EFG Hellas Funding Limited

Annual Report

31 December 2009

Contents

Declaration of the Managers Responsible for Financial Reporting

Pursuant to paragraph 4 of Luxembourg's Transparency Law, the undersigned Fokion Karavias and Anastasios Ioannidis, Directors of the Company, to the best of their knowledge, hereby declare that the above Annual financial statements prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and that the management report includes an indication of important events that have occurred during the financial year, and their impact on the financial statements, together with a description of the principal risks and uncertainties the Company is exposed to.

F. Karavias
Director

A. Ioannidis
Director

14 May 2010

Report of the Directors

The directors submit their report and financial statements of the EFG Hellas Funding Limited ("the Company") for the year ended 31 December 2009.

1. Business review and principal activities

The Company was incorporated on 4 March 2005. It is a public company limited by shares, incorporated and domiciled in Jersey, Channel Islands. The registered number of the Company is 89637 and the registered address is Whiteley Chambers, Don Street, St. Helier, Jersey JE4 9WG, Channel Islands.

The principal activity of the Company is to provide funding to its immediate parent company, EFG Eurobank Ergasias S.A., a bank incorporated in Greece, by the issue of non-cumulative guaranteed non-voting preferred securities. During 2009 the company issued € 400 million preferred securities (see note 13).

The preferred securities issued by the Company have been guaranteed on a subordinated basis by EFG Eurobank Ergasias S.A.

The profit for the year amounted to € 77 ths (2008: € 33 ths). The directors do not recommend the payment of a dividend (2008: nil).

2. Business environment, strategy and future outlook

The Company's business strategy and activities are linked to those of its parent company. The business environment during 2009 has been challenging for the EFG Eurobank Ergasias S.A. and the Company. The second half of 2009 witnessed clear signs of stabilization in global financial markets, and world economies, including the region the parent company operates in (Greece, Central and Southeastern Europe), are slowly working out of the recession. This same period, however, also brought to the fore the structural weaknesses which the Greek government needs to address, namely the large General Government debt, further burdened by Greek sovereign spreads which are significantly wider than other Euro-zone member states. The Greek Government has announced a series of austerity measures to reduce the budget deficit through structural reforms, curbed public spending and increased taxation. At the same time, it agreed to receive a joint EMU/IMF support package of €110bn over the next three years, which allows the Greek Government to implement its fiscal adjustment plan without the need to resort to market financing over the next three years. The package became operational in May 2010 and the European Council has reaffirmed its strong support to the reform programme of the Greek government. Furthermore, the European Council decided to set up a European Financial Stabilization Mechanism (with IMF participation) to offer, if required, financial support to Member States. This mechanism can reach €750 bn and safeguards the stability of all the euro area. In addition, the ECB has decided to purchase sovereign and corporate debt directly from the markets in order to ensure depth and liquidity in the euro area public and private debt securities markets. In this business environment, the Company's cost of funding and interest rate spreads have increased.

The assessment by the directors of the Company's ongoing business model is closely associated with the business decisions and operations of the parent company. On the basis of the analysis of the Bank's and the Company's profitability, liquidity and macro-economic environment, the directors of the Company consider the financial position of the Company to be satisfactory at the year end, and they expect the business to continue to develop in 2010 and beyond, subject to the current market conditions and the perspective of Greek sovereign debt. The directors monitor the progress of the Company by reference to financial and non-financial data available to them on a regular basis. Particular attention is paid to key performance indicators, including net interest margin and the balances for preferred securities outstanding at the reporting date. These are adjusted regularly in line with the requirements of the business and the nature of the monitoring activities.

3. Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. All of the key business risks affecting the Company, including credit risk, are managed in coordination with the parent company, and are set out in Note 15 to the financial statements.

The proceeds from the issue of preferred securities are placed to financial assets originated from the parent company and its subsidiary, EFG Hellas Plc. Therefore, the Company's financial position may be influenced by the parent Company's financial condition. The principal risks and uncertainties of the parent company for 2010, which include those of the Company, are discussed in the Report of Directors included in the 2009 Annual Financial Report of EFG Eurobank Ergasias S.A. Bank, which was signed on 24 March 2010 (available at website: **www.eurobank.gr**).

4. Directors

The directors of the Company who acted during the year were as follows:

Nicholaos Karamouzis
Fokion Karavias
Yasmine Ralli, resigned on June 30, 2009
Julia Zavakos
Michael Lombardi
Peter Gatehouse
Alexandra Vogiatzi, appointed on July 21, 2009
Anastasios Ioannidis, appointed on July 21, 2009
Marialena Antonara, appointed on July 21, 2009

None of the directors has or had any notifiable interest in the shares of the Company or any member of the EFG Bank European Financial Group.

5. Parent company

The immediate parent company is EFG Eurobank Ergasias SA, incorporated in Greece. The ultimate parent company is Private Financial Holdings Limited (PFH), which is owned and controlled indirectly by members of the Latsis family.

6. Directors' responsibilities in relation to the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

The directors have elected to prepare financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. The Directors must not approve the financial statements unless they are satisfied to give a true and fair view of the state of affairs of the Company and the profit or loss for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting International Financial Reporting Standards (IFRSs) as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statement comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

7. Statement of disclosure of information to auditors

Each director in office at the date of the director's report confirms that:

- so far as the directors are aware, there is no relevant audit information of the Company of which the Company's auditors are unaware; and
- they have taken all steps that ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

8. Auditors

A resolution is to be proposed at the annual general meeting for the re-appointment of PricewaterhouseCoopers as auditors of the Company.

9. Secretary

The secretary of the Company who held office for the year ended 31 December 2009 and up to the date of signature of the report and financial statements was Ogier SPV Services Limited.

By order of the Board

F. Karavias
Director

14 May 2010

A Ioannidis
Director

14 May 2010

Independent auditors' report to the members of EFG Hellas Funding Limited

We have audited the financial statements (the "financial statements") of EFG Hellas Funding Limited for the year ended 31 December 2009 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards ("IFRS"), as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Article 110 of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Jersey) Law 1991. We report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Company's affairs as at 31 December 2009 and of its profit and cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies (Jersey) Law 1991; and
- the information given in the Directors' Report is consistent with the financial statements.

Andreas Riris
PricewaterhouseCoopers SA
Chartered Accountants
Athens, Greece

14 May 2010

Income Statement
for the year ended 31 December 2009

	Note	2009 €'000	2008 €'000
Interest and similar income	4	49,675	39,611
Interest expense and similar charges	5	(49,532)	(39,535)
Net interest income		143	76
Net gains/(losses) from financial instruments designated at fair value	12	-	-
Operating Expenses	6	(66)	(43)
Profit before Income tax		77	33
Income tax expense	8	-	-
Profit for the year		77	33
Attributable to equity holders:		77	33

The notes on pages 12 to 21 form part of these financial statements

Balance Sheet at 31 December 2009

	Note	2009 €'000	2008 €'000
Assets			
Deposits with banks	9	140	126
Financial assets designated at fair value through profit or loss	10	393,022	-
Held-to-maturity investment securities	11	803,676	804,527
Total assets		1,196,838	804,653
Liabilities			
Preferred Securities designated at fair value through profit or loss	12	393,022	-
Preferred Securities at amortized cost	13	803,655	804,559
Other liabilities		-	10
Total liabilities		1,196,677	804,569
Equity			
Share capital	14	10	10
Retained earnings		151	74
Total equity		161	84
Total equity and liabilities		1,196,838	804,653

The financial statements on pages 8 to 21 were approved by the board of Directors on 14 May 2010 and signed on their behalf by:

F. Karavias
Director

14 May 2010

A. Ioannidis
Director

14 May 2010

The notes on pages 12 to 21 form part of these financial statements

Statement of Changes in Equity for the year ended 31 December 2009

	Share capital €'000	Retained earnings €'000	Total €'000
At 1 January 2008	10	41	51
Other comprehensive income for the year	-	-	-
Profit for the year	-	33	33
Total comprehensive income for the year ended 31 December 2008	-	33	33
At 31 December 2008	10	74	84
At 1 January 2009	10	74	84
Other comprehensive income for the year	-	-	-
Profit for the year	-	77	77
Total comprehensive income for the year ended 31 December 2009	-	77	77
At 31 December 2009	10	151	161

The notes on pages 12 to 21 form part of these financial statements

Cash Flow Statement
for the year ended 31 December 2009

	2009 €'000	2008 €'000
Cash flows from operating activities		
Interest received	45,504	39,246
Interest paid	(45,424)	(39,166)
Cash payments to suppliers	(66)	(68)
Cash flows from operating activities	**14**	**12**
Net increase/(decrease) in cash and cash equivalents	14	12
Cash and cash equivalents at beginning of year	126	114
Cash and cash equivalents at end of year (note 9)	**140**	**126**

The notes on pages 12 to 21 form part of these financial statements

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

1. General information

EFG Hellas Funding Limited is a Jersey-based public limited company under the laws of Jersey with registered number 89637. The Company is a subsidiary of EFG Eurobank Ergasias S.A. (the "parent company"). EFG Hellas Funding Limited is a finance company whose sole business is raising debt for the parent company via notes listed on various European Stock Exchanges including London, Frankfurt, Luxembourg and Euronext Amsterdam, purchased by institutional and private investors. The listed notes outstanding are guaranteed by the parent company. EFG Hellas Funding Limited has no employees, executive Directors or audit committee.

2. Accounting policies

a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations as adopted by the European Union (EU) and in accordance with the Companies (Jersey) Law 1991.

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

The Company's presentation currency is the Euro (€) being the functional currency of the Company. Except as indicated, financial information presented in euros ("€") has been rounded to the nearest thousand.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The policies set out below have been consistently applied to the years 2008 and 2009. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

(a) Amended and new standards and interpretations effective in 2009

-IFRS 2, Amendment - Vesting conditions and cancellations
-IFRS 7, Amendment - Financial Instruments: Disclosures
-IFRS 8, Operating segments
-IAS 1, Revised - Presentation of financial Statements
-IAS 32 and IAS 1, Amendment - Puttable financial instruments and obligations arising on liquidation
-IAS 39 and IFRIC 9, Amendments to Embedded derivatives
-IFRIC 13, Customer loyalty programmes
- Amendments to various Standards that form part of IASB's Annual Improvement Project (issued May 2008)

(b) Standards and interpretations issued but not yet effective

- IFRS 2, Amendments - Group Cash settled Share based payment transactions (effective 1 January 2010)
- IFRIC 14, Amendment - Prepayments of a Minimum Funding Requirement (not yet endorsed by EU)
- IFRIC 15, Agreements for the Construction of Real Estate (effective 1 January 2010)
- IFRIC 16, Hedges of a Net Investment in a Foreign Operation (effective 1 January 2010)
-IFRIC 17, Distribution of non-cash assets to owners (effective 1 January 2010)
- IFRS 9, Financial instruments (not yet endorsed by EU)
- IAS 24, Amendment - Related Party disclosures (not yet endorsed by EU)
- IAS 32, Amendment - Classification of Rights Issues (effective 1 January 2011)
- IAS 39, Amendment - Eligible Hedged Items (effective1 January 2010)

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

2. Accounting policies (continued)

a) Basis of preparation (continued)

- IFRIC 19, Extinguishing Financial Liabilities (not yet endorsed by EU)
- Amendments to various Standards that form part of IASB's Annual Improvement Project (issued April 2009, effective1 January 2010)

The application of the above mentioned standards and interpretations is not expected to have a material impact on the Company's financial statements in the period of the initial application.

b) Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognized within 'interest income' and 'interest expense' in the income statement using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and commissions paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

c) Financial assets

The Company classifies its financial assets in the following IAS 39 categories: financial assets designated at fair value through profit or loss, loans and receivables and held to maturity. Management determines the classification of its financial instruments at initial recognition.

(i) Financial assets at fair value through profit or loss
This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss upon initial recognition. A financial asset is classified as held for trading if acquired principally for the purpose of selling or repurchasing in the short term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments.

The Company designates certain financial assets upon initial recognition as at fair value through profit or loss when any of the following apply:

a) it eliminates or significantly reduces measurement or recognition inconsistencies; or
b) financial assets share the same risks with financial liabilities and those risks are managed and evaluated on a fair value basis ; or
c) structured products containing embedded derivatives that could significantly modify the cash flows of the host contract.

(ii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those that the Company upon initial recognition designates as at fair value through profit or loss.

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. If the Company were to sell other than an insignificant amount of held-to-maturity assets, the entire category would be tainted and reclassified as available-for-sale.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

2. Accounting policies (continued)

c) Financial assets (continued)

Accounting treatment and calculation

Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. The held of maturity investments are stated at amortized cost and are accounted for on a trade-date basis.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or where the Company has transferred substantially all risks and rewards of ownership.

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active, the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

d) Impairment of financial assets

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

e) Financial Liabilities

The Company classifies its financial liabilities in the following categories: financial liabilities measured at amortized cost and financial liabilities at fair value through profit or loss. Financial liabilities at fair value through profit or loss have two sub categories: financial liabilities held for trading and financial liabilities designated at fair value through profit or loss upon initial recognition.

The Company designates financial liabilities at fair value through profit or loss when any of the following apply:

a) it eliminates or significantly reduces measurement or recognition inconsistencies; or
b) financial liabilities share the same risks with financial assets and those risks are managed and evaluated on a fair value basis; or
c) structured products containing embedded derivatives that could significantly modify the cash flows of the host contract.

Financial liabilities are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires.

Financial liabilities consist of preferred securities issued by the Company. Preferred Securities are perpetual securities that have no fixed redemption date. However, they may be redeemed, at the option of the Company, in whole, if certain conditions mentioned in the offering circular are met. They are stated either at amortized cost or at fair value and are accounted for on a trade date basis.

f) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Dividend distribution on shares is recognized as a deduction in the Company's equity when approved by the Company's shareholders.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

2. Accounting policies (continued)

g) Income Tax

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

h) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include deposits held at call with banks with original maturity of three month or less.

i) Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at fair value on the date on which a derivative contract is entered into and subsequently are re-measured at their fair value. Fair values are obtained from quoted market prices, including recent market transactions, discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e., the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

Certain derivatives, embedded in other financial instruments, are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the income statement.

j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

k) Related party transactions

Related parties include fellow subsidiaries. All banking transactions entered into with related parties are in the normal course of business and on an arm's length basis.

3. Critical accounting estimates and judgement

In the process of applying the Company's accounting policies, the Company's Management makes various judgments, estimates and assumptions that affect the reported amounts of assets and liabilities recognized in the financial statements within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There were no significant estimates used in preparing the financial statements. However the most significant judgment applied is as follows:

a) Fair value financial instruments

The fair values of Company's financial instruments that are not quoted in active markets are obtained from the parent company. The parent company determines the fair values by using valuation techniques. These valuation techniques (for example, models) are validated and periodically reviewed by the qualified personnel independent of the area that created them. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

4. Interest and similar income

	2009 € 000	2008 € 000
Interest on financial assets designated at fair value through profit or loss	11,158	-
Interest on held-to-maturity investments	38,517	39,611
	49,675	**39,611**

5. Interest expense and similar charges

	2009 € 000	2008 € 000
Interest on preferred securities designated at fair value through profit or loss	11,158	-
Interest on preferred securities at amortized cost	38,374	39,535
	49,532	**39,535**

6. Operating Expenses

	2009 € 000	2008 € 000
Auditors' remuneration		
- Audit of the Company's financial statements	29	11
Secretarial & administration services	37	32
	66	43

7. Emoluments of directors and employment statistics

The directors received no emoluments for their services to the Company (2008: nil). The emoluments of all directors are paid by the parent company. All the directors' emoluments, with the exception of Michael Lombardi and Peter Gatehouse, are attributable to their services to a number of group companies. Accordingly, these financial statements include no emoluments in respect of any director as it is not practicable to apportion the salary element. The Company employed no staff during the year (2008: nil).

8. Tax on profit on ordinary activities

Effective from January 01, 2009, Jersey's tax regime has changed. The new regime imposes a general corporate income tax rate of 0%, 10% rate applies to certain regulated financial services companies. Jersey registered companies are treated as resident for tax purposes and are subject to 0% or 10% income tax rate. Since the company is not a regulated financial services entity, the effect of the new tax regime on the Company is limited to the change of status from exempt to liable to Jersey income tax 0% for the assessment year 2009.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

9. Deposits with banks

	2009 €'000	2008 €'000
Deposits with the parent company	140	126

The loans and advances have original maturity of less than 90 days, are interest bearing, and have been considered as cash and cash equivalents for the purposes of the cash flow statement.

10. Financial assets designated at fair value through profit or loss

Maturity Date	First Call Date	2009 Fair Value € 000
July 2100	29 October 2014	292,305
November 2100	28 February 2015	100,717
		393,022

The financial assets represent convertible bonds issued by EFG Eurobank Ergasias S.A., the parent company and, accordingly, the directors do not consider there has been any impairment in their value due to credit risk. The securities may be redeemed prior to final maturity, at the option of the issuer, on the dates presented above and annually thereafter. In addition the principal amount, subject to certain conditions, is convertible at the option of the bondholder or the issuer into the ordinary shares of the parent company on the dates presented above and annually thereafter.

The bonds have been classified at Level 2 of fair value hierarchy, as its fair value has been determined based on valuation techniques where all significant inputs are market observable.

11. Held-to-maturity investment securities

		2009					2008			
Maturity Date	First Call Date	Nominal Value € 000	Cost € 000	Accruals € 000	Book Value € 000	Fair Value € 000	Cost € 000	Accruals € 000	Book Value € 000	Fair Value € 000
March 2035	March 2010	200,000	197,471	5,684	203,155	100,000	197,377	7,012	204,389	100,000
November 2035	November 2015	400,000	398,271	3,008	401,279	190,000	398,016	3,008	401,024	120,000
January 2036	January 2011	200,000	196,504	2,738	199,242	132,000	196,376	2,738	199,114	110,000
		800,000	**792,246**	**11,430**	**803,676**	**422,000**	**791,769**	**12,758**	**804,527**	**330,000**

The held-to-maturity investments represent bonds listed on the Luxembourg Stock Exchange and issued by EFG Hellas Plc, a fellow group company. The fair values have been determined by reference to market prices

The above investments are secured by a subordinated guarantee issued by EFG Eurobank Ergasias S.A., the parent company and, accordingly, the directors do not consider there has been any impairment in their value due to credit risk. The investments may be redeemed prior to final maturity, at the option of the Company, on the dates shown above and annually or quarterly (subject to the terms of each issue) thereafter. The investments are classified as held-to-maturity as the Company's management has the positive intention and ability to hold to maturity.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

12. Preferred securities designated at fair value through profit or loss

First Call Date	2009 Fair Value €' 000
October 2014	292,305
February 2015	100,717
	393,022

On 29 July 2009, the Company issued € 300 million preferred securities. The preferred securities have no fixed redemption date and give the issuer the right to call the issue on the dates presented above and annually thereafter. In addition the principal, subject to certain conditions, is convertible at the option of the holder or the issuer into the ordinary shares of the parent company on the dates presented above and annually thereafter at a 12% discount to the share market price during the measurement period preceding the exchange. All obligations of the issuer in respect of the preferred securities are guaranteed on a subordinated basis by the parent company. The preferred securities are listed on the London Stock Exchange.

On 30 November 2009, the Company issued € 100 million preferred securities. The terms and conditions of the issue are similar to the preferred securities issued on 29 July 2009 and the conversion option applies from February 2015. The preferred securities are listed on the London Stock Exchange.

The changes in the fair value of preferred securities are due to market risks amounting to € 12,000 ths, are offset in the income statement against changes in the fair value of financial assets designated at fair value.

The preferred securities have been classified at Level 2 of fair value hierarchy, as its fair value has been determined based on valuation techniques where all significant inputs are market observable.

The Company has not had any defaults of interest or other breaches with respect to the above securities during the year (2008: nil). Interest payable on preferred securities up to first call dates, based on spot rates at 31 December 2009:

	Less than 1 year €' 000	1 year - 5 years €' 000	Over 5 years €' 000
31 December 2009	33,000	129,152	-

13. Preferred securities at amortized cost

		2009				2008			
First Call Date	Nominal Value	Cost	Accruals	Book Value	Fair Value	Cost	Accruals	Book Value	Fair Value
	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000	€ 000
March 2010	200,000	197,471	5,668	203,139	100,000	197,377	6,996	204,373	100,000
November 2015	400,000	398,271	3,002	401,272	190,000	398,008	3,002	401,010	120,000
January 2011	200,000	196,504	2,739	199,244	132,000	196,443	2,733	199,176	110,000
	800,000	**792,246**	**11,409**	**803,655**	**422,000**	**791,828**	**12,731**	**804,559**	**330,000**

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

13. Preferred securities at amortized cost (continued)

The fair values of the preferred non-voting securities have been determined by reference to market prices. Preferred Securities are perpetual securities that have no fixed redemption date. However, they may be redeemed, at the option of the Company, in whole, if certain conditions mentioned in the Offering Circular are met. The first redemption opportunity for each security is shown above and thereafter they may be redeemed on any annual or quarterly (subject to the terms of each issue) preferred dividend payment date. Preferred Securities are secured by guarantees issued by the parent company.

At 31 December 2009, the aggregate of Preferred Securities held by related parties were € 392,917,000 (2008: 85,157,212).

The Company has not had any defaults of interest or other breaches with respect to the above securities during the year (2008: nil). Interest payable on preferred securities up to first call dates, based on spot rates at 31 December:

	Less than 1 year €' 000	1 year - 5 years €' 000	Over 5 years €' 000
31 December 2009	31,781	73,386	15,308
31 December 2008	38,233	86,916	33,568

14. Share capital

The Company's authorized share capital comprises 10,000 shares of €1 each, amounting to a nominal value of € 10,000.

	2009 €' 000	2008 €' 000
Fully paid ordinary shares of € 1 each allotted on 4 March 2005	10	10
Total allotted and fully paid ordinary shares of € 1 each	10	10

15. Principal risks and uncertainties

The Company is exposed to credit, interest rate and operational risk, of which the operational risk is not considered to be significant. The directors have a financial risk management programme in place the main objective of which is minimising such risks as follows:

a) Credit risk: The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Impairment provisions are recognized for losses that have been incurred at the balance sheet date. The aggregate carrying amount of deposits to banks, financial assets designated at fair value and held-to-maturity investments to the maximum amounts exposed to credit risk. Proceeds from the issue of preferred securities are placed on notes issued by the Parent company and a fellow group company, EFG Hellas Plc. The rate of the above companies as at December 31, 2010 was BBB by S&P, A2 by Moody's and BBB+ by Fitch.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

15. Principal risks and uncertainties (continued)

b) Interest rate risk: The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial positions and cash flows. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Interest rate risk is managed by placing funds on debt securities at a variable interest rate which changes on the same basis and on the same dates as the interest rate applied on the variable rate loan notes. Consequently, shifts in interest rates do not have an impact on the net income of the Company.

c) Capital risk management: The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, issue new shares or sell assets to reduce debt. The Company is not subject to any external capital requirements except for the minimum requirement under the Companies (Jersey) Law 1991. The Company has not breached the minimum requirement.

The Company is not exposed to currency or liquidity risk because all costs and revenues are in euro, and the maturity of its assets and liabilities and the underlying cash flows are substantially the same. Information relating undiscounted cash flows up the bonds first call date for the years 2009 and 2008 are presented in notes 12 and 13.

Fair value of financial assets and liabilities

The financial assets and liabilities designated at fair value through profit or loss are measured at fair value (see notes 10 and 12). The fair values are estimated by reference to quoted market prices or using valuation techniques based on observable market data. All of the company's other financial assets and liabilities are at floating rates of interest, which re-price at frequent intervals. Therefore, the Company has no exposure to fair value fluctuations and the carrying value of the financial assets and liabilities is substantially equivalent to their fair values. All financial instruments that are measured at fair value are categorized into one of the three fair value hierarchy levels at year-end; based on whether the inputs to their fair values are observable or non observable.

All financial instruments that are measured at fair value are categorized into one of the three fair value hierarchy levels at year-end; based on whether the inputs to their fair values are observable or non observable.

i) Level 1 - Quoted prices in active markets for identical assets or liabilities. Quoted prices must be readily and regularly available from an exchange or active index/market location and prices must represent actual and regularly occurring market transactions on an arm's length basis. This level includes listed equity securities, debt instruments and exchange traded derivatives.

ii) Level 2 - Financial instruments measured using valuation techniques where all significant inputs are market observable. This level includes OTC derivative contracts and structured assets and liabilities.

iii) Level 3 - Financial instruments measured using valuation techniques with significant non observable inputs.