts in € '000	31.12.2011	31.12.2010
Basic and total regulatory capital	51.542	46.675
Total risk weighted assets	324.383	297.752
Total ratio	**15,89%**	**15,68%**

NOTE 26: Independent auditor's fees

Deloitte Hadjipavlou Sofianos & Cambanis S.A. has served as our principal independent public accountant for the year ended 31 December 2011. The following table presents the aggregate fees for professional services rendered by the Company's principal accounting firm Deloitte Hadjipavlou Sofianos & Cambanis S.A.

Amounts in €	31.12.2011	31.12.2010
Audit fees	46.500	25.000
Total	**46.500**	**25.000**

NOTE 27: Related party transactions

The Company, as a subsidiary of the NBG Group, entered into significant transactions with National Bank of Greece and other affiliated companies of NBG Group, during the course of business, at market rates. These transactions are approved by the appropriate management level.

A. The outstanding balances of transactions with members of the Board of Directors and management are as follows:

Amounts in €	31.12.2011	31.12.2010
Expenses		
Board of Directors and management fees	**109.687**	**109.687**

Notes to the Financial Statements

B. The outstanding balances with National Bank of Greece S.A. and the affiliated companies of NBG Group are as follows:

Amounts in €	31 December 2011	31 December 2010
ASSETS		
a) Due from banks		
National Bank of Greece S.A.	1.253.736	1.130.025
b) Property & Equipment		
National Bank of Greece S.A.	-	28.365
c) Other assets		
Ethnoplan S.A.	50.000	-
Ethnodata S.A.	150.000	115.000
Total	**1.453.736**	**1.273.390**
LIABILITIES		
a) Debt securities in issue		
National Bank of Greece S.A.	33.509.088	29.502.997
National Bank of Greece S.A. (Cyprus) LTD	301.581.790	265.526.977
b) Other Liabilities		
National Bank of Greece S.A.	1.228.660	15.137
Ethniki Hellenic General Insurance S.A.	1.104	141.450
Total	**336.320.642**	**295.186.561**
Statement of Comprehensive Income		
INCOME		
α) Interest income		
National Bank of Greece S.A.	1.983.698	254.982
Total	**1.983.698**	**254.982**
EXPENSES		
a) Fee & commission expenses		
National Bank of Greece S.A.	1.551.214	340.408
National Bank of Greece S.A. (Cyprus) LTD	12.116.460	2.495.462
b) Commission expense		
National Bank of Greece S.A.	978.675	-
c) Personnel expenses		
National Bank of Greece S.A.	416.637	546.769
d) General, administrative and other operating expenses		
National Bank of Greece S.A.	37.614	39.461
Ethniki Hellenic General Insurance S.A.	13.051	43.816
Ethnodata S.A.	403	286
NBG Pangaea REIC.	31.674	30.413
Ethniki Leasing S.A.	4.643	4.643
Total	**15.150.371**	**3.501.258**

OFF BALANCE SHEET ACCOUNTS		
a) Received guarantees		
National Bank of Greece S.A..	149.200.000	110.045.000
b) Approved unused credit limits		
National Bank of Greece S.A.	44.993.729	35.000.000
Total	**194.193.729**	**145.045.000**

Notes to the Financial Statements

NOTE 28. Events after the reporting period

No significant events have occurred since 31 December 2011 up to the date of approval of these financial statements.

NOTE 29. Reclassifications

To the comparative figures of Note 7 “General, administrative & other operating expenses” an amount of €4.950 has been reclassified from “Rentals & software expenses” to “Other operating expenses”.

This reclassification has no impact on “General, administrative & other operating expenses” for the fiscal year 2010.

Athens, 6 June 2012

THE CHAIRPERSON	THE CHIEF EXECUTIVE OFFICER	THE SUPERVISOR OF FINANCIAL SERVICES
ELENI TZAKOU - LAMPROPOULOU No of Pol. Identity AI 091541	ALEXANDROS KONTOPOULOS No of Pol. Identity X549459	PANAGIOTIS MAVRAGANIS No of Pol. Identity X 010495