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Master of Business Administration

Report in the module of:

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with subject:

Analysing the financial performance and risk position of National Bank of Greece (NBG) Group. A critical appraisal on the Group's financial statements from the shareholders' perspective. Suggestions for the improvement of the financial information.

by

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Thessaloniki – 01 April 2011

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Analysing the financial performance and risk position of National Bank of Greece (NBG) Group. A critical appraisal on the Group's financial statements from the shareholders' perspective. Suggestions for the improvement of the financial information.

Abstract: National Bank of Greece (NBG) is the leader of banking sector in Greece. Recently, in response to a concrete and innovative business plan, early introduced in 2007, NBG became a dominant player in South-East Europe and the first Group in the region with high presence in Eastern Mediterranean. Moreover, it is internationally positioned, listed in Athens and New York Stock Exchanges (ASE, NYSE).

This paper is an attempt to analyse the financial performance of the Group, based on the financial statements included in the annual reports of 2008, 2009 and the consolidated statements of 09/2010. Moreover, there is an effort to identify the Group's risk position within the global environment, taking into account the current conditions, any particularities of the sector and focusing on future potentials that may arise.

Furthermore, it aims to assess the information derived from the annual reports and how these are communicated to the shareholders. Literature review is accommodated in terms of examining the reports' usefulness, interest, and comprehension as well as the reveal of any issues that concern shareholders and potential investors. It is intended to identify, whether current reporting satisfies their expectations or there would be alterations in order to improve its understanding.

This study reveals the weaknesses of current reporting in terms of (a) "too complex to understand" and (b) "bulk of given data" which merely being evaluated and used by the shareholders, at least in an effective and valuable manner. Given the situation that financial statements are almost historical data by the time reaching the shareholders, it is crucial for additional approaches to be introduced.

Listed companies, such as NBG, are obliged to adopt corporate governance as their conceptual framework which controls and directs the company and ensures that financial statements give a true and fair view.

It is significant to mention that this evaluation is taking place under a crisis situation. Currently Greece is facing a deep recession. The "twin" deficits (fiscal and current accounts) and the "twin" debts (public and external) in combination with the gradual loss of competitiveness revealed a vulnerable economy. As a result, since last May, the country is under close monitoring from the International Monetary Fund (IMF) and the European Central Bank (ECB) through a memorandum of specific economic policy.

Under such circumstances, shareholders are obliged to accept the specific type of reporting in order to evaluate the status of the company and make decisions.

In this paper it is recommended a number of further tools that should be developed and included in the reports so that shareholders or even potential investors can easily build their subjective analysis.

Finally this study aims to serve as a reference for future investors who seek a simple plan for a company's evaluation.

Keywords: NBG Group, financial statements, annual reporting

1. INTRODUCTION

The banking sector is probably the first that was deregulated in Greece, starting in late-1980s. A series of changes that took place during the last 20 years led gradually to a more competitive banking environment (*Noulas, 2001*). According to *Noulas (2001)* the radical changes introduced through the liberalisation, defined a framework which was built on separation between the banks and the government regulations. Specifically the new system was characterised by:

- the deregulation of interest rates
- the abolition of the credit controls
- the development of the capital market
- the entrance and competition of non-bank institutions
- the free movement of capital flows
- the free entrance of other European banking institutions into the domestic market
- the establishment of the single EU market
- the monetary convergence and the adoption of Euro

Consequently, in such a competitive environment, banks revised their business plans in order to sustain and develop. As a first result mergers and acquisitions took place in the region and more commercially aggressive actions were prioritised. NBG was one of the first that expanded its operations to Balkans and South East European region. As *Miller and Noulas (1997)* claimed, the levels of size for the existence scale economies are higher due to economic development and market liberalisation. Therefore, large banks will survive.

In the next section, there is a brief presentation and description of the NBG Group, while in section three, there is an attempt to analyse and evaluate the financial performance based on the last two annual reports (2008 and 2009), plus the 9-month report of 2010. A thorough ratio analysis is followed and a special emphasis in the risk position of the group is given as well. Section four aims to present the current reporting and its usefulness from the shareholder's perspective. Moreover, it identifies the discrepancies among the real and enhanced data in current reporting and provides recommendations on possible alterations for the improvement of its effectiveness.

This study aims: (a) to discuss and evaluate the financial statements of the NBG Group, (b) to evaluate the information given to the shareholders with the help of the literature review, (c) to suggest improvements in the Bank's annual reporting from the shareholders' perspective.

2. NATIONAL BANK OF GREECE (NBG) - The Group's current situation

According to Mr Rapanos, the Chairman of Board of NBG Group (*NBG Annual Report 2009, 2010*) Greece has been living through an unprecedented fiscal and economic crisis. Under such circumstances, banks will have to adapt in a new environment which is under formation. The new era will be characterised by (a) tough rules of risk management, (b) tighter liquidity and (c) a demanding society. The new management of the Group, appointed on 2009, has decided to lead by taking the opportunities through certain actions:

- Adopt a policy of greater transparency in banking transactions
- Eliminate commissions in a number of transactions
- Launch a new line of products ref businesses and households (including the re-scheduling of loans)

The Group aims to possess the largest liquidity and be the leading organisation in the country in order to play a significant role in the restructuring of the sector. It has a clear focus on improving its capital adequacy and to maintain its surplus liquidity. During 2009 the share capital boosted up to 1,25 billion euro, totalling near to 10 billion euro. Total Group shareholders' equity reached 8.5 billion euro in the end of 2009, up to 2.5 billion euro from 2008. That derived from the increase in share capital and the profits for the year 2009.

Under this crisis the short term strategy of the Group consists of re-defined objectives which are:

- To enhance liquidity and capital adequacy
- To sustain solid profitability
- To enhance operational efficiency
- To perform an active management of loans in arrears
- To sustain the momentum in business growth in the neighbouring economies
- To achieve an ongoing policy of active and efficient management of funds and the balance sheet

A brief one-page presentation of the annual report of 2009 is given in *Appendix B*, since it is considered useful for a shareholder to have an overview before starting the evaluation.

3. ANALYSIS on FINANCIAL PERFORMANCE and RISK POSITION of the Group

It seems that NBG tended to ameliorate its performance and hedge the financial risks in order to be more competitive in global terms. In *Appendix C* is given a comparative list of the most important financial elements, retrieved both from balance sheets and income statements as well as cash flow statements from the last four years. The aim is to get a quick look and easy read on the performance and the ratio analysis (*Appendix D, ratios*). The *Appendix A* of this study is dedicated in the financial statements of the Group (*Appendices E, F, G – financial data published in USA*).

3.1 Financial Performance

Based on the scope of operation, obviously NBG showed a decrease in the administrative costs especially during 2009, which is owed to the significant decrease in general administrative and other operational expenses (*Table 1*).

	2010/9M	2009	2008	2007
Administrative costs/Total assets	0.45%	0.64%	0.76%	0.79%

Table 1. Admin. Costs to assets ratio

That was mainly to an internal restructuring aimed to improve the offered services to customers through the use of technology. According to the annual report of 2009, the number of active branches remained almost the same (*Figure 1*). The average number of employees per branch remained the same as well, although there was an increase in productivity. The Group invested in operational restructuring within its branches focusing in the adoption of late technologies (IRIS IT platform, new CRM system etc).

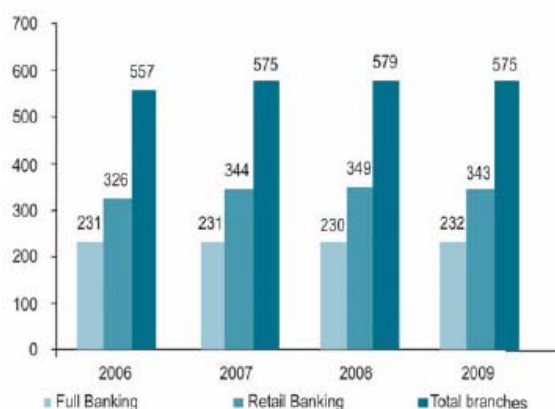


Figure 1. NBG - Domestic branches

(Source: NBG, Annual Report 2009, 29 May 2010, p. 54)

Although, the general operating expenses had an increase of approximately 5% (*Table 2*), the ratio of operating expenses to assets had a slight decrease in 2009 and it is expected to achieve a bigger decrease in 2010 (*Table 3*).

	2010/9M	2009	2008	2007
Operating expenses	1,865,294 €	2,498,919 €	2,410,314 €	2,318,349 €

Table 2. Operating expenses (amounts in thousands Euro)

	2010/9M	2009	2008	2007
Operating expenses/total assets	1.51%	2.20%	2.38%	2.56%

Table 3. Operating expenses to assets ratio

The increase in operating expenses came basically from the increase in personnel expenses during 2009, as the Group (a) invested in the hiring of young and inexperienced staff and (b) the contribution of approximate 25 billion euro to the integration of Greek Health Insurance Programme (Table 4).

	2010/9M	2009	2008	2007
Personnel expenses	1,143,459 €	1,577,474 €	1,447,667 €	1,423,558 €
Main pension fund	0 €	25,500 €	0 €	0 €

Table 4. Personnel expenses (amounts in thousands Euro)

Such expenses are not repetitive and do not show incapable administration. On the contrary, the first move of hiring young people demonstrates a strong attitude on social aspects, undertaking a manageable cost. There was a clear policy during 2009 for the Group to support local economy and step forward in terms of corporate social responsibility issues.

The relation of loans to deposits was almost stable, in the last four years, showing a robust policy which helped the Group maintaining a strong liquidity and a healthy status. (Tables 5, 6). The low leverage of the Group comparing to the competition provides a strong advantage especially under current conditions.

	2010/9M	2009	2008	2007
Loans/Deposits	101.34%	97.10%	103.31%	90.36%

Table 5. Ratio of loans to deposits

	2010/9M	2009	2008	2007
Net Loan Book	71,076,975 €	69,133,027 €	69,897,602 €	54,693,204 €

Table 6. Net loan book of the Group (amounts in thousands Euro)

The relation of almost 1 to 1 in terms of loans to deposits demonstrates that the Group maintained a strategy of equal balance among lending and borrowing. As a result there was no immediate need to resort in external financing. Nevertheless, the deposits showed a slight increase, during 2010, since in the times of crisis, usually households and businesses deposit their money as the risk exposure is in the lowest point and uncertainty minimizes consumption and wish for investments (Figure 2).

At this point, is significant to mention that during 2009, although the Group showed an increase of about 5.5 billion euro in lending, in the same time, the structure of its lending portfolio acquired an increased risk mainly due to the unstable financial environment. This portfolio derived mostly from the previous credit expansion policy, that was performed, addressed to household loans, credit cards and loans to SMEs. Actually the overall lending policy was considered as aggressive. The volumes in terms of assets were high but a more conservative approach is followed from now on, given the new economic environment.

EMPLOYMENT & PRIVATE CONSUMPTION

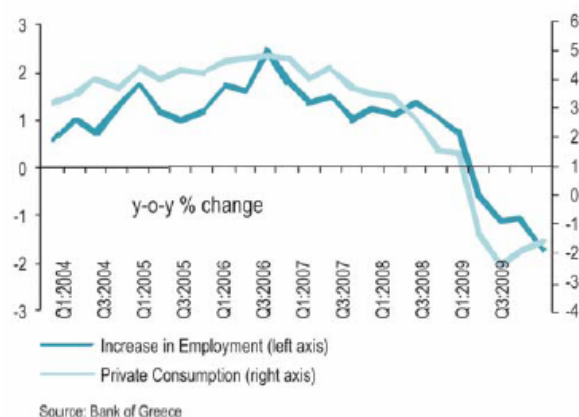


Figure 2. NBG – Private consumption

(Source: NBG, Annual Report 2009, 29 May 2010, p. 32)

Two major ratios of return on total assets (ROA) and return on equity (ROE) suffered an increasing loss especially during 2009 and continue in 2010. That was mostly to the enormous decrease of net profits although the total assets were increased. Specifically the loans to customers and the interbank assets together with the investments of the Group rose significantly during 2009, directing the total assets to over 113 billion euro.

		2010/9M	2009	2008	2007
Return on Total Assets (ROA)	<i>Net profits after taxes/Total assets</i>	0.24%	0.85%	1.56%	1.82%
Return on Equity (ROE)	<i>Net profits after taxes/Shareholders equity</i>	3.62%	11.40%	26.54%	25.41%

Table 7. Ratios of ROA and ROE

Nevertheless, the Group maintained a significant profitability comparing to competitors. The cost structure was affected by the provisions and losses from its assets in general. So, there might be a future issue in the quality of assets which has to be monitored.

Three things to watch:

- Better administration of administrative and operating expenses
- Emphasis in lower provisioning
- Also special consideration in any investment portfolio actions

NBG Group is considered as the strongest stock in Athens Stock Exchange (ASE) not only for the sector but for the whole market. It is a leader and its behavior defines the quality of the domestic market in a broaden manner. Actually it is the flagship of domestic economy and has a dominant presence in the SEE region as well. For that reason, it is included below the behavior of the stock as well as some ready given ratios which demonstrates the position of the Group (Table 8).

NBG STOCK MARKET DATA ⁽¹⁾					
	2009	2008	2007	2006	2005
Year-end price (€)	18.1	13.2	47.0	34.9	33.6
Year high (€)	28.3	45.6	48.0	40.9	34.5
Year low (€)	8.1	11.6	35.9	26.5	23.0
Mean price for the year (in €)	17.7	29.1	42.4	33.9	27.6
Yearly standard deviation for NBG's share price (%)	4.0	4.4	1.7	2.2	1.5
Yearly standard deviation for the banking sector (%)	3.4	3.4	1.3	1.5	1.2
Yearly standard deviation for ATHEX (%)	2.1	2.5	1.0	1.2	0.8
NBG market capitalization at year end (€ billions)	11.0	6.6	22.3	16.6	12.1
NBG-to- ATHEX market capitalization ratio at year end (%)	17.1	9.6	11.4	10.5	9.9
NBG-to- banking sector capitalization ratio at year end (%)	35.4	31.1	26.3	25.2	26.4
Annual trading volume (€ billions)	11.6	14.9	15.8	10.5	5.7
NBG-to- ATHEX trading volume ratio (%)	26.2	19.2	13.0	12.3	10.9
NBG-to- banking sector trading volume ratio	41.4	38.8	29.6	28.5	31.5
Annual liquidity ratio: NBG (%) ⁽²⁾	113.4	103.6	78.2	65.3	57.0
Annual liquidity ratio: banking sector (%)	96.6	77.7	64.4	63.1	47.0
Annual liquidity ratio: ATHEX (%)	70.4	62.7	65.7	54.0	49.0

Sources: ATHEX, Bloomberg, NBG calculations

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

⁽²⁾ Ratio of annual trading volume to average capitalization.

Table 8. NBG Stock market data, comparative list

(Source: NBG, Annual Report 2009, 29 May 2010, p. 23)

The stock's liquidity ratio demonstrates the continuous interest of investors in the Group which is above the medium compared to the overall banking sector. On the other side, since profits distributable to shareholders faced a continuous decrease, as a result the EPS fall accordingly (Table 9).

		2010/9M	2009	2008	2007
EPS Earnings per share	<i>Earnings available to Common Shareholders/Number of shares outstanding</i>	0.23 €	1.48 €	2.71 €	3.10 €

Table 9. Earnings per share

3.2 Risk position

The assessment of risk is a crucial factor for the shareholder and the potential investor. Risk information is mostly qualitative in the annual reports and it hides in the notes and narratives. Risk incorporates two major types: (a) the operational risk and (b) the liquidity risk. In addition, another strong parameter under consideration could be the risk exposure of the Group. In the next table are given two basic ratios in terms of operating and financing (Table 10).

		2010/9M	2009	2008	2007
Operating risk ratio	<i>fixed assets/total assets</i>	0.038	0.040	0.044	0.054
Financing risk ratio	<i>total liabilities/owners equity+total liabilities</i>	0.934	0.925	0.940	0.927

Table 10. Risk ratios

The Group has given special emphasis in the above two ratios, according to the annual report of 2009. In addition, the specific ratios are obligatory elements of the corporate governance programme which all listed companies have to follow, especially banks.

According to *Kosmidou and Zopounidis (2008)*, the management of the operational risk is a discrete sector of operational activity with distinct administrative structure, tools and procedures. Special focus should be given to restructuring of operations when necessary and adoption of new technologies. In such a case, the bank will maintain a competitive advantage and minimise its operational risk. The Group seems to early adapt this directive and gave emphasis during 2009 on this parameter.

The risk problem is mostly derived from two other sources. In the NGB Group the loan portfolio includes an amount of accumulated provisions up to 2.5 billion euro. Only during 2009 the provisions were calculated to 1 billion euro. On the other side, from information given by the annual report of 2009, the loans in arrears reached the 6.4% of the total loan book. Therefore, the first source is the high credit risk depending on the origin of the credits. The second source comes from the results of Bank's stress tests published last August 2010 (*Blundell-Wignall and Slovik, 2010*). In the next table is given the exposure of banking sector of European countries in the sovereign debt of Greece (*Table 11*).

EUR millions	Exposures to Greece	Exposure / Tier 1 Capital
Greece	56,148	226%
Germany	18,718	12%
France	11,624	6%
Cyprus	4,837	109%
Belgium	4,656	14%
United Kingdom	4,131	1%
Netherlands	3,160	4%
Italy	1,778	2%
Portugal	1,739	9%
Spain	1,016	1%

Table 11. Country Banking Exposure to Sovereign Debt of Greece

(Source: Blundell-Wignall, Adrian and Slovik, Patrick (2010) The EU Stress test and sovereign debt exposures. OECD Working Papers on Finance, Insurance and Private Pensions, 4(August), p. 8)

In combination with the next table (*Table 12*), which gives the Greek bank exposures in their own sovereign debt, it is obvious that the NBG Group, is in better position comparing to competition, but has a significant exposure in the domestic market.

	Exposures to Greek Sovereign Debt			Exposure / Tier 1	
	Euro million	o/w Banking Book (%)	o/w Trading book (%)		%
National Bank of Greece	19,756	91.8%	8.2%		260%
Agricultural Bank of Greece	10,187	93.5%	6.5%		807%
Piraeus Bank Group	8,306	87.1%	12.9%		244%
Eurobank EGF	7,458	98.7%	1.3%		139%
TT Hellenic Postbank	5,371	97.2%	2.8%		418%
Alpha Bank	5,070	96.9%	3.1%		86%
Greek Banks	56,148	93.3%	6.7%		226%

Table 12. Greek Bank Exposures to Sovereign Debt of Greece

(Source: Blundell-Wignall, Adrian and Slovik, Patrick (2010) The EU Stress test and sovereign debt exposures. OECD Working Papers on Finance, Insurance and Private Pensions, 4(August), p. 8)

According to *Blundell-Wignall and Slovik (2010)*, banks have gathered a sovereign debt which could not be ignored. The weak, almost negative, economic growth in Greece, in combination with the difficulties in achieving structural reforms will increase the possibility of a restructure of debts which in return increase the risk exposure and the possible effect in all banking sector.

Further to the above, as *Lajili and Zeghal (2005)* asserted, a risk management disclosure index, could be a useful tool, which could be based on the notes and qualitative information that is included in the reports.

3.3 Ratio comparisons

The information from ratio analysis, especially the trend analysis, enables management of the company to foresee business failure (*Ibicioglu et al, 2010*).

In this section there is an emphasis in comparison between the NBG and other domestic Groups which are considered as same-value, same-policy competitors. The aim is to have a more broad perspective of the sector and evaluate NBG as successfully as possible in the market.

Therefore, in the *Table 13*, there are presented some data which are considered useful and easy comparable.

amounts in thousands of Euro	Year 2009			
	NBG	ALPHA	PIRAEUS	EUROBANK
Total assets	113,394,183 €	69,596,047 €	54,279,791 €	84,269,000 €
Total equity	9,827,518 €	5,973,359 €	3,614,235 €	6,314,000 €
Net interest income	3,940,289 €	1,762,599 €	1,104,884 €	2,341,000 €
Due to customers	71,194,471 €	42,915,694 €	30,755,290 €	46,808,000 €
Total liabilities	103,566,665 €	63,622,688 €	50,665,556 €	77,955,000 €
Total equity and liabilities	113,394,183 €	69,596,047 €	54,279,791 €	84,269,000 €
Profit for the period	963,345 €	349,077 €	201,749 €	316,000 €
Shareholders' equity	8,453,450 €	5,372,148 €	3,096,060 €	4,298,000 €

Equity ratio (<i>equity/assets</i>)	7.45%	7.72%	5.70%	5.10%
Debt ratio (<i>total liabilities/total assets</i>)	0.913	0.914	0.933	0.925
Debt to equity ratio (<i>total liabilities/total equity</i>)	10.538	10.651	14.018	12.346

Table 13. Trend Analysis and Competition presentation

Based on an analysis on the above ratios, it is obvious that NBG has stronger ratios and is the leader in size and profits. Another important element from the analysis is that ALPHA seems to be the second in terms of ratios, positioned close to the leader. This is an explanation of why shareholders of NBG made an open offer to ALPHA's shareholders two months ago for merging. Since big banks will survive, in case of merger the new organisation would have enormous sizes in all aspects.

NBG is a dominant player in the region with increased participation of foreign investors in its share capital. On the other side it is very popular in the domestic market and a leader in the stock market. It is one of the most prominent cases in the sector which very first became to focus in expansion. It demonstrates a strong capitalization, with high liquidity and descent levels of profitability although the current economic conditions. The management on the other side is focused in managing the risks and operate proactively in terms of protecting the shareholders rights.

Nevertheless, not overcoming the portfolio quality which shows deterioration in combination with high provisions both increase the prime risks for the Group. Moreover, the decrease in credit markets and the risks derived from financial investments create an unstable factor which has to be mitigated.

4. SHAREHOLDER'S PERSPECTIVE

4.1 Assessment of the information used by shareholders

Financial accounting provides information to shareholders. Annual reports are one form of communication between the managers and the shareholders (*Jaffar et al, 2007; Clarke et al, 2009*). The management produces the financial statements which aim to present the best image of the company in order to impress and create a direct impact on its market value. Companies in general try to enhance the picture of their numbers which ends in presenting not as accurate data as expected (*Darayseh et al, 2010*). Moreover, sometimes it is intended to disorientate the interested

parts especially when bad results existed, presenting uncontrollable causes as the main argument of failure (Tsang, 2002; Tessarolo et al, 2010).

It is interesting though, the Simpson's (2000) study which argued that the use of imagery in company annual reports is essential. On the one side this maintains company's existence while on the other, keeps stability and order in the market. As a result, although new regulations for transparency are imposed, companies will always find ways to blur and confuse. In addition, Saudagaran and Diga (1997) claimed that financial reporting has been viewed as a vital infrastructure not only for the company itself but for the market as well. Moreover, the tools of financial analysis are intended to show relationships and changes (Pasmatzis, 2011).

According to Darayseh et al (2010), investors and financial analysts need to be aware somehow, of such enhancement, since this affects the accuracy of their decision making. Actually this is one of the conflicting roles of financial statements. However, there is a distinction among shareholders and investors since the formers have already rights in the company while the ladders have intentions.

The paradox with the shareholders is that although they are considered as internals, usually they are outside the organisation. As a result, they do not have inside information excluding the times where shareholders are also CEOs or keep managerial positions. In the case of NBG, the structure of shareholders is given below. There is a more detailed presentation of shareholders structure in Appendix J.

Shareholder Structure		Management	
Shareholders' Structure		Chairman of BoD: Mr V. Rapanos	
Pension Funds	17.2%	Managing Director: Mr A. Tamvakakis	
Other shareholders	10.7%		
Greek Church	1.7%		
Domestic Private investors	26.1%	CFO : Mr A. Thomopoulos	
Domestic Institutional investors	1.9%	IRO : Mr G. Papagrigoris	
Foreign investors	42.5%		
Total	100%		

Figure 3. Shareholders structure and the new management as appointed in 2009

(Source: ATE Securities, (2010) National Bank of Greece. Update Report, p. 2)

The detailed shareholders structure is not given in the annual reports and there is no information available regarding the origin of the investors. Such information could clarify the Group's portfolio. Who keeps what, and what are probably their intentions. On a financially deregulated global market it is crucial for shareholders being able to assess any moves around Group's equity (Shareholder and Investments, 2011). On the other side, the management of the Bank is defined by the government. Therefore, each time elections take place and the political party in power changes, there is a change in the executive board. Nevertheless, since the Group is listed in stock exchange markets, it is obliged to follow a model of corporate disclosure.

Shareholders receive information through annual reporting with the following attributes:

- Data presented give emphasis in verifiability than relevance.
- Data and measures presented are precision oriented ignoring timeliness.
- The reporting focuses on the organisation as a whole, by disabling the opportunity of examining it in segments.
- The reporting format adopts standard procedures instead of being flexible and adaptive.
- Actually data are of past tense for the shareholders while for the management have the future emphasis.

The issue of reliability and relevance is open, in terms of trust, and given the reality of numbers' enhancement, as explained earlier, it is difficult to ensure the validity of the data in the end. Therefore, although annual reports provide availability, there is an issue of reliability and comparability among numbers.

On the other side, information in financial statements is historic. As Khasharmeh and Aljifri (2010) concluded, timeliness is an important qualitative characteristic of the annual reports, since it

defines whether the information provided is useful to the interested parts. In addition, audit delays is a critical issue which in most of the cases is related to audit variables such as changes in accounting techniques, audit firm size and audit opinion (*Khasharmeh and Aljifri, 2010*). Nevertheless, audit delays are smaller in banking sector due to the high regulation of the sector.

Moreover, in the same study, there were revealed some other parameters that influence the timeliness of annual reports and these are:

- profitability
- debt ratio
- sector type
- dividends payout ratio

For example profitability is a very strong indicator for the overall image of the company. Therefore, if the company has losses, the management might decide to delay the reports' announcement by changing the timing of it, in order to mitigate the bad news. In general, management has strong incentives to influence investors' perceptions by giving the good news earlier and the bad news late (*Yuthas et al, 2002; Haw et al, 2006; Wu et al, 2008*). Besides that, the momentum of announcing the results is related to the stock price and the broader situation of news in the market. At this point, sometimes the behaviour of stock price of the bank some days before the announcement of results may be of close attendance (*Haw et al, 2006*). In the same way, the rapidly expanding stock markets imposed new regulations which affected directly the form of annual reporting.

Nevertheless, such issues are faced through corporate governance mechanisms which are implemented in order to ameliorate the right timing of reporting. Corporate governance protects shareholders and suppliers of finance in general. Actually, according to *Akhtaruddin et al (2009)*, this model copes among others with factors such as:

- The executives' board size
- The proportion of independent non-executive directors on the board
- The outside share ownership
- The family control (if any)
- The size of audit committee and its origin

Creative financial reporting is still an issue but the antidote is independent auditing which evaluates and approves the financial statements' analysis. It is imperative to accept though that the group is a separate legal entity and as such should be treated. Neither shareholders nor managers are lifelong owners since this is a right that could be transferred. Furthermore, there is stratification even among shareholders, depending on their percentage and power of control in the company. Not all shareholders have the same access and the same links with the management of the company. Also, according to *Wu et al (2008)* another difference is that controlling shareholders are not always aligned with outside investors, in terms of interests and incentives.

4.2 Suggested improvements and alterations in reporting

As *Gore (2010)* stated, probably annual reports will end up in the size of a telephone directory within the next 10 years. The issue is not the information overload but the appropriate information suitable for shareholders and potential investors.

Two major things could be re-considered: (a) the use of technology and bulk of information that could be removed from the annual reporting and included in a special section of the web site of the companies and (b) the re-design of the annual reports taken into account the suggestions as analysed in the next sub-sections.

It is imperative for the shareholder to have an overall approach to the NBG, meaning that financial statements should not be seen isolated from other kind of reports, that management issues. The Business Plan of the Group is always a first step to be thoroughly analysed. It is crucial for an investor to evaluate the continuity, the coherence and the reliability that the management shows throughout planning and time. On the 22nd of February 2007, the previous management of the Group presented its 2-year business plan (*NBG, Business Plan, 2007*). This plan set the strategy and the objectives for the next two years, where the main point was that the Group will acquire a dominant position in the South-East region.

Comparisons are always useful, since these are relevant to the sector and are based to the principal of similarity. A summary that would link the business plan with the achievements

described in the annual report could help. Actually, such approach could detail the accomplishments and the left behind targets describing any specialties, changes or parameters that affected the plan.

The critical evaluation of planning and achieving may bring forth issues of management's inadequacy or the opposite, while it helps shareholders to compare previous expectations with current position and results.

As Hamby (2004) highlighted, in UK since 2005, listed companies are obliged to include directors' company objectives, strategy and future prospects. Actually, the bottom line is that a company should reveal a broader range of non-financial review.

The Annual reports cover only the current and the previous year. Comparisons and comments are made among these two years. It would be necessary for an investor to have a brief overview of the last 4 to 5 years in terms of, at least, the basic financial statements (balance sheet, income statement, cash-flow statement). In this occasion it would be easier to examine relationships and changes that took place during the above period (trend analysis).

Another improvement could be to include in the annual report an industry-sector overview. A brief report of how competition did it, and a direct comparison with same value same size competitors would satisfy the industry norms. However such reporting is made from external auditors or competitive companies.

Moreover, a detailed list of changes in the company's shareholders' structure will help in terms of transparency. According to Jaffar et al (2007), ownership structure is strongly related to the influence on management and the quality of reporting in terms of disclosure.

The part of narratives in annual reporting, contain bulk of data which is difficult to be communicated. As many researchers claimed, when the management prepares such narratives it should be considered the level of sophistication of the users (Smith and Taffler, 1992; Courtis, 1998; Rutherford, 2003; Clarke et al, 2009). As a result, shareholders need to spend much time in clarifying the essence. Readability and being understandable should be two watchwords both for the management and the auditors that together prepare the reports.

It is true though that listed companies adopt a more complex format in their narratives usually to emphasize in the good image and impress shareholders before going to the numerical part of the reports.

Although the annual reports of NBG incorporate some data regarding human resources and corporate social responsibility issues, this is mostly in terms of presenting a good image. It is suggested that a new practice could be followed such as in France (Damak-Ayadi, 2010), where listed companies are obliged to include social and environmental data. In the table given below (Table 14) there are given such factors.

	Social Data	Environmental data
1.	Employment	Environmental indicators: consumption of electric power, energy, drinking water, production of toxic waste
2.	Organization of work schedule	Measurements taken to reduce negative consequences on environment
3.	Compensation	Environmental programmes and certifications
4.	Social relations	Conformity to laws
5.	Health and safety conditions	Expenses engaged to prevent the negative consequences on the environment
6.	Training	Existence of a social and environmental service
7.	Disabled employees	Amount of provisions and guarantees engaged for environmental risks
8.	Social projects	Amount of the allowances paid during the exercise for environmental damage caused by the company
9.	Scope of subcontracting	All elements transmitted to foreign subsidiary companies

Table 14. Social and Environmental data required in the annual reports of big companies in France

Moreover, according to the Environment Agency (2011), in UK and in nearly the half of European Union, companies incorporate environmental issues in their reporting. This parameter aims to measure the environmental influence on business accounting and finance as well as the impact on corporate growth. Actually, it is imperative for a company of being capable to identify key issues that affect its business performance.

In a highly volatile global environment, the debt exposure of the bank and especially the nature of the debt is a significant parameter (*Finel-Honigman, 2010*). The production of annual reports is based not only in the management of the company, but also in the accounting profession since the tools used are complied with such regulations (*Stittle, 2002*). On the other side, such key driver leaves not enough space for an ethical reporting framework. This need would detail the ethical assessment of the company's corporate activities. On the contrary, the specific omissions direct to a distorted but "advertising-oriented" reports.

Moreover, according to *Holt and DeZoort (2009)*, an internal audit report which will accompany the annual reports would provide more confidence in terms of reliability. A report where an auditor would explain a company's background information, summary accounting results, governance reports and ratios is expected to increase trust among shareholders and increase their interest and satisfaction. Also it would finally increase the effectiveness of the reports' overall.

4.3 Extra tools for the shareholders and ideas to share

As implied in the previous sections, there is an issue of relevance and reliability in current reporting, in terms of identifying clearly which information is useful and comprehensive for the shareholders. Shareholders use the annual reports in the extent that these are understandable. Furthermore, besides the internal auditing, there are external audits and reports from independent or less independent bodies that can be taken into account.

In most of the cases such information can place dilemmas and questions or even provide positive incentives for the future financing of the bank. The search of reports from external evaluators could be an alternative as well.

Moreover, shareholders are recommended to further investigate the life-cycle for each product in each market, where the bank operates. In the end, this is related to the needs for financing which differs according to the phase that each one of them is (*Appendix H*). *Vasiliou and Karkazis (2002)* introduced the sustainable growth model in banking which identifies the feasibility of a bank's plans for growth. Although the prevailing notion among executives is the fast growth, sometimes this is not desirable. Their study concluded that the faster the growth rate of a bank the more equity capital it needs. At this point, it is identified the relationship between the maximum annual rate of increase in total assets that can be supported by internally generated equity capital (*Vasiliou and Karkazis, 2002*). Therefore the growth rate of a bank is closely related to the growth rate of its equity.

According to a recent study made in SMEs (*Ibicioglu, 2010*), it was identified that managers show greater importance for the income statement comparing to the other financial statements. In addition, the specific statement is considered as a mean to examine the profitability of the company which in some cases interests more the shareholders than the liquidity. In some studies (*Kitindi et al, 2007*) it was concluded that shareholders are not interested in narratives and qualitative information, in general.

The NBG Group is an extravert corporation and this is a parameter that shareholders could identify through the reporting. Results, either qualitative or quantitative, that are related to its export performance are linked to its viability. This reveals a whole culture which transforms the capability of the group to respond to foreign demands as well as global changes. An interesting approach has been introduced by *Lages et al (2005)* who discussed the use of a balanced scorecard as a non-financial tool to measure the performance of subsidiaries. There is a qualitative analysis on 14 parameters related to the export service (or product or market) and then the results are entered in the scorecard where it gives a comparative measurement of performance through the years (*Appendix I*).

CONCLUSIONS

According to *Jafar et al (2007)* an efficient and effective capital market needs a transparent financial reporting system which creates confidence and serves accurate investment decisions. Complex and lengthy sentences in the reports create confusions and raise obstacles in understanding and decision making (*Marsh and Montodon, 2005*).

Actually it is needed a benchmark for assessing a company, since such a comparison will reveal any blinds that remain, if examined separately. The issue of obscurity is the shareholders' disadvantage and there are some suggestions in the present study that could help to overcome it.

Annual reports have a contradictive role. On the one side they serve to communicate the company's financial results to society through transparency and accuracy, while on the other side they serve as a tool for competition, funding and added value. Therefore, blurriness and obscurity

are usually present, creating ambiguity and confusion. These are the main reasons why relevance and reliability are raised each time an annual report is evaluated. In the present study, NBG Group is an internationally positioned group, meaning that external auditing and cross evaluation is based in global standards. This is not necessarily a guarantee, but at least ensures that same standards same values are followed in terms of the global market.

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APPENDIX A
NBG GROUP FINANCIAL STATEMENTS

A1. NBG ANNUAL REPORT 2009, FINANCIAL STATEMENTS

A1.1 BALANCE SHEET

SECTION **6** GROUP AND BANK FINANCIAL STATEMENTS

Statement of Financial Position

as at 31 December 2009

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

Athens, 18 March 2010

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

A1.2 INCOME STATEMENT

Income Statement

for the period ended 31 December 2009

	Group		Bank	
	12 month period ended		12 month period ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Interest & similar income	6,551,829	6,941,418	3,677,056	4,065,836
Interest expense & similar charges	(2,611,540)	(3,361,884)	(1,445,996)	(2,018,256)
Net interest income	3,940,289	3,579,534	2,231,060	2,047,580
Fee and commission income	741,733	841,252	306,465	307,689
Fee and commission expense	(55,319)	(69,183)	(27,027)	(28,402)
Net fee and commission income	686,414	772,069	279,438	279,287
Earned premia net of reinsurance	936,091	713,441	-	-
Net claims incurred	(840,539)	(590,561)	-	-
Earned premia net of claims and commissions	95,552	122,880	-	-
Net trading income and results from investment securities	428,415	427,289	197,413	24,725
Net other income/(expense)	(73,575)	24,059	(71,629)	1,795
Total Income	5,077,095	4,925,831	2,636,282	2,353,387
Personnel expenses	(1,577,474)	(1,447,667)	(695,114)	(885,102)
General, administrative & other operating expenses	(725,032)	(771,742)	(338,872)	(338,656)
Depreciation, amortization & impairment charges of fixed assets	(197,842)	(163,499)	(105,581)	(75,957)
Amortization of intangible assets recognized on business combinations	(24,071)	(27,406)	-	-
Finance charge on put options of minority interests	(5,556)	(11,940)	(5,556)	(11,940)
Credit provisions and other impairment charges	(1,295,172)	(537,631)	(787,532)	(408,558)
Share of profit / (loss) of associates	117	(28,932)	-	-
Profit before tax	1,252,065	1,937,014	403,627	633,174
One-off social responsibility tax	(47,736)	-	(45,669)	-
Tax expense	(240,984)	(352,071)	(132,973)	(152,868)
Profit for the period	963,345	1,584,943	224,985	480,306
Attributable to:				
Minority interests	40,777	38,931	-	-
NBG equity shareholders	922,568	1,546,012	224,985	480,306
Attributable to:				
Minority interests	40,777	38,931	-	-
NBG equity shareholders	922,568	1,546,012	224,985	480,306
Earnings per share-Basic	1.48	2.71	0.32	0.84
Earnings per share-Diluted	1.48	2.70	0.32	0.84

Athens, 18 March 2010

THE CHAIRMAN
VASSILIOS T. RAFANOS

THE CHIEF
EXECUTIVE OFFICER
APOSTOLOS S. TAMVAKAKIS

THE CHIEF FINANCIAL
AND CHIEF OPERATING OFFICER
ANTHIMOS C. THOMASPOULOS

THE DEPUTY
CHIEF FINANCIAL OFFICER
IOANNIS P. KYRIAKOPOULOS

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(Source: NBG, Annual Report 2009, 29 May 2010, p. 119)

A1.3 STATEMENT OF COMPREHENSIVE INCOME

SECTION **6** GROUP AND BANK FINANCIAL STATEMENTS

Statement of Comprehensive Income

for the period ended 31 December 2009

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

Athens, 18 March 2010

THE CHAIRMAN	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL AND CHIEF OPERATING OFFICER	THE DEPUTY CHIEF FINANCIAL OFFICER
VASSILIOS T. RAPANOS	APOSTOLOS S. TAMVAKAKIS	ANTHIMOS C. THOMOPoulos	IDANNIS P. KYRAKPOULOS

(Source: NBG, Annual Report 2009, 29 May 2010, p. 120)

A2. NBG ANNUAL REPORT 2008, FINANCIAL STATEMENTS

A2.1 BALANCE SHEET

Balance Sheet	Group		Bank	
	12 month period ended		12 month period ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
€ 000 s				
ASSETS				
Cash and balances with central banks	4,145,395	6,109,648	1,959,249	4,135,632
Due from banks (net)	2,490,064	3,689,849	5,202,048	4,318,696
Financial assets at fair value through Profit or Loss	2,190,604	12,211,840	1,717,902	11,048,630
Derivative financial instruments	1,590,320	394,904	1,303,708	331,206
Loans and advances to customers (net)	73,076,469	54,693,204	55,798,270	39,568,570
Investment securities	9,730,709	4,781,996	7,708,371	2,537,345
Investment property	148,073	153,628	-	-
Investments in subsidiaries	-	-	7,149,862	6,434,777
Investments in associates	55,683	73,586	6,921	21,492
Goodwill, software & other intangible assets	2,473,994	2,933,103	111,285	80,200
Property & equipment	1,982,768	1,936,815	986,405	955,732
Deferred tax assets	774,205	288,330	640,171	156,486
Insurance related assets and receivables	707,721	789,932	-	-
Current income tax advance	113,903	115,986	113,903	115,986
Other assets	2,241,827	2,097,474	1,587,984	1,354,198
Non-current assets held for sale	116,893	115,279	-	-
Total assets	101,838,628	90,385,574	84,286,079	71,058,950
LIABILITIES				
Due to banks	14,840,030	10,373,844	13,801,415	8,935,585
Derivative financial instruments	1,567,815	1,071,806	1,426,951	580,062
Due to customers	67,656,948	60,530,411	56,291,053	49,259,670
Debt securities in issue	1,813,678	2,289,735	-	-
Other borrowed funds	1,922,873	1,723,046	3,874,881	3,482,135
Insurance related reserves and liabilities	2,266,256	2,167,621	-	-
Deferred tax liabilities	619,829	247,473	466,224	133,731
Retirement benefit obligations	230,747	239,382	108,057	110,540
Current income tax liabilities	12,428	37,029	-	-
Other liabilities	2,632,114	3,156,757	1,883,712	2,021,306
Liabilities held for sale	8,856	6,535	-	-
Total liabilities	93,571,574	81,843,639	77,852,293	64,523,029
SHAREHOLDERS' EQUITY				
Share capital	2,490,771	2,385,992	2,490,771	2,385,992
Share premium account	2,682,050	2,292,753	2,682,050	2,292,753
Less: treasury shares	(145,277)	(21,601)	(145,277)	(21,601)
Reserves and retained earnings	944,063	1,813,276	1,406,242	1,878,777
Equity attributable to NBG shareholders	5,971,607	6,470,420	6,433,786	6,535,921
Minority interest	842,408	507,889	-	-
Preferred securities	1,453,039	1,563,626	-	-
Total equity	8,267,054	8,541,935	6,433,786	6,535,921
Total equity and liabilities	101,838,628	90,385,574	84,286,079	71,058,950

Athens, 30 March 2009

THE CHAIRMAN
AND CHIEF EXECUTIVE OFFICER
EPISTRATIOS - GEORGIOS A. ARAPOGLIOU

THE VICE CHAIRMAN
AND DEPUTY CHIEF EXECUTIVE OFFICER
IOANNIS G. PEHLIVANIDIS

THE CHIEF FINANCIAL
AND CHIEF OPERATING OFFICER
ANTHIMOS C. THOMOPOULOS

THE CHIEF ACCOUNTANT
IOANNIS P. KYRAKOPOULOS

A2.2 INCOME STATEMENT

SECTION 6 GROUP AND BANK FINANCIAL STATEMENTS

Income Statement

€ 000s	Group		Bank	
	12 month period ended		12 month period ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
Interest & similar income	6,941,418	5,736,887	4,065,836	3,440,294
Interest expense & similar charges	(3,361,884)	(2,685,770)	(2,018,256)	(1,629,558)
Net interest income	3,579,534	3,051,117	2,047,580	1,810,736
Fee and commission income	841,252	859,255	307,689	341,326
Fee and commission expense	(69,183)	(86,730)	(28,402)	(23,408)
Net fee and commission income	772,069	772,525	279,287	317,918
Earned premiums net of reinsurance	713,441	721,473	-	-
Net claims incurred	(690,561)	(628,322)	-	-
Earned premiums net of claims and commissions	122,880	93,151	-	-
Net trading income and results from investment securities	409,517	479,901	(61,636)	309,401
Net other income	24,059	162,516	1,795	108,224
Total income	4,908,059	4,559,210	2,267,026	2,546,279
Personnel expenses	(1,447,667)	(1,423,558)	(885,102)	(880,008)
General, administrative & other operating expenses	(771,742)	(718,511)	(338,656)	(299,756)
Depreciation, amortisation & impairment charges of fixed assets	(163,499)	(147,253)	(75,957)	(63,755)
Amortisation of intangible assets recognized on business combinations	(27,406)	(29,027)	-	-
Finance charge on put options of minority interests	(1,940)	(24,945)	(11,940)	(24,945)
Impairment charge for credit losses	(519,859)	(330,197)	(322,197)	(245,960)
Share of profit/(losses) of associates	(28,932)	17,210	-	-
Profit before tax	1,937,014	1,902,929	633,174	1,031,855
Tax expense	(652,071)	(258,808)	(152,868)	(117,263)
Profit for the period	1,584,943	1,644,121	480,306	914,592
Attributable to:				
Minority interests	38,931	18,806	-	-
NBG equity shareholders	1,546,012	1,625,315	480,306	914,592
Earnings per share - Basic	€2.93	€3.10	€0.91	€1.85
Earnings per share - Diluted	€2.93	€3.10	€0.91	€1.85

Athens, 30 March 2009

THE CHAIRMAN
AND CHIEF EXECUTIVE OFFICER
EFSTRATIOS - GEORGIOS A. ARAPOGLOU

THE VICE CHAIRMAN
AND DEPUTY CHIEF EXECUTIVE OFFICER
IOANNIS G. REHIVANDIS

THE CHIEF FINANCIAL
AND CHIEF OPERATING OFFICER
ANTHIMOS C. THOMOPOULOS

THE CHIEF ACCOUNTANT
IOANNIS P. KYRIAKOPOULOS

A3. NBG 9-MONTH REPORT 2010, FINANCIAL STATEMENTS

A3.1 BALANCE SHEET

Statement of Financial Position as at 30 September 2010

€ 000's	Note	Group		Bank	
		30.9.2010	31.12.2009	30.9.2010	31.12.2009
ASSETS					
Cash and balances with central banks		5.629.243	4.252.854	3.440.728	2.073.721
Due from banks (net)		6.847.088	3.707.911	10.875.977	5.881.701
Financial assets at fair value through profit or loss		1.769.008	4.066.059	1.068.321	3.003.966
Derivative financial instruments		2.616.849	1.875.851	2.376.231	1.670.914
Loans and advances to customers (net)	6	77.201.975	74.752.545	58.007.528	58.129.698
Investment securities		20.657.701	16.315.150	12.780.596	9.892.407
Investment property	8	198.251	164.895	-	-
Investments in subsidiaries		-	-	8.178.292	8.064.609
Investments in associates		38.901	42.680	7.298	27.631
Goodwill, software and other intangible assets	7	2.638.991	2.486.943	131.009	124.854
Property and equipment	8	2.070.987	2.099.152	378.531	361.642
Deferred tax assets		461.182	174.218	359.860	82.094
Insurance related assets and receivables		866.390	805.960	-	-
Current income tax advance		126.728	189.481	126.728	189.481
Other assets		2.373.116	2.460.484	1.701.053	1.697.746
Non-current assets held for sale	9	20.513	-	20.513	-
Total assets		123.516.923	113.394.183	99.452.665	91.220.464
LIABILITIES					
Due to banks		30.907.028	21.643.338	28.555.360	18.390.685
Derivative financial instruments		3.527.978	1.329.164	3.023.467	1.204.621
Due to customers	10	70.134.367	71.194.471	55.788.831	58.081.167
Debt securities in issue	11	2.420.199	1.859.699	2.141.867	1.485.109
Other borrowed funds		1.390.037	1.224.973	1.179.634	1.209.377
Insurance related reserves and liabilities		2.796.518	2.581.323	-	-
Deferred tax liabilities		122.014	137.336	-	-
Retirement benefit obligations		231.058	245.301	151.248	134.284
Current income tax liabilities		88.393	74.924	34.958	60.497
Other liabilities		2.592.247	3.276.136	1.463.113	2.430.563
Total liabilities		114.209.839	103.566.665	92.338.478	82.996.303
SHAREHOLDERS' EQUITY					
Share capital	14	3.392.708	3.392.708	3.392.708	3.392.708
Share premium account		3.321.881	3.335.881	3.321.881	3.335.881
Less: treasury shares	14	(11.152)	(10.626)	-	-
Reserves and retained earnings		1.329.974	1.735.487	399.598	1.495.572
Equity attributable to NBG shareholders		8.033.411	8.453.450	7.114.187	8.224.161
Non-controlling interests		846.990	857.376	-	-
Preferred securities		426.683	516.692	-	-
Total equity		9.307.084	9.827.518	7.114.187	8.224.161
Total equity and liabilities		123.516.923	113.394.183	99.452.665	91.220.464

Athens, 29 November 2010

THE CHAIRMAN

THE CHIEF
EXECUTIVE OFFICER

THE DEPUTY CHIEF
EXECUTIVE OFFICER

THE DEPUTY
CHIEF FINANCIAL OFFICER

VASSILIOS T. RAPANOS

APOSTOLOS S. TAMVAKAKIS

ANTHIMOS C. THOMOPOULOS

IOANNIS P. KYRIAKOPOULOS

(Source: NBG, Condensed interim financial statements 9months/2010, 29 November 2010, p. 3)

A3.2 INCOME STATEMENT

Income Statement for the period ended 30 September 2010

€ 000's	Note	Group		Bank	
		30.9.2010	30.9.2009	30.9.2010	30.9.2009
Interest and similar income		4,744.955	4,986.697	2,598.404	2,885.271
Interest expense and similar charges		(1,636.484)	(2,084.220)	(777.044)	(1,158.561)
Net interest income		3,108.471	2,902.477	1,821.360	1,726.710
Fee and commission income		538.314	548.186	203.540	222.266
Fee and commission expense		(65.716)	(36.761)	(45.903)	(20.722)
Net fee and commission income		472.598	511.425	157.637	201.544
Earned premia net of reinsurance		728.151	674.918	-	-
Net claims incurred		(664.825)	(599.520)	-	-
Earned premia net of claims and commissions		63.326	75.398	-	-
Net trading income /(loss) and results from investment securities		(273.851)	421.667	(473.385)	215.915
Net other expense		(49.546)	(42.699)	(99.764)	(49.105)
Total income		3,320.998	3,868.268	1,405.848	2,095.064
Personnel expenses		(1,143.459)	(1,123.905)	(702.371)	(703.897)
General, administrative and other operating expenses		(554.365)	(530.682)	(269.454)	(224.874)
Depreciation, amortisation and impairment on property & equipment, intangibles and investment property		(148.275)	(141.162)	(62.924)	(74.109)
Amortisation of intangible assets recognised on business combinations		(19.195)	(18.161)	-	-
Finance charge on put options of non-controlling interests		(1.653)	(5.142)	(1.653)	(5.142)
Credit provisions and other impairment charges		(991.468)	(734.880)	(717.261)	(431.833)
Share of profit of associates		2.969	708	-	-
Profit/(loss) before tax		465.552	1,315.044	(347.815)	655.209
Tax expense	4	(174.875)	(274.810)	(32.645)	(153.677)
Profit/(loss) for the period		290.677	1,040.234	(380.460)	501.532
Attributable to:					
Non-controlling interests		31.796	30.730	-	-
NBG equity shareholders		258.881	1,009.504	(380.460)	501.532
Earnings / (losses) per share- Basic and diluted excluding gains on redemption of preferred securities	5	€0,23	€1,40	€(0,63)	€0,70
Earnings / (losses) per share- Basic and diluted including gains on redemption of preferred securities	5	€0,28	€1,91	€(0,63)	€0,70

Athens, 29 November 2010

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

(Source: NBG, Condensed interim financial statements 9months/2010, 29 November 2010, p. 4)

A3.3 STATEMENT OF COMPREHENSIVE INCOME

Statement of Comprehensive Income for the period ended 30 September 2010

€ 000's	Note	Group		Bank	
		9 month period ended 30.9.2010	9 month period ended 30.9.2009	9 month period ended 30.9.2010	9 month period ended 30.9.2009
Profit/(loss) for the period		290.677	1.040.234	(380.460)	501.532
Other comprehensive income/(expense), net of tax:					
Available for sale securities, net of tax		(762.224)	367.344	(659.051)	231.613
Currency translation differences, net of tax		298.350	(53.336)	210	253
Net investment hedge, net of tax		(145.036)	(46.646)	-	-
Other comprehensive income/(expense) for the period, net of tax	15	(608.910)	267.362	(658.841)	231.866
Total comprehensive income/(expense) for the period		(318.233)	1.307.596	(1.039.301)	733.398
Attributable to:					
Non-controlling interests		43.623	42.669	-	-
NBG equity shareholders		(361.856)	1.264.927	(1.039.301)	733.398

Athens, 29 November 2010

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

(Source: NBG, Condensed interim financial statements 9months/2010, 29 November 2010, p. 5)

A3.4 STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity - Group for the period ended 30 September 2010

€ 000's	Attributable to equity holders of the parent company										Non-controlling Interest & Preferred securities	Total
	Share capital		Share premium		Treasury shares	Available for sale securities reserve	Currency translation reserve	Net investment hedge	Other reserves & retained earnings	Total		
	Ordinary shares	Preference shares	Ordinary shares	Preference shares								
At 1 January 2009	2,483,271	7,500	2,299,275	382,775	(145,277)	(839,109)	(662,690)	(171,846)	2,617,708	5,971,607	2,295,447	8,267,054
Other comprehensive income/(expense) for the period	-	-	-	-	-	366,687	(59,091)	(46,646)	(5,527)	255,423	11,939	267,362
Profit/(loss) for the period	-	-	-	-	-	-	-	-	-	1,009,504	30,730	1,040,234
Total comprehensive income for the period	-	-	-	-	-	366,687	(59,091)	(46,646)	1,003,977	1,264,927	42,669	1,307,596
Share capital increase	351,838	350,000	693,316	-	-	-	-	-	-	1,597,154	-	1,597,154
Share capital issue costs	-	-	(39,506)	-	-	-	-	-	(2,926)	(42,432)	-	(42,432)
Issue & repurchase of preferred securities	-	-	-	-	-	-	-	-	324,974	324,974	(913,268)	(588,294)
Dividends on preferred securities	-	-	-	-	-	-	-	-	(49,506)	(49,506)	-	(49,506)
Dividends on preference shares	-	-	-	-	-	-	-	-	(51,685)	(51,685)	-	(51,685)
Share based payments	-	-	-	-	-	-	-	-	8,745	8,745	-	8,745
Acquisitions, disposals & share capital increase of subsidiaries/associates	-	-	-	-	-	-	-	-	1,648	1,648	5,209	6,857
(Purchases)/ disposals of treasury shares	-	-	-	-	145,235	-	-	-	(55,076)	90,159	-	90,159
Balance at 30 September 2009	3,035,109	357,500	2,955,085	382,775	(42)	(472,422)	(721,781)	(218,492)	3,797,859	9,115,591	1,430,057	10,545,648
Movements from 1.10.2009 to 31.12.2009	99	-	(1,979)	-	(10,584)	(529,510)	22,863	(64,562)	(78,468)	(662,141)	(55,989)	(718,130)
Balance at 31 December 2009 & at 1 January 2010	3,035,208	357,500	2,953,106	382,775	(10,626)	(1,001,932)	(698,918)	(283,054)	3,719,391	8,453,450	1,374,068	9,827,518
Other comprehensive income/(expense) for the period	-	-	-	-	-	(760,728)	282,176	(145,036)	2,851	(620,737)	11,827	(608,910)
Profit/(loss) for the period	-	-	-	-	-	-	-	-	258,881	258,881	31,796	290,677
Total comprehensive income for the period	-	-	-	-	-	(760,728)	282,176	(145,036)	2,617,332	(361,856)	43,623	(318,233)
Share capital issue costs, net of tax	-	-	(14,000)*	-	-	-	-	-	-	(14,000)	-	(14,000)
Issue & repurchase of preferred securities	-	-	-	-	-	-	-	-	35,511	35,511	(96,058)	(60,547)
Dividends on preferred securities	-	-	-	-	-	-	-	-	(21,165)	(21,165)	-	(21,165)
Dividends on preference shares	-	-	-	-	-	-	-	-	(70,858)	(70,858)	-	(70,858)
Share based payments	-	-	-	-	-	-	-	-	12,306	12,306	-	12,306
Acquisitions, disposals & share capital increase of subsidiaries/associates	-	-	-	-	-	-	-	-	7,862	7,862	(47,960)	(40,098)
(Purchases)/ disposals of treasury shares	-	-	-	-	(516)	-	-	-	(7,313)	(7,839)	-	(7,839)
Balance at 30 September 2010	3,035,208	357,500	2,939,106	382,775	(11,152)	(1,762,660)	(416,742)	(428,090)	3,937,466	8,033,411	1,273,673	9,307,084

*The issue costs relate to the share capital increase that was approved on 10 September 2010 and concluded on 25 October 2010

(Source: NBG, Condensed interim financial statements 9months/2010, 29 November 2010, p. 8)

A3.5 CASH FLOW STATEMENT

Cash Flow Statement for the period ended 30 September 2010

	Group		Bank	
	9 month period ended		9 month period ended	
€ 000's	30.9.2010	30.9.2009	30.9.2010	30.9.2009
Cash flows from operating activities				
Profit for the period	290,677	1,040,234	(380,460)	501,532
Adjustments for:				
Non-cash items included in income statement and other adjustments:	973,340	835,988	650,890	419,527
Depreciation, amortisation and impairment on property & equipment, intangibles and investment property	167,470	139,323	62,924	74,108
Share based payment	12,306	8,745	10,530	8,745
Impairment losses / (recoveries) on investments	12,948	145,794	6,111	(1,806)
Amortization of premiums / discounts of investment securities and loans and receivables	(71,700)	(139,292)	(51,363)	(130,474)
Provisions for credit and other risks	1,007,352	758,083	719,770	436,462
Provision for employee benefits	44,058	53,898	23,398	25,661
Other provisions	(11,402)	5,849	-	79
Share of profit of associates	(2,969)	(708)	-	-
Finance charge on put options of non-controlling interest	1,633	5,142	1,633	5,142
Deferred tax expense / (income)	(43,151)	168,121	(38,253)	147,094
Dividend income from investment securities	(3,490)	(4,959)	(2,009)	(50,981)
Net (gain) / loss on disposal of property & equipment and investment property	1,737	(1,476)	5	(1,384)
Net (gain) / loss on sale of investments in associates	-	7,406	-	(1,034)
Net (gain) / expense on investment securities	69,761	(266,768)	144,785	(106,464)
Interest from financing activities and results from repurchase of debt securities in issue	48,966	9,624	89,423	45,481
Valuation adjustment on instruments designated at FVTPL	(260,199)	(72,796)	(295,884)	(31,063)
Net increase in operating assets:	(4,293,812)	(6,461,632)	(2,064,327)	(5,558,139)
Mandatory reserve deposits with Central Bank	165,499	83,311	110,023	1,388
Due from banks	(777,732)	(163,504)	(1,499,863)	700,744
Financial assets at fair value through profit or loss	672,041	(1,373,304)	742,555	(1,029,362)
Derivative financial instruments assets	(924,119)	(154,716)	(877,662)	(236,262)
Loans and advances to customers	(3,464,385)	(4,115,555)	(597,600)	(4,110,605)
Other assets	94,884	(737,864)	58,220	(884,042)
Net increase in operating liabilities:	9,180,315	8,631,045	8,325,859	7,036,182
Due to banks	9,113,714	6,280,292	10,164,675	4,848,990
Due to customers	(1,042,155)	2,313,535	(2,274,388)	2,557,713
Derivative financial instruments liabilities	1,878,565	(329,757)	1,531,869	(315,059)
Retirement benefit obligations	(58,301)	(37,701)	(6,434)	(5,636)
Insurance related reserves and liabilities	215,194	242,674	-	-
Income taxes paid	(178,684)	(72,208)	(60,497)	-
Other liabilities	(748,018)	234,210	(1,029,366)	(49,826)
Net cash from operating activities	6,210,520	4,045,635	6,531,962	2,399,102
Cash flows from investing activities				
Participation in share capital increase of subsidiaries	-	-	(63,821)	(249,863)
Acquisition of additional shareholding in subsidiaries	(77,494)	-	(77,494)	-
Disposal of subsidiary shareholding without loss of control	980	-	-	-
Acquisition of associates	(10,465)	(381)	(180)	(13)
Disposal of associates	708	19,662	-	1,269
Dividends received from investment securities & associates	4,169	5,348	2,009	50,981
Purchases of property & equipment, intangible assets and investment property	(176,330)	(180,326)	(66,536)	(75,781)
Proceeds from disposal of property & equipment and investment property	4,560	7,249	744	2,091
Purchases of investment securities	(15,749,347)	(19,452,981)	(5,895,873)	(5,848,878)
Proceeds from redemption and sale of investment securities	12,889,128	17,536,986	3,698,170	4,687,343
Net cash used in investing activities	(3,114,091)	(2,064,443)	(2,402,981)	(1,432,851)
Cash flows from financing activities				
Share capital increase	-	1,247,154	-	1,247,154
Proceeds from borrowed funds and debt securities	2,151,473	852,579	1,346,300	596,775
Repayments of borrowed funds, debt securities and preferred securities	(1,342,812)	(2,285,137)	(586,687)	(1,500,000)
Proceeds from sale of treasury shares	126,041	225,717	-	90,204
Repurchase of treasury shares	(133,880)	(135,558)	-	-
Dividends on preference shares	(53,234)	(32,285)	(53,234)	(32,285)
Dividends on preferred securities	(16,004)	(54,248)	-	-
Share capital issue costs	(17,949)	(55,157)	(17,949)	(55,157)
Net cash from/(used in) financing activities	713,635	(237,036)	688,430	346,688
Effect of foreign exchange rate changes on cash and cash equivalents	31,901	(3,596)	31,506	(2,764)
Net increase in cash and cash equivalents	3,841,965	1,740,560	4,848,917	1,310,175
Cash and cash equivalents at beginning of period	2,919,176	2,622,978	4,061,537	3,674,864
Cash and cash equivalents at end of period	6,761,141	4,363,538	8,910,454	4,985,039

(Source: NBG, Condensed interim financial statements 9months/2010, 29 November 2010, p. 10)

A4. NBG ANNUAL REPORT 2009, GROUP COMPANIES-FULL LIST

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

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

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

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

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

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

(Source: NBG, Annual Report 2009, 29 May 2010, pp. 141-142)

A5. NBG ANNUAL REPORT 2008, GROUP COMPANIES-FULL LIST

SECTION **6** GROUP AND BANK FINANCIAL STATEMENTS

Group Companies

	Country	Unaudited tax years	Group		Bank	
			31.12.2008	31.12.2007	31.12.2008	31.12.2007
National PBK Securities SA	Greece	2003-2008	100.00%	100.00%	100.00%	59.32%
Ethniki Kefalaia SA	Greece	2006-2008	100.00%	100.00%	100.00%	100.00%
NBG Asset Management Mutual Funds SA	Greece	2005-2008	100.00%	100.00%	81.00%	81.00%
Ethniki Leasing SA	Greece	2006-2008	100.00%	100.00%	93.33%	93.33%
NBG Property Services SA	Greece	2003-2008	100.00%	100.00%	100.00%	100.00%
Panomiouhos SA Genikon Apothikon Hellados	Greece	2007-2008	100.00%	100.00%	100.00%	100.00%
NBG Bancassurance SA	Greece	2007-2008	100.00%	100.00%	99.70%	99.70%
Innovative Ventures SA (I-Vent)	Greece	2007-2008	100.00%	100.00%	-	-
Ethniki Hellenic General Insurance SA	Greece	2006-2008	100.00%	100.00%	100.00%	100.00%
Audatek Hellas SA	Greece	2008	70.00%	70.00%	-	-
National Insurance Brokerage SA	Greece	2008	95.00%	95.00%	-	-
ASTIR Palace Voulogmenis SA	Greece	2006-2008	85.35%	78.06%	85.35%	78.06%
Grand Hotel Summer Palace SA	Greece	2007-2008	100.00%	100.00%	100.00%	100.00%
NBG Training Center SA	Greece	2007-2008	100.00%	100.00%	100.00%	100.00%
Ethnodata SA	Greece	2005-2008	100.00%	100.00%	100.00%	100.00%
KADMOS SA	Greece	2007-2008	100.00%	100.00%	100.00%	100.00%
DIONYSOS SA	Greece	2007-2008	99.91%	99.91%	99.91%	99.91%
EKTENEPOL Construction Company SA	Greece	2006-2008	100.00%	100.00%	100.00%	100.00%
Mortgage, Touristic PROTYPOS SA	Greece	2007-2008	100.00%	100.00%	100.00%	100.00%
Hellenic Touristic Constructions SA	Greece	2007-2008	77.76%	77.76%	77.76%	77.76%
Ethnopian SA	Greece	2007-2008	100.00%	100.00%	-	-
Ethniki Klimatikis Ekmetaletsis SA	Greece	2007-2008	100.00%	100.00%	100.00%	100.00%
P&K SA	Greece	2007-2008	-	100.00%	-	100.00%
Finansbank AS (*)	Turkey	2004-2008	99.79%	99.57%	82.21%	91.67%
Finans Finansal Kiralama AS (Finans Leasing) (*)	Turkey	2004-2008	61.68%	61.55%	2.55%	2.55%
Finans Yatirim Menkul Değerler AS (Finans Invest) (*)	Turkey	2004-2008	99.70%	99.48%	0.20%	0.20%
Finans Portfoy Yönetimi AS (Finans Portfolio Management) (*)	Turkey	2004-2008	99.69%	99.48%	0.01%	0.01%
Finans Yatirim Ortakligi AS (Finans Investment Trust) (*)	Turkey	2004-2008	87.25%	80.97%	5.30%	5.30%
IBTech Uluslararası Bilim Ve İletişim Teknolojileri AS (IB Tech) (*)	Turkey	2005-2008	99.59%	98.58%	-	-
Finans Emeklilik ve Hayat AS (Finans Pension)	Turkey	2007-2008	99.79%	99.57%	-	-
Finans Tüketici Finansmanı AS	Turkey	-	99.79%	-	-	-
Finans Malta Holdings Ltd (*)	Malta	2006-2008	99.79%	99.57%	-	-
Finansbank Malta Ltd (*)	Malta	2005-2008	99.79%	99.57%	-	-
United Bulgarian Bank AD - Sofia (UBB)	Bulgaria	2005-2008	99.91%	99.91%	99.91%	99.91%
LBB Asset Management	Bulgaria	2004-2008	99.92%	99.92%	-	-
LBB Insurance Broker	Bulgaria	2007-2008	99.93%	99.93%	-	-
Interlease EAD, Sofia	Bulgaria	2005-2008	100.00%	100.00%	100.00%	100.00%
Interlease Auto EAD	Bulgaria	2006-2008	100.00%	100.00%	-	-
ETEBA Bulgaria AD, Sofia	Bulgaria	-	100.00%	100.00%	92.00%	92.00%
ETEBA Romania SA	Romania	2000-2008	100.00%	100.00%	100.00%	100.00%
Banca Romaneasca SA (*)	Romania	2006-2008	99.28%	98.88%	99.28%	98.88%
NBG Leasing IFN SA	Romania	2007-2008	100.00%	70.00%	100.00%	70.00%
S.C. Garantia Asigurai SA	Romania	2003-2008	94.96%	94.96%	-	-
Vojvodjanska Banka a.d. Novi Sad	Serbia	2006-2008	100.00%	100.00%	100.00%	100.00%
National Bank of Greece a.d. Beograd	Serbia	2001-2007	-	100.00%	-	100.00%
NBG Leasing d.o.o. Belgrade	Serbia	2005-2008	100.00%	100.00%	100.00%	100.00%
NBG Services d.o.o. Belgrade	Serbia	2007-2008	100.00%	100.00%	-	-
Stopanska Banka AD.-Skopje (*)	FRYROM	2005-2008	94.64%	94.64%	94.64%	94.64%
NBG Greek Fund Ltd	Cyprus	2003-2008	100.00%	100.00%	100.00%	100.00%
ETEBA Emerging Markets Fund Ltd	Cyprus	-	-	100.00%	-	100.00%
ETEBA Estate Fund Ltd	Cyprus	-	-	100.00%	-	100.00%
ETEBA Venture Capital Management Co Ltd	Cyprus	-	-	100.00%	-	100.00%
National Bank of Greece (Cyprus) Ltd	Cyprus	2006-2008	100.00%	100.00%	100.00%	100.00%
National Securities Co (Cyprus) Ltd	Cyprus	-	100.00%	100.00%	-	-
NBG Management Services Ltd	Cyprus	2003-2008	100.00%	100.00%	100.00%	100.00%
Ethniki Insurance (Cyprus) Ltd	Cyprus	2008	100.00%	100.00%	-	-
Ethniki General Insurance (Cyprus) Ltd	Cyprus	2008	100.00%	100.00%	-	-
The South African Bank of Athens Ltd (SABA)	S. Africa	2008	99.67%	99.50%	94.32%	91.45%
NBG Luxembourg Holding SA	Luxembourg	-	100.00%	100.00%	94.67%	94.67%
NBG Luxfinance Holding SA	Luxembourg	-	100.00%	100.00%	94.67%	94.67%
NBG International Ltd	UK	2008	100.00%	100.00%	100.00%	100.00%

Group Companies

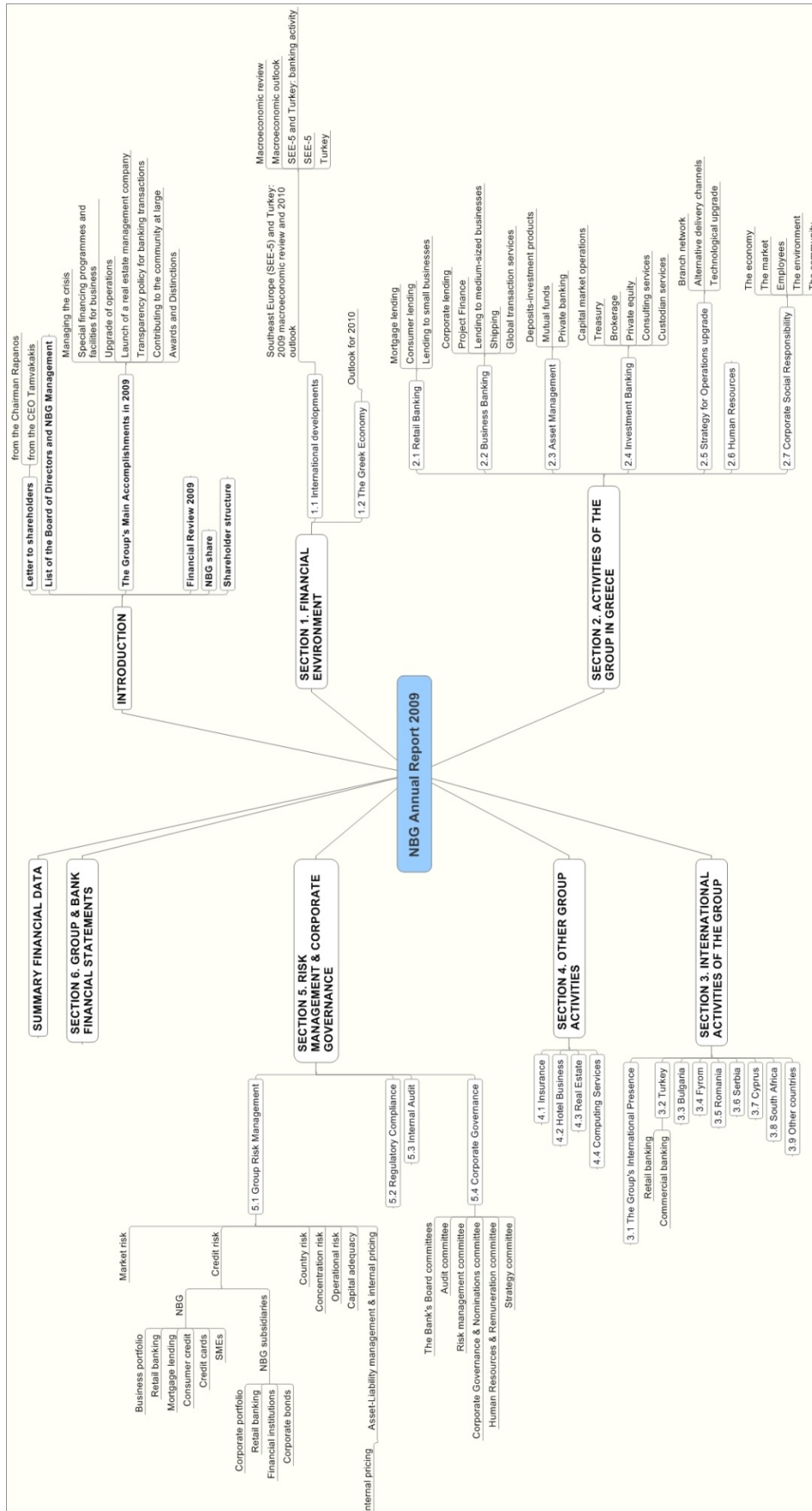
	Country	Unaudited tax years	Group		Bank	
			31.12.2008	31.12.2007	31.12.2008	31.12.2007
NBG Finance Plc	UK	2008	100.00%	100.00%	100.00%	100.00%
NBG Finance (Dollar) Plc	UK	2008	100.00%	-	100.00%	-
NBG Finance (Sterling) Plc	UK	2008	100.00%	-	100.00%	-
NBG Funding Ltd	UK	2008	100.00%	100.00%	100.00%	100.00%
NBG Private Equity Funds	UK	2008	100.00%	100.00%	-	-
Eterika Plc (Special Purpose Entity)	UK	2008	-	-	-	-
Revolver APC Limited (Special Purpose Entity)	UK	-	-	-	-	-
Revolver 2008-1 PLC (Special Purpose Entity)	UK	-	-	-	-	-
NBG Private Equity SAS	France	2008	100.00%	-	-	-
NBG International Inc. (NY)	USA	2000-2008	100.00%	100.00%	-	-
NBG International Holdings BV	The Netherlands	2008	100.00%	100.00%	100.00%	100.00%
CPT Investments Ltd	Cayman Islands	-	50.10%	50.10%	50.10%	50.10%

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

(Source: NBG, Annual Report 2008, 06 May 2009, pp. 142-143)

APPENDIX B

NBG GROUP ANNUAL REPORT OF 2009 (one-page presentation)



APPENDIX C
NBG GROUP: Comparative list of financial elements

in '.000' of euro

	2010/9m	2009	2008	2007
Total assets	123,516,923 €	113,394,183 €	101,323,242 €	90,385,574 €
Fixed assets	4,709,978 €	4,586,095 €	4,456,762 €	4,869,918 €
<i>Total liabilities</i>	114,209,839 €	103,566,665 €	93,056,188 €	81,843,639 €
<i>Total equity (excluding minority interest and preferred securities)</i>	8,033,411 €	8,453,450 €	5,971,607 €	6,470,420 €
Total equity and liabilities	122,243,250 €	112,020,115 €	99,027,795 €	88,314,059 €
<i>Total equity</i>	9,307,084 €	9,827,518 €	8,267,054 €	8,541,935 €
<i>Loans and advances to customers (net)</i>	77,201,975 €	74,752,545 €	69,897,602 €	54,693,204 €
<i>Receivables from public sector</i>	6,125,000 €	5,619,518 €	0 €	0 €
Net Loan Book	71,076,975 €	69,133,027 €	69,897,602 €	54,693,204 €
Customer Deposits	70,134,367 €	71,194,471 €	67,656,948 €	60,530,411 €
Net profits after taxes	290,677 €	963,345 €	1,584,943 €	1,644,121 €
Shareholders equity	8,033,411 €	8,453,450 €	5,971,607 €	6,470,420 €
Total income	3,320,998 €	5,077,095 €	4,925,831 €	4,559,210 €
Net interest income	3,108,471 €	3,940,289 €	3,579,534 €	3,051,117 €
Profit for the period	290,677 €	963,345 €	1,584,943 €	1,644,121 €
Total income excluding trading income	3,594,849 €	4,648,680 €	4,498,542 €	4,079,309 €
<i>Personnel expenses</i>	1,143,459 €	1,577,474 €	1,447,667 €	1,423,558 €
<i>Main pension fund</i>	0 €	25,500 €	0 €	0 €
<i>General administrative and other operating expenses</i>	554,365 €	725,032 €	771,742 €	718,511 €
<i>Depreciation, amortization of fixed assets</i>	148,275 €	197,842 €	163,499 €	147,253 €
<i>Amortization of intangible assets</i>	19,195 €	24,071 €	27,406 €	29,027 €
Operating expenses	1,865,294 €	2,498,919 €	2,410,314 €	2,318,349 €
Tax expense	174,815 €	288,720 €	352,071 €	258,808 €
EBT Earnings before tax (profit before tax)	465,552 €	1,252,065 €	1,937,014 €	1,902,929 €

APPENDIX D
NBG GROUP: Ratios

		2010/9M	2009	2008	2007
Operating risk ratio	<i>fixed assets/total assets</i>	0.038	0.040	0.044	0.054
Financing risk ratio	<i>total liabilities/owners equity+total liabilities</i>	0.934	0.925	0.940	0.927
Return on Total Assets (ROA)	<i>Net profits after taxes/Total assets</i>	0.24%	0.85%	1.56%	1.82%
Return on Equity (ROE)	<i>Net profits after taxes/Shareholders equity</i>	3.62%	11.40%	26.54%	25.41%
EPS Earnings per share	<i>Earnings available to Common Shareholders/Number of shares outstanding</i>	0.23 €	1.48 €	2.71 €	3.10 €

Equity/Loans	11.30%	12.23%	8.54%	11.83%
Loans/Assets	57.54%	60.97%	68.98%	60.51%
Loans/Deposits	#####	97.10%	#####	90.36%
Deposits/Assets	56.78%	62.78%	66.77%	66.97%

Equity ratio	<i>equity/assets</i>	6.50%	7.45%	5.89%	7.16%
Debt ratio	<i>total liabilities/total assets</i>	0.925	0.913	0.918	0.905
Debt to equity ratio	<i>total liabilities/total equity</i>	12.271	10.538	11.256	9.581

Net interest income/total income	93.60%	77.61%	72.67%	66.92%
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Administrative costs/Total assets	0.45%	0.64%	0.76%	0.79%
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Total income/Total assets	2.69%	4.48%	4.86%	5.04%
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Operating expenses/total assets	1.51%	2.20%	2.38%	2.56%
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APPENDIX E
NBG GROUP BALANCE SHEETS
YEARS OF 2005-2009, BY NEW YORK TIMES

Fiscal year end: Dec 31	2005	2006	2007	2008	2009
Cash & Due from Banks	1,511	1,884	4,227	1,540	1,430
Interest-Earning Deposits	2,508	4,382	4,150	4,833	5,999
Fed. Fund/Resale	2,498	2,398	1,418	657	532
Trading Account Assets	8,559	7,374	6,879	2,057	3,168
Other Short-Term Invest.	179	368	254	241	1,240
Securities Held	21	0	n.a.	131	150
Securities for Sale	2,891	4,480	4,885	13,805	17,612
Total Invest. Securities	2,912	4,480	4,885	13,936	17,712
Other Earning Assets	230	235	76	57	25
Other Emg. Assets, Total	18,882	19,237	17,459	21,561	28,676
Total Gross Loans	30,674	43,757	55,580	70,467	75,834
Loan Loss Allowances	(1,093)	(1,225)	(1,133)	(1,233)	(2,085)
Net Loans	29,582	42,532	54,428	69,234	73,769
Buildings	652	784	881	937	1,059
Land/Improvements	174	193	174	199	200
Machinery/Equipment	552	595	639	914	1,006
Other Prop./Plant/Equip.	120	179	256	n.a.	n.a.
Prop./Plant/Equip. - Gross	1,498	1,751	1,931	2,050	2,273
Accumulated Depreciation	(754)	(800)	(914)	(950)	(1,078)
Prop./Plant/Equip. - Net	745	951	1,018	1,099	1,195
Goodwill, Net	305	2,350	3,785	3,403	3,406
Intangibles, Gross	226	415	691	724	795
Accum. Intangible Amort.	(186)	(205)	(259)	(292)	(355)
Intangibles, Net	42	210	432	432	439
Def. Inc. Tax - LT Asset	558	582	574	n.a.	n.a.
Interest Receivable	535	701	844	1,258	1,030
Other Assets	9,847	7,288	8,217	3,310	3,239
Other Assets, Total	10,382	7,989	9,060	4,580	4,269
Total Assets	80,007	75,714	90,961	101,849	113,184
Liabilities					
Accounts Payable	948	1,487	1,880	1,276	1,265
Accrued Expenses	344	458	433	609	481
Non-Interest Bearing Dep.	4,872	6,286	5,611	5,085	5,699
Interest Bearing Deposits	40,379	49,619	61,282	75,438	82,136
Total Deposits	45,587	56,091	67,218	81,217	87,897
Acceptances Outstanding	0	0	n.a.	n.a.	n.a.
Other Bearing Liabilities	n.a.	n.a.	407	387	373
Other Bearing Liab. Total	0	0	407	387	373
Fed Funds Purch.	2,727	3,038	3,510	1,757	4,485
Other ST Borrowings	196	296	474	537	311
Total ST Borrowings	2,923	3,334	3,983	2,294	4,796
Dividends Payable	13	224	195	21	19
Income Taxes Payable	196	296	142	127	163
Other Cur. Liab. Total	209	520	338	148	162
Total Long Term Debt	2,152	4,446	5,425	4,385	3,357
Total Debt	5,075	7,779	9,409	6,679	8,153
Minority Interest	89	789	775	1,056	1,099
Other Liabilities, Total	5,383	2,952	3,805	4,587	5,286
Total Liabilities	57,634	70,075	84,042	95,917	104,917
Redeemable Preferred Stock	n.a.	n.a.	0	8	358
Shareholder Equity					
Common Stock	1,618	2,376	2,388	2,463	3,035
Additional Paid-in Capital	140	2,413	2,489	3,288	3,878
Ret. Earnings (Accum. Deficit)	617	925	1,795	2,016	2,524
Treasury Stock - Common	(1)	(27)	(22)	(145)	(11)
Other Equity, Total	2	(49)	271	(1,897)	(1,517)
Total Equity	2,373	5,839	8,919	5,932	8,267
Total Liabilities & Shareholders' Equity	60,007	75,714	90,961	101,849	113,184
Ttl Comm. Shares Out.	350	474	477	490	607
Tray. Shrs-Comm. Primary Iss.	0	1	1	6	0
Tray. Shrs-Pref. Iss. 1	n.a.	n.a.	n.a.	0	0

(Source: Analysis Tools - Financials Table - NYTimes.com, The NBG Group,
<http://markets.on.nytimes.com/research/stocks/fundamentals/financials.asp?type=bs&symbol=NBG>
 Accessed on 03 March 2011)

APPENDIX F
NBG GROUP INCOME STATEMENTS
YEARS OF 2005-2009, BY NEW YORK TIMES

Fiscal year end: Dec 31	2005	2006	2007	2008	2009
Interest & Fees on Loans	1,592	2,373	4,175	5,174	5,040
Inter & Divid Invest Securs	95	185	372	608	846
Fed. Fund/Resale	109	111	121	98	29
Interest on Deposits	200	288	306	232	84
Other Interest Income	20	68	114	98	68
Trading Account Interest	375	481	517	491	186
Interest Income, Bank	2,390	3,503	5,606	6,895	6,231
Interest on Deposit	888	1,250	2,302	2,998	2,318
Inter on Other Borrowings	9	28	59	34	37
Fed Funds Sold/Secs Sold under Repurch Agmt	142	127	259	281	90
Total Interest Expense	837	1,402	2,620	3,290	2,445
Net Interest Income	1,553	2,100	2,986	3,405	3,786
Loan Loss Provision	225	262	191	428	998
Net Inter/in after Loan Loss Provision	1,328	1,839	2,796	2,980	2,788
Fees & Comms/ from Operat	38	41	43	51	49
Comms/ & Fees/ Secur Act	158	144	289	(15)	(38)
Credit Card Fees	80	127	209	243	201
Fees for Other Cust Serv	370	457	626	554	502
Dealer Trading Acct Profit	8	8	(98)	(330)	(87)
Other Revenue	817	982	1,078	1,042	1,091
Non-Interest Income, Bank	1,487	1,757	2,148	1,545	1,720
Labor & Related Expense	(877)	(999)	(1,384)	(1,421)	(1,533)
Amortization of Intangibles	(84)	(99)	(140)	(162)	(188)
Other Unusual Expense	(33)	(91)	(47)	(23)	(25)
Other Expense	(1,001)	(1,298)	(1,877)	(1,773)	(1,852)
Non-Interest Expense, Bank	(1,995)	(2,485)	(3,248)	(3,379)	(3,697)
Income Taxes					
Net Income Before Taxes	800	1,111	1,695	1,145	810
Provision for Income Taxes	233	215	311	242	221
Net Income After Taxes	568	896	1,384	903	589
Minority Interest	(41)	(95)	(85)	(82)	(82)
Minority Interest and Equity in Affiliates					
Net Income Before Extra. Items	527	800	1,319	821	527
Total Extraordinary Items	28	58	0	0	n.a.
Cash From (Used By) Operating Activities					
Net Income	568	896	1,319	821	527
Total Adjust to Net Income	n.a.	0	0	(33)	(42)
Adjustments to Net Income					
Income Available to Common Excl. Extra. Items	527	800	1,319	789	485
Income Available to Common Incl. Extra. Items	568	896	1,319	789	485
EPS Reconciliation					
Basic/Primary Weighted Average Shares	385	435	494	494	554
Basic/Primary EPS Excl. Extra. Items	1.44	1.83	2.67	1.60	0.88
Basic/Primary EPS Incl. Extra. Items	1.52	1.97	2.67	1.60	0.88
Dilution Adjustment	0	0	0	n.a.	n.a.
Diluted Weighted Average Shares	385	435	495	494	554
Diluted EPS Excl. Extra. Items	1.44	1.83	2.66	1.60	0.88
Diluted EPS Incl. Extra. Items	1.52	1.97	2.66	1.60	0.88
Common Stock Dividends					
EPS - Common Stock Primary Issue	0.58	0.98	1.00	0.40	0.00
Gross Dividend - Common Stock	198	550	447	n.a.	0
Pro Forma Income					
Pro Forma Net Income	n.a.	n.a.	n.a.	n.a.	n.a.
Supplemental Income					
Depreciation, Supplemental	80	74	92	101	123
Total Special Items	33	91	47	23	25
Normalized Income					
Normalized Income Before Taxes	833	1,202	1,742	1,168	834
Effect of Special Items on Income Taxes	10	18	9	5	7
Inc Tax Ex Impact of Sp Items	242	232	320	247	227
Normalized Income After Tax	691	970	1,422	921	807
Normalized Inc Avail to Common	650	874	1,357	807	503
Basic Normalized EPS	1.51	2.00	2.75	1.63	0.89
Diluted Normalized EPS	1.51	2.00	2.74	1.63	0.89

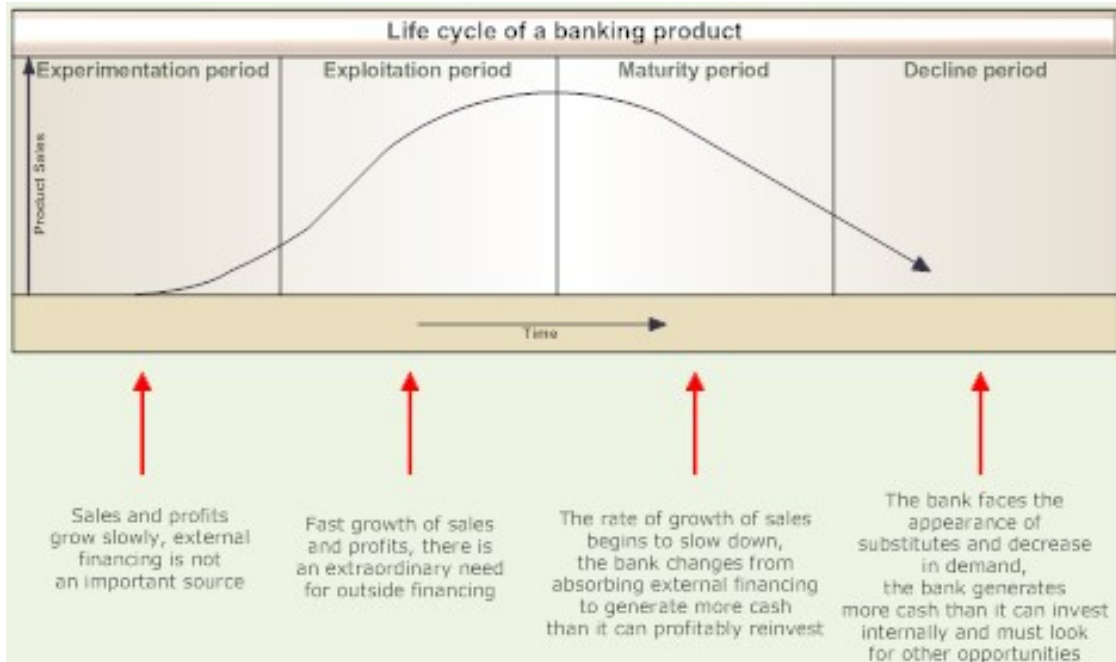
(Source: Analysis Tools - Financials Table - NYTimes.com, The NBG Group,
<http://markets.on.nytimes.com/research/stocks/fundamentals/financials.asp?type=is&symbol=NBG>
 Accessed on 13 March 2011)

APPENDIX G
NBG GROUP CASH FLOW STATEMENTS
YEARS OF 2005-2009, BY NEW YORK TIMES

Fiscal year end: Dec 31	2005	2006	2007	2008	2009
Cash From (Used By) Operating Activities					
Net Income	527	800	1,384	903	589
Depreciation/Depletion	80	74	92	104	123
Amortization	34	24	48	58	85
Deferred Taxes	85	(98)	79	82	57
Discontinued Operations	49	(2)	n.a.	n.a.	n.a.
Unusual Items	(15)	(25)	(58)	(407)	132
Equity in Net Earnings/Loss	(37)	(27)	(29)	21	19
Other Non-Cash Items	(10)	(38)	82	(254)	(84)
Non-Cash Items	(13)	(92)	(4)	(640)	87
Cash Taxes Pd, Supplemental	154	295	188	34	76
Cash Interest Pd, Suppl	848	1,274	2,371	3,242	3,114
Loan Loss Provision	225	282	191	428	398
Other Assets	(2,282)	1,148	388	4,832	(2,885)
Payable/Accrued	750	(182)	420	20	646
Changes in Working Capital	(2,403)	1,307	927	5,183	(1,293)
Total Cash from Operations	(1,739)	2,015	2,528	5,671	(372)
Plus: Cash From (Used By) Investing Activities					
Capital Expenditures	(118)	(153)	(218)	(250)	(186)
Acquisition of Business	(34)	(2,465)	(1,750)	(498)	0
Sale of Business	0	315	2	0	0
Sale/Maturity of Investment	4,488	8,187	14,402	14,178	21,542
Investment, Net	1,263	131	1,335	782	119
Purchase of Investments	(4,729)	(8,213)	(14,723)	(18,648)	(24,282)
Loans Origination - Invest	(4,881)	(7,215)	(12,143)	(16,201)	(5,524)
Foreclosed Real Estate	104	149	59	118	8
Other Investing Cash Flow	2,825	1,292	281	(585)	(1,875)
Other Invest/Cash/Flow/Inv. Tot	(1,243)	(7,823)	(12,530)	(19,854)	(9,893)
Total Cash from Investing	(1,381)	(7,978)	(12,746)	(20,104)	(10,889)
Deposits	6,572	3,902	10,948	13,655	7,298
Other Financing Cash Flow	(3,240)	(1,352)	1,032	(1,379)	2,502
Plus: Cash From (Used By) Financing Activities					
Financing Cash Flow Items	3,332	2,550	11,981	12,277	9,850
Total Cash Dividends Paid	(193)	(339)	(475)	(212)	(43)
Sale/Issuance of Common	331	3,074	227	544	1,501
Repurch/Retirement Common	(27)	(59)	(189)	(279)	(228)
Common Stock, Net	304	3,005	58	285	1,273
Iss (Retiremt) of Stock, Net	304	3,005	58	285	1,273
Long Term Debt Issued	513	2,224	2,725	1,020	2,456
Long Term Debt Reduction	(10)	(1,185)	(1,752)	(1,488)	(3,128)
Long Term Debt, Net	504	1,039	973	(468)	(672)
Iss (Retiremt) of Debt, Net	504	1,039	973	(468)	(672)
Total Cash from Financing	3,946	6,258	12,538	11,884	10,358
Equals: Increase (Decrease) in Cash					
Foreign Exchange Effects	13	8	49	(137)	(7)
Net Change in Cash	859	301	2,363	(2,657)	(110)
Net Cash-Begin/Bal/Rv/dbr/Fut/Use	703	1,563	1,884	4,227	1,540
Net Cash-End/Bal/Rv/dbr/Fut/Use	1,563	1,864	4,227	1,540	1,430
Supplemental Income					
Depreciation, Supplemental	80	74	92	104	123
Cash Interest Pd, Suppl	848	1,274	2,371	3,242	3,114
Cash Taxes Pd, Supplemental	154	295	188	34	76

(Source: Analysis Tools - Financials Table - NYTimes.com, The NBG Group,
<http://markets.on.nytimes.com/research/stocks/fundamentals/financials.asp?type=cf&symbol=NBG>
 Accessed on 13 March 2011)

APPENDIX H THE LIFE CYCLE OF A BANKING PRODUCT



**APPENDIX I
THE PERFEX SCORECARD**

The 14 factors to measure:

Dimensions and Items of:	
AFP	<p>Annual Export Venture Financial Performance (1 = "strongly disagree" and 5 = "strongly agree") In Year Y,</p> <p>AFP1 •This export venture has been very profitable. AFP2 •This export venture has generated a high volume of sales. AFP3 •This export venture has achieved rapid growth.</p>
ACE	<p>Contribution of the Export Venture to Annual Exporting Operations (0%–9%, 10%–29%, 30%–59%, 60%–84%, 85%–100%) In Year Y, what was the contribution of the export venture to</p> <p>ACE1 •Export sales volume? ACE2 •Export sales value? ACE3 •Export profit?</p>
Dimensions and Items of:	
AST	<p>Annual Export Venture Strategic Performance (1 = "strongly disagree" and 5 = "strongly agree") In Year Y,</p> <p>AST1 •This export venture has improved our global competitiveness. AST2 •This export venture has strengthened our strategic position. AST3 •This export venture has significantly increased our global market share.</p>
AA	<p>Annual Export Venture Achievement (1 = "strongly disagree" and 5 = "strongly agree") In Year Y,</p> <p>AA1 •The performance of this export venture has been very satisfactory. AA2 •This export venture has been very successful. AA3 •This export venture has fully met our expectations.</p>
ASP	<p>Satisfaction with Annual Export Venture Overall Performance (1 = "not satisfied at all" and 5 = "extremely satisfied") In Year Y, how satisfied are you with the results of the export venture when considering</p> <p>ASP1 •Market share in the selected importing market of the export venture? ASP2 •Overall export performance?</p>

(Source: Lages, Filipe Luis (2005) Bringing Export Performance Metrics into Annual Reports: The APEV Scale and the PERFEX Scorecard. *Journal of International Marketing*, 13(3), pp. 87-88).

The scorecard model:

Subjective Metrics													
Export Venture Description	Product/Market	Objective Metrics		Short-Term Dimensions			Long-Term Dimensions			Export Venture Performance			
		Metric ^a	Ranking ^a	AFP _{Score} ^b : ACE _{Score} ^c : Three-Item Average		AST _{Score} ^b : AA _{Score} ^c : Three-Item Average		ASP _{Score} ^b : Two-Item Average		EV Weight to Overall Export Performance (%)	= EV Weighted Score	Year Y - 1 Base(s) ^b	Year Y + 1 Prior-ity ^b
				Weight (%)	Weight (%)	Weight (%)	Weight (%)	Weight (%)					
EV1	/	---	---	X	---	X	---	X	---	X	---	---	
EV2	/	---	---	X	---	X	---	X	---	X	---	---	
EV3	/	---	---	X	---	X	---	X	---	X	---	---	
EVh	...	---	---	
										Sum =	PERFEX _{Score}		

^aThe number of columns is equal to the number of export ventures' objective performance metrics (e.g., sales volume, profit, ROI, market share). If more than one objective metric is available, a summary column with a final export ventures' ranking should be created while taking into consideration the different weights for each metric.

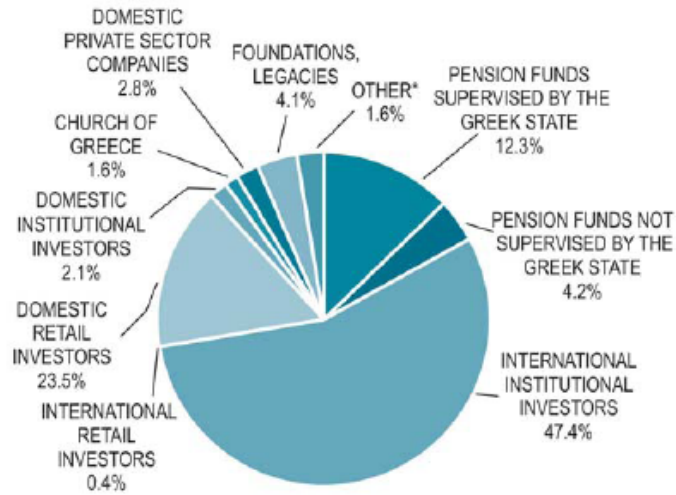
^bThese fields should take into consideration the EV_{WeightedScore} and, if possible, existing objective metrics.

Notes: PERFEX_{Score} = EV1_{WeightedScore} + EV2_{WeightedScore} + EV3_{WeightedScore} + EV4_{WeightedScore} + EVn_{WeightedScore} APEV_{Score} = AFP_{Score} + ACE_{Score} + AA_{Score} + AST_{Score} EV = export venture.

(Source: Lages, Filipe Luis (2005) Bringing Export Performance Metrics into Annual Reports: The APEV Scale and the PERFEX Scorecard. *Journal of International Marketing*, 13(3), p. 93).

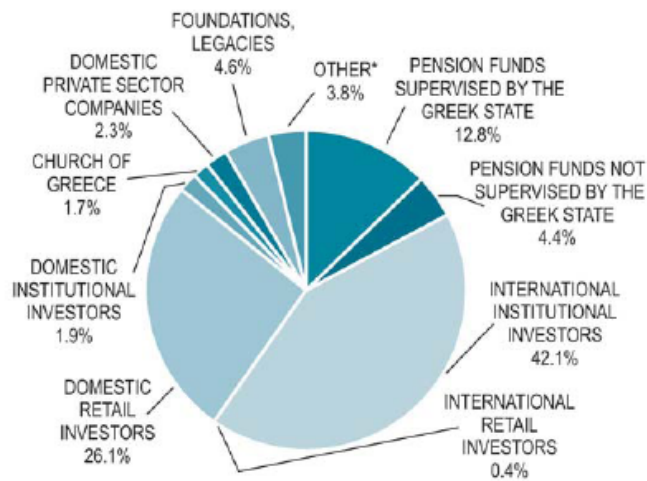
APPENDIX J NBG SHAREHOLDER STRUCTURE

NBG SHAREHOLDER STRUCTURE
AT 31 DECEMBER 2009



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

NBG SHAREHOLDER STRUCTURE
AT 31 DECEMBER 2008



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

(Source: NBG, Annual Report 2009, 29 May 2010, p. 24)