EUROBANK EQUITIES INVESTMENT FIRM S.A.
General Electronic Commercial Register (GEMI) No. 003214701000

Financial statements for the period from
1 January to 31 December 2016

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REPORT OF THE BOARD OF DIRECTORS OF THE COMPANY WITH THE CORPORATE NAME "EUROBANK EQUITIES INVESTMENT FIRM S.A." ON THE 17th ACCOUNTING PERIOD FROM 1.1.2016 TO 31.12.2016 SUBMITTED TO THE ANNUAL ORDINARY GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY "EUROBANK EQUITIES INVESTMENT FIRM S.A."

Dear shareholders,

We have the honour of submitting along with this report the financial statements for the 2016 accounting period and the notes accompanying those financial statements, which form an integral part thereof.
These annual financial statements are in line with the provisions of Codified Law 2190/1920 on Societes Anonyme as in force from time to time, and present Company financials for the period 1.1.2016 - 31.12.2016 in line with the International Financial Reporting Standards (IFRS) and provide a detailed picture of the assets and liabilities, the structure of the financial results and actual financial position of the Company at the end of the 17th accounting period to which they relate.

The new standards which apply on 31.12.2016 have been taken into account.

Looking back briefly at 2016, the stock exchange market, viewed from the perspective of the General Index, rose marginally by 1.95% with average daily turnover at € 60.5 million, which was down around 30% compared to 2015. However, the market's main feature was intense volatility during the first half of the year, and investment indifference in the second half, which manifested itself in the drop in the daily trading turnover on the Athens Exchange's Equities market. It should be noted that the market continues to be constrained by capital controls, thereby significantly limiting our ability to offer all our services.

More specifically,

• During the first half of the year, the Greek market fell by up to 30% in the first 45 days of the year due to concerns about the global economy and delays in completing the first review of the Greek programme. Then as international worries faded, and progress was made on the review, the market rose by almost 50% from February's lows. In the end, the first half of the year ended with the General Index down 14% as the investment community took on board the results of referendum in the UK which voted to leave the European Union. Daily turnover averaged € 76 million in the first half of the year.
• During the second half of the year, trading declined considerably, with a 40% drop compared to the first half of the year, at just € 45.8 million a day. While international markets climbed significantly, the Greek market once again faced the question of how to pay the agreed balances under the first review, which in effect discouraged trading as the second review was also looming.
• At the same time due to the ongoing capital controls, the ability to channel operations to international markets was also limited.
• Total market capitalisation stood at € 44.6 billion at the end of 2016.
• In 2016 overall, 49% of companies on the Athens Exchange reported a rise, 40% closed with losses and 11% closed without any change compared to their start-of-year valuation.

In 2016 Eurobank Equities S.A. once again held prime position. According to Athens Exchange data it was in top place, accounting for 15.02% of the total volume of transactions on the Athens Exchange, meaning it was once again the number one choice for the largest and most important institutional investors and 10,000 private investors.

In 2016 Eurobank Equities won the title of "Leading Brokerage Firm" for the 3rd time in a row according to the European-wide survey EXTEL. According to the same survey the company's Research Department was the best in the Greek market for the 4th consecutive year.

That Department provides active, ongoing support to all the Company's investment service units, offering well-researched studies and estimates about 26 listed companies which account for 80% of total capitalisation on the Athens Exchange. The Department also has a specialist section dedicated to international markets.

Having held a leading position in the stock exchange sector for 14 years now, the Company continues to offer a comprehensive range of services including transactions in equities, derivatives, bonds and mutual funds traded around the globe. The Company's services are accessible via eurobanktrader, its online trading platform, and through an extensive staff of experts, exclusive tied agents, and associated investment brokers and investment service firms, allowing it to cover almost all of Greece in geographical terms.

The company's financial results in the year ended were negative, as was the case with almost all members of the stock exchange, in light of the negative dynamic that faced the market during almost all of 2016, which was referred to in detail above. Note that the Company's exposure to the risk of price changes, operational risk, credit risk, liquidity risk, concentration risk, profitability risk and cash flow risk and the way in which those risks are dealt with are explained in the attached financial statements and in the Annual Report prepared by the Risk Management Unit as well as in the report on the Company's Internal Capital Adequacy Assessment Process to the Board of Directors.

2017 is expected to be a volatile year for the Greek stock exchange with completion of the second review of the programme still pending. The speed and manner of completion will determine whether the investment community mobilises, and consequently creates a push to increase trading on the Athens Exchange. At the same time, we remain hopeful about a boost in economic activity coupled with a gradual restoration of market trust, which will allow for a gradual rolling back of the capital controls. Valuations, coupled with the prospect of Greek treasury bonds being included in the ECB's quantitative easing scheme, mean there is room for optimism about how the market will perform, provided the review is completed without placing the economy's recovery at risk. It should also be noted that 2017 is a year of major political developments across Europe (with elections in the Netherlands, France and Germany) while the US has a new President. Potential global market volatility is also expected to significantly affect the domestic market.

Eurobank Equities' Management team considers that during 2017, provided extraneous conditions in the general economy permit, the Company will perform well, with its market share and organic profit growth rising further, thanks to continued excellence in the provision of investment services and a constantly expanding clientèle.

Dear Shareholders, in the particularly demanding environment which has emerged, our priority is to continue to expand our operations while keeping operating costs down as much as possible (note that they dropped 14% in 2016 compared to 2015, and since 2013 have gradually reduced to a significant degree as part of a well-coordinated plan to rationalise them). The environment will remain tough and demanding, and concerted efforts will be required. However, we have the strategy and means in place, and above all the skilled staff who have consistently demonstrated that they can cope with any difficulties and generate the desired results.

We assure you that to date there have been no events which undermine the Company's financial position as it stood on 31.12.2016 which have not been included in the financial statements attached hereto and the notes thereon.

Dear shareholders, we would therefore call upon you to approve the attached financial statements and the detailed notes contained therein and take a position on the items on the agenda for the forthcoming Ordinary General Meeting of Shareholders.

THE BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD OF DIRECTORS

Independent Auditor's Report

To the shareholders of "Eurobank Equities Investment Firm S.A."

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of the company Eurobank Equities Investment Firm S.A. which comprise the statement of financial position as of 31 December 2016 and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing which have been transposed into Greek law (GG/B'/2848/23.10.2012). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respect the financial position of the Eurobank Equities Investment Firm S.A. as of December 31, 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

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Report on Other Legal and Regulatory Requirements

Taking into consideration, that management is responsible for the preparation of the Board of Directors' report and Corporate Governance Statement that is included to this report according to provisions of paragraph 5 article 2 of Law 4336/2015 (part B), we note that the following:

a) In the Board of Directors' Report is included the Corporate Governance Statement that contains the information that is required by article 43bb of Codified Law 2190/1920.

b) In our opinion, the Board of Directors' report has been prepared in accordance with the legal requirements of articles 43a and 107A [and paragraph 1 (c and d) of article 43bb of the Codified Law 2190/1920 and the content of the Board of Directors' report is consistent with the accompanying financial statements for the year ended 31/12/2016.

c) Based on the knowledge we obtained from our audit for the Company "Eurobank Equities Investment Firm S.A." and its environment, we have not identified any material misstatement to the Board of Directors report

Athens, 28 February 2017

The Certified Auditor

PricewaterhouseCoopers
Auditing Company S.A.
Certified Public Accountants
268 Kifisias Ave.
Halandri, GR-15232
ICPA (GR) Reg. No 113

Marios Psaltis
Soel Reg. No 38081

Statement of financial position

All amounts are in Euro.

	Note	31-Δεκ-16	31-Δεκ-15
ASSETS			
Non-Current Assets			
Intangible assets	16	410,466	218,203
Tangible assets	16	597,482	671,733
Other long-term assets	17	6,148,288	6,282,747
Investment securities portfolio	18	120,016	120,016
Deferred tax	11	1,949,722	382,368
		9,225,974	**7,675,067**
Current Assets			
Receivables from customers - brokers - stock exchange	15	34,017,397	99,838,070
Other assets	19	6,903,593	7,949,835
Financial assets presented at fair value through profit and loss	13	10,546,977	13,972,344
Derivative financial instruments - receivables	14	99,631	62,283
Cash and cash equivalents	12	64,864,473	51,451,732
		116,432,070	**173,274,264**
Total assets		**125,658,045**	**180,949,331**
LIABILITIES			
Short-term liabilities			
Loan obligations	21	-	30,000,000
Liabilities from clients - brokers - stock exchange	15	57,702,174	78,529,196
Derivative financial instruments - liabilities	14	170,844	329,955
Financial assets presented at fair value through profit and loss		462,685	21,304
Other taxes		327,816	369,896
Other liabilities	22	2,898,618	3,807,758
Long-term liabilities			
Personnel termination liabilities	20	531,129	371,690
Total liabilities		**62,093,266**	**113,429,799**
EQUITY			
Share capital	23	43,865,543	43,865,542
Reserves	24	22,324,064	22,327,024
Losses / (profits) carried forward		-2,624,828	1,326,966
Total equity		**63,564,779**	**67,519,532**
Total liabilities & equity		**125,658,045**	**180,949,331**

Athens, 24/02/2017

THE CHAIRMAN OF THE BOARD	THE CEO & 1st VICE CHAIRMAN	THE CFO	THE CHIEF ACCOUNTANT
NIKOLAOS ANDRIANOPOULOS ID Card No. AA 075630	THEODOROS FRANGOPOULOS ID Card No. AI 024384	FOTINI KOULIAKI ID Card No. Π 146458	IOANNA KARKAZI ID Card No. T 506157 Lic. No. 14597 1st Class

The notes on pages 12 to 31 constitute an integral part of these financial statements

Statement of Comprehensive Income

All amounts are in Euro.

	Note	01/01-31/12/2016	01/01-31/12/2015
Net income from fees/commission	6	6,516,200	12,268,959
Income from dividends		150,726	456,953
Results from financial transactions	5	-913,358	525,571
Other operating income		4,174	4,174
Income from operating activities		**5,757,741**	**13,255,657**
Staff salaries and expenses	7	6,774,745	6,968,351
Other operating expenses	8	4,247,468	4,625,989
Depreciation	16	269,495	384,936
Expenses from operating activities		**11,291,708**	**11,979,276**
Income from interest	9	421,553	511,983
Less interest expenses	9	265,026	172,817
(Losses) / Earnings before tax		**-5,377,439**	**1,615,547**
Plus / (Less) Current and deferred tax	10	-1,525,400	520,730
(Losses) / Earnings after tax		**-3,852,039**	**1,094,817**
Other comprehensive expenses / (income):			
Actuarial losses / (gains) recognised directly in Equity which will never be reclassified to the income statement (after tax).		-102,715	34,622
Total (losses) / earnings for the year (after tax)		**-3,954,754**	**1,129,439**

Athens, 24/02/2017

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Statement of Changes in Equity
All amounts are in Euro.

	Share capital	Special reserves	Retained earnings	Total
Balance on 1.1.2015	43,865,542	22,192,411	16,599,237	82,657,190
Earnings for the period			1,094,817	1,094,817
Actuarial profits	-	34,622		34,622
Transfer of reserves	-	99,990	(99,990)	-
Transactions with shareholders				
Dividend for the period 2014			(16,267,095)	(16,267,095)
Balance on 31.12.2015	**43,865,542**	**22,327,024**	**1,326,966**	**67,519,532**

	Share capital	Special reserves	Retained earnings	Total
Balance on 1.1.2016	43,865,542	22,327,024	1,326,966	67,519,532
Losses for the period	-	-	(3,852,039)	(3,852,039)
Actuarial losses	-	(102,715)		(102,715)
Transfer of reserves	-	99,756	(99,756)	-
Balance on 31.12.2016	**43,865,542**	**22,324,065**	**(2,624,830)**	**63,564,778**

Athens, 24/02/2017

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Cash flow statement
All amounts are in Euro.

	NOTE:	01/01-31/12/2016	01/01-31/12/2015
Cash flow from operating activities			
Losses / (Earnings) before tax		(5,377,439)	1,615,547
Profit adjustments in relation to the following transactions:			
Foreign exchange differences		(200,093)	(661,944)
Depreciation	16	269,495	384,936
Provisions for customer credit risks and receivables		(75,429)	458,109
Other adjustments		(401,733)	938,297
		(5,785,199)	**2,734,945**
Changes in accounts related to operating activities			
Decrease/(increase) in customer receivables and other assets		70,992,450	(61,034,758)
Increase/(decrease) in current liabilities (excluding banks)		(21,642,823)	(6,931,567)
Tax paid		-	(10,494,941)
Net cash flow from / (to) operating activities		**43,564,428**	**(75,726,321)**
Cash flow from investing activities			
Purchase of intangible and tangible assets	16	(387,343)	(86,487)
Dividends collected		150,725	377,152
Sale of equity instruments		-	450,000
Net cash flow from / (to) investing activities		**(236,618)**	**740,665**
Cash flow from financing activities			
Dividend payments		-	(16,267,095)
Repayment (disbursements) of loans		(30,115,162)	30,000,000
Net cash flow from / (to) financing activities		**(30,115,162)**	**13,732,905**
Increase/(decrease) in cash assets		**13,212,648**	**(61,252,751)**
Cash assets at beginning of period		51,451,732	112,042,539
Impact of foreign exchange differences		200,093	661,944
Cash assets at end of period	12	**64,864,473**	**51,451,732**

Athens, 24/02/2017

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Notes to the Financial Statements

1 General Information

The company is active in conducting brokerage and investment banking of any kind on stock and derivatives exchanges and in providing main and ancillary investment services in line with the legislation in force from time to time. The company has been incorporated and operates in Greece. The company is a 100% subsidiary of the bank Eurobank Ergasias S.A.

The financial statements were approved by Company Management on 24.2.2017.

2 Basic accounting policies

The basic accounting policies followed in preparing the financial statements, which were consistently applied in all years which are presented unless otherwise stated, are as follows:

2.1 Basis of preparation of the financial statements

The standards applied are those issued by the International Accounting Standards Board and approved by the European Union by 31.12.2016. They are in line with the IFRS, including interpretations by the IFRS Interpretations Committee (IFRIC) issued by the International Accounting Standards Board (IASB) which have been adopted by the European Union.

The financial statements have been prepared based on the historical cost convention which has been modified to include valuation at fair value of financial assets and liabilities (including derivative financial instruments) through profit and loss. The financial statements have been prepared on the assumption that the Company is a going concern, having taken into account the macroeconomic and fiscal developments in Greece.

Preparation of financial statements in line with the IFRS requires the adoption of estimates and assumptions which affect the valuation of assets and liabilities, the recognition of contingent liabilities on the date the financial statements are prepared and the posting of income and expenses in the period under examination. Consequently, the actual results may differ from assessments despite the fact that these are based on Management's best knowledge of current conditions and activities. Areas entailing a high degree of subjectivity or which are complex or where assumptions and estimates are significant for the financial statements are cited in Note 3.

By implementing a number of key prior actions Greece successfully completed the first review of the Third Financial Stability Programme which led to disbursement of the second instalment of the loan from the European Stability Mechanism (ESM) of € 10.3 billion in 2 partial instalments. The first partial instalment of € 7.5 billion was disbursed at the end of June 2016. The second, of € 2.8 billion, was approved by the ESM on 25.10.2016 and disbursed at the end of October 2016 after a series of prior action reforms were implemented. The total figure of € 10.3 billion allowed Greece to fulfil its loan obligations, and for the State to pay off part of its debts to the private sector. Moreover, the ECB decided to reinstate the exclusion on securities issued by the Greek State from the eligibility criteria and improve the terms of financing under the Eurosystem using Pillar II bonds guaranteed by the Greek state. The inclusion of Greek treasury bonds in the ECB's quantitative easing scheme will be examined at a later date, after the second review is completed, in light of the results of the debt sustainability analysis which the ECB is expected to carry out after implementing medium-term measures to lessen Greece's debt burden. Completion of the first review resulted in a positive decision from the ESM about implementing short-term debt relief measures after 20.1.2017. The specific measures are designed to reduce the interest rate risk Greece faces, by converting floating rates to fixed ones, and by smoothing out the debt repayment profile. Those measures reflect the outline of debt relief measures agreed by the Eurogroup on 25.5.2016.

Completion of the first review helped curtail the short-term uncertainty over Greece's economic prospects and contributed to a further relaxation of the capital controls on 22.7.2016. These points, coupled with the mobilisation of financing from the European Union (EU) to support domestic investments and create jobs, as well as decisive implementation of reforms agreed as part of the ESM programme, are expected to help restore trust in the potential of the Greek economy and further stabilise the domestic environment, which are key factors for a return of positive rates of economic growth. According to ELSTAT's announcement dated 14.2.2017 actual GDP dropped by -0.8% and -0.5% year-on-year in 2016 Q1 and Q2, but grew by 2.2% and 0.3% year-on-year in 2016 Q3 and Q4. Year-on-year actual GDP is expected to be positive at 0.3% for 2016 for the first time since 2014, and in line with the European Commission's winter forecasts (February 2017).

Under current conditions, the main risks and uncertainty factors are related to (a) the impact of additional fiscal measures agreed as part of the first review of the programme, on economic activity, (b) potential delays in implementing reforms already agreed to achieve the next targets and reach programme milestones, including timely completion of the second review, which is expected to be completed by early March 2017, (c) the time-scale for complete lifting of the capital controls and the consequent impact that will have on economic activity, (d) a potential worsening of the refugee crisis and its impact on the domestic economy and (e) geopolitical conditions in the wider region, and external blows from a slow-down in the global economy.

Developments that could have a negative impact on the Greek economy are beyond the Company's control and Management is not in a position to forecast the impacts they could have. Management is constantly monitoring developments and their potential impact, in order to ensure that it can minimise their effect on Company operations, and bearing all these points in mind, considers that the Company will continue to operate for the foreseeable future without interruption.

2.2. Foreign Exchange differences from conversion

(a) Functional and presentation currency

The figures in the Company's financial statements are measured in the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Euro, which is the Company's functional and presentation currency.

(b) Transactions and balances

Assets and liabilities with balances at the end of the reference period in a foreign currency are converted to Euro based on foreign exchange prices applicable on the date of the reference period and foreign exchange differences are recognised in the income statement.

Transactions in a foreign currency are posted based on the foreign exchange prices which apply on the transaction date. All foreign exchange differences are posted to the income statement.

2.3. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the balance sheet when there is a legal right to offset the amounts recognised and in parallel the intention is to achieve net settlement, or recognition of the asset and settlement of the liability occur simultaneously.

2.4 Revenue recognition

(a) Fees and commission

Fees and commission are recognised on the date the relevant services are provided. Indicatively, the structure of fees and commission is primarily comprised of commission from entering into stock exchange transactions on the Athens Exchange, the Athens Derivatives Exchange and other foreign exchanges. The company's customer base covers the entire range of potential customer categories (foreign institutional investors, Greek institutional investors, foreign investors, listed companies, private customers and customers whose orders are received and processed by associated brokerage firms or other investment firms and credit institutions) or tied agents. The company is also authorised to engage in transactions as a market maker for stocks on the Athens Exchange and is a Type B market maker on the Athens Derivatives Exchange.

(b) Income from interest

Interest income and expenses are recognised in the income statement on an accrued basis for all interest-bearing instruments using the actual interest rate method. The actual interest rate is the interest rate which precisely discounts the estimated future cash payments or receipts over the expected life of the financial instrument.

2.5 Intangible assets

Software

Software licences are valued at acquisition cost less depreciation. Depreciation is recorded using the straight line method over the useful life of the assets which has been estimated at between 5 and 7 years.Expenses required to develop and maintain software are posted as expenses when incurred.

2.6 Tangible assets

Real estate property, facilities and equipment are presented at acquisition cost having deducted accumulated depreciation and accumulated impairment losses. The cost of acquisition includes expenses relating directly to the acquisition of tangible assets. Subsequent expenditure is either included in the book value of the tangible assets or, if necessary, is recognised as a separate fixed asset only where it is considered likely that future financial benefits will flow to the company, provided that the cost of the fixed assets can be reliably allocated.Property, plant and equipment is tested periodically for impairment and any impairment loss is recognised directly in the income statement.

Depreciation on these assets has been calculated on the basis of the fixed line depreciation method over their useful lifespan as follows:

Improvements to third party property	during the lease or estimated useful life if shorter
Computers and software	4 - 7 years
Other furniture and equipment:	4 - 20 years

Expenses related to in-house development and maintenance of existing software and other fixed assets are charged to the income statement when they arise. Expenses payable to third parties related to the development and implementation of new software and other fixed assets are recognised as capital improvements, are added to the cost of new software and other fixed assets and are treated in the same way.

2.7. Financial assets

Financial assets are posted in the following categories: a) financial assets at fair value through profit and loss, b) credit and advances to customers and c) investments available for sale. The categorisation decision is taken by Management when the asset is initially recognised.

(a) Financial assets valued at fair value via the income statement

This category encompasses two sub-categories, financial assets held for trade and those defined as investments at fair value through profit and loss upon initial recognition. A financial asset is posted to that category when it is acquired primarily for the purpose of sale shortly thereafter or is designated as such. This category also includes derivatives held for trade, unless designated as hedging instruments.

(b) Credit and advance payments to customers

Credit and advance payments to customers are non-derivative financial assets with fixed or specified payments which are not traded on an active market. Credit and advance payments occur when the Company provides money or services directly to a creditor.

(c) Investments available for sale

Investments available for sale concern investments that are expected to last for an indefinite period of time but can be immediately sold in case liquidity needs arise or interest rates change at the exchange rate or at share prices.

(d) Accounting treatment and calculation

Purchases and sales of financial assets at fair value presented in the income statement are posted on the transaction date, in other words the date on which the Company undertakes to purchase or sell the said assets. Financial assets not presented at fair value in the income statement are initially recognised at fair value plus transaction costs. Financial assets cease to be recognised when cash flow collection rights expire or when the Company has in effect transferred the risks and rewards associated with ownership.

Investments available for sale and financial assets presented at fair value in the income statement are valued and presented in later periods at fair value. Profits and losses from changes in fair value in the category 'financial assets presented at fair value in the income statement' are included in the income statement in the period in which they arise. Profits and losses from changes to fair value of investments for sale are posted directly to equity until the financial assets are de-recognised or incur impairment losses in which case the accumulated profit or loss which was previously recognised in equity is transferred to the income statement. Dividends from investments are recognised in the income statement when the right to collect a dividend is approved by shareholders.

The fair value of investments traded on active markets is determined by the current offer price on the stock exchange. The fair value of non-listed securities and other financial assets in cases where purchase is not active is determined using valuation techniques. These techniques include the use of recent transactions entered into on a purely commercial basis, reference to the current price of comparable assets traded and discounted cash flow methods, the valuation of options and other valuation methods frequently used on the market.

2.8. Impairment of financial assets

On each balance sheet date the Company examines to what extent there are objective indications that a financial asset or a group of financial assets has been impaired. A financial asset or a group of financial assets is impaired when, and only when, there is an objective indication of impairment as a result of one or more incidents which occurred after the initial asset recognition (loss event) and this event or events has/have an impact on the expected future cash flows of the financial asset or a group of financial assets and can be reliably measured. The objective indication that a financial asset or a group of financial assets has been impaired includes information which comes to the Company's attention.

(a) Assets valued at non-depreciated acquisition value

The Company initially assesses to what extent there is an objective indication of impairment separately for those financial assets which on their own are significant. Non-significant financial assets are either evaluated individually or as a group. If the Company decides that there is no objective indication of impairment for a financial asset assessed individually (whether significant or not) it is included in a group of financial assets with similar credit risk features and is assessed collectively for impairment. Assets assessed for impairment individually for which impairment loss exists and continues to be recognised are not included in group assessments of impairment.

In practice, the Company may calculate the impairment based on the fair value of an instrument using current market values.

Calculation of the present value of estimated future cash flows on a secured financial asset reflects the cash flow which may arise from realisation having deducted the cost of sale of the collateral regardless of whether realisation is likely or not.

If in a later period the amount of impairment decreases and the reduction can be objectively correlated to an incident which occurred after recognition of the impairment (such as improvement in the debtor's degree of insolvency) the previously recognised impairment loss is offset by readjusting the contingencies account. The amount offset is recognised in the income statement.

(b) Assets available for sale

In calculating the impairment of equity investments which have been recognised as available for sale, regard is had to any significant and extended reduction in fair value of the security below cost. Where there is such an indication for financial assets available for sale, the accumulated loss - which is calculated as the difference between the purchase cost and the current fair value less impairment losses for the financial asset recognised previously in the income statement - is transferred from equity to the income statement. Impairment losses in equity investments recognised in the income statement are not offset in the income statement. If in a later period the fair value of a debt instrument recognised as available for sale increases and this increase can be objectively correlated to an incident which occurred after recognition of the impairment, the impairment loss is offset via the income statement.

2.9 Fixed asset impairment

Assets with an indefinite useful life are not depreciated and are subject to annual or more frequent impairment testing, when some events indicate that the book value may not be recoverable. Assets subject to depreciation are tested for impairment, when there are indications that their book value cannot be recovered. The recoverable value is either the fair value less the amount required for the cost of sale or the usage value of the asset whichever is higher. To assess impairment losses assets are placed in the smallest possible cash-generating units. Impairment losses are presented as expenses in the income statement when they arise.

2.10 Sell- buy back agreements

(a) Sell- buy back agreements

Securities sold on the basis of re-purchase agreements (repos) are posted to the financial statements as pledged assets when the recipient is entitled under the agreement to sell or re-assign the pledged assets. The obligation to the counterparty includes the amounts owed to the bank or to customers, as suitably determined. Securities purchased via reverse repos are recognised as loans and advances to the bank or customers accordingly. The difference between the sale price and the repurchase price is recognised as interest during the repo's term using the effective interest rate method.

(b) Lending of securities

Securities lent by the Company to third parties remain in the financial statements. Securities borrowed by the Company are not recognised in the financial statements unless sold to third parties in which case the purchase and sale are posted and the profit or loss included in the transaction portfolio results. The obligation to return securities is posted at fair value as a trading liability.

2.11 Borrowing

Borrowing-related obligations are initially recognised at fair value determined from the incoming capital including issue expenses. Later borrowing-related liabilities are valued at non-depreciated cost and the difference between the initial incoming capital and the value at the end of the loan is posted to the income statement during the term of borrowing using the actual interest rate method. If the Company redeemed its liabilities these are deleted from the balance sheet and the difference between the current level of liabilities and the amount paid is included in the results.

2.12 Leased Assets

Leases of tangible assets where the Company in effect retains all risks and rewards associated with ownership are recorded as finance leases. Leasing arrangements are capitalised at the start of the rental at the lowest value between fair value of the asset rented and the present value of minimum rental fees payable. Each rental fee is allocated between the liability and financing expenses so as to achieve a fixed interest rate in relation to the financing balance which is outstanding. The corresponding liability from rental fees after deducting the cost of financing is included in long-term liabilities. That part of financial expenses relating to leasing is recognised in the income statement during the term of the leasing agreement. Assets acquired on the basis of a finance lease are depreciated over their useful life or the lease term, whichever is shorter.

Leasing arrangements where in effect the risk and rights of ownership remain with the lessor are posted as operating leases. Payments relating to operating leases (having deducted incentives collected by the lessor) are recognised in the income statement pro rata over the term of the lease.

2.13 Current and deferred taxation

Deferred tax is calculated on the basis of the full liability method for all interim differences which arise between the taxation basis for assets and liabilities and their corresponding book value as shown in the financial statements using the expected future tax rates. The main interim differences arise from pensions and other staff retirement benefits and from the revaluation of certain financial assets and liabilities.

Deferred tax liabilities are recognised to the extent that it is possible that there will be future taxable profits in respect of which interim differences can be used. The taxation impact of tax losses carried forward is recognised as an asset when it is likely that there will be adequate future taxable profits against which these losses can be used.

Income tax on profits is calculated based on current Greek taxation legislation and is recognised as an expense in the period for which the profits arose.

2.14 Employee benefits

(a) Pension obligations

Post-employment benefits include both defined contribution plans and defined benefit plans. The accrued cost of defined contribution plans is posted as an expense in the period to which the cost relates.

The liability recorded in the balance sheet for defined benefit plans is the current value of the defined benefit obligation less the fair value of the plan's assets. The defined benefit obligation is calculated each year by independent actuaries using the projected unit credit method.

Under Greek labour law when employees remain in service until the normal retirement age they are entitled to lump sum compensation which is calculated based on their length of service and their pay at the date of retirement. A provision has been formed on the actuarial value of the compensation lump sum using the projected unit credit method. Under this method the cost for termination compensation is recognised in the income statement over the employees' length of service based on actuarial valuations made each year. The obligation to pay retirement compensation is calculated as the present value of expected future cash outflows using the interest rate for government bonds with terms to maturity approximating the terms of the related obligation. In countries where there is not a large market in such bonds, government bond rates at year-end are used. The currency and maturity date of the bonds used matches the currency and estimated duration of the pension obligations. Actuarial gains or losses which result from calculating the retirement compensation for the Company are recognised directly in Other Comprehensive Income in the year they are incurred and are not transferred to the income statement in subsequent periods.

The cost of current service and interest expenses are recognised directly in the results.

(b) Employee termination compensation

The Company has improved this forecast by taking into account possible personnel terminations before the normal retirement date based on the terms of previous voluntary retirement schemes. The Company recognises termination compensation when it has specific commitments either based on detailed official plans announced which cannot be withdrawn or as a result of mutually agreed termination terms. Amounts payable after the passage of 12 months from the balance sheet date are discounted at present value.

(c) Profit-sharing and benefit schemes

Management may periodically pay cash bonuses to employees who perform well. Cash bonuses through the payroll are recognised as accrued personnel expenses. Profit-sharing with employees is recognised as a personnel expense in the year in which it is approved by Company shareholders.

2.15 Transactions with related parties

Related parties include companies associated with the Company, directors, close relatives, companies held or controlled by them and companies over which significant influence can be asserted over their financial and operational policy. Transactions of a similar nature are presented overall. All transactions entered into with related parties are within the normal business of the company and are entered into on purely commercial terms.

2.16 Provisions

Provisions are recognised when the Company has a current legal or substantiated obligation as a result of events in the past and it is likely that a resource outflow will be required to settle the liability, the level of which can be reliably assessed.

2.17 Share capital

Ordinary shares are posted as equity.

Share capital increase expenses are presented (net of taxes) deducted from equity as a reduction to the proceeds of the issue.

The distribution of dividends from ordinary shares is recognised as reducing Company equity when approved by Company shareholders.

2.18 Cash and cash equivalents

Cash and cash equivalents include cash on hand, sight deposits in banks, and other short-term highly-realisable, low-risk investments with maturity dates of three months or less.

2.19 Comparative figures

Certain comparative figures are reclassified where that is considered necessary to ensure comparability with the presentation of data for the current period.

2.20 Derivative Financial Instruments and Hedging

Derivative financial instruments include futures and options, and are entered in the financial statements at fair value and are subsequently valued at fair value.Actual and valuation gains and losses are entered in the income statement.

2.2 1 New standards and amendments to standards not yet adopted by the Company

The following amendments to standards and new interpretations, issued by the IASB and IFRIC, and adopted by the EU are effective from 1.1.2016 onwards:

IAS 1, Amendment - Disclosures

The amendment clarifies the guidance contained in IAS 1 about the concepts of materiality and aggregation, presentation of sub-totals, structure of the financial statements and disclosures of accounting policies.

Adoption of this amendment is not expected to have an effect on the Company’s financial statements.

IAS 16 and IAS 38, Amendments - Clarification of acceptable methods of depreciation and amortisation

These amendments clarify that use of revenue-based methods to calculate depreciation of an asset are not suitable and also clarify that revenues are not considered a suitable basis for measuring consumption of the economic benefits incorporated into an intangible asset.Adoption of this amendment is not expected to have an effect on the Company’s financial statements.

IAS 19, Amendment - Defined Benefit Plans: Employee contributions

This amendment clarifies how pension plans are to be accounted for, and states that employees or third parties are required to make contributions independent of the number of years for which work was provided, such as employee contributions calculated as a fixed % of the salary. The amendment allows those contributions to be deducted from cost of service in the year the service is provided by the employee, instead of allocating it across the employee's length of service.

Adoption of this amendment is not expected to have an effect on the Company’s financial statements.

IFRS 10, IFRS 12 and IAS 28, Amendments - Investment Entities: Applying the consolidation exception

The amendments specify how the exemption of investment entities and their subsidiaries from mandatory consolidation is implemented.
Adoption of this amendment is not expected to have an effect on the Company’s financial statements.

Annual improvements to IFRS 2010-2012

The amendments introduce major changes made to seven IFRS as a result of the outcome of the 2010-2012 cycle of the IASB annual improvements project. The issues affected by these amendments are outlined below:
- Definition of vesting condition in IFRS 2 (Share-based payments).
- Accounting for contingent consideration in a business combination in IFRS 3 (Business Combinations)

- Aggregation of operating segments and reconciliation of the total of the reportable segments' assets to the entity's assets in IFRS 8 (Operating Segments)
- Short-term receivables and payables in IFRS 13 (Fair value measurement)
- Revaluation method - proportionate restatement of accumulated depreciation in IAS 16 (Property, plant and equipment)

Key Management Executives in IAS 24 "Related party disclosures" and

Revaluation method - proportionate restatement of accumulated amortisation in IAS 38 (Intangible assets)

Adoption of this amendment is not expected to have an effect on the Company’s financial statements.

Annual improvements to IFRS 2012-2014

The amendments introduce major changes made to four IFRS as a result of the outcome of the 2012-2014 cycle of the IASB annual improvements project. The issues affected by these amendments are outlined below: - Clarification to IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations) that when an asset or pool of assets is reclassified from 'held for sale' to 'held for distribution' or vice versa that is not a change in the sale or distribution plan and not must be accounted for as a change. - Insertion into IFRS 7 (Financial instruments: Disclosures) of additional guidance to help management identify whether the terms of a servicing contract for a financial asset which has been transferred constitutes 'continuing involvement'. It also clarifies that the additional disclosures required under the amendments to IFRS 7 on disclosures - offsetting financial assets and financial liabilities, are not required for all interim periods, unless required by IAS 34. - Clarification in IAS 19 (Employee benefits) that when the discount rate is being identified for post-employment benefits, the important thing is the currency in which the liabilities are denominated and not the country in which they arise. - Clarification in IAS 34 (Interim financial reporting) of the concept of information 'elsewhere in the interim financial report' referred to in the standard.Adoption of this amendment is not expected to have an effect on the Company's financial statements.

New standards and amendments to standards not yet adopted by the Company

A range of new standards and amendments to existing standards will take effect after 2016, given that they have not yet been adopted by the European Union or the Company has not adopted them earlier than the mandatory adoption date. Those which may be relevant to the Company are as follows:

IAS 7, Amendment - Disclosures (effective from 1.1.2017, not yet adopted by the EU)

The amendment requires disclosures of information that will enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes in cash flows and non-cash changes. The disclosure requirements also apply to changes in financial assets, such as assets that hedge liabilities from financing activities, if the cash flows from those assets had been included or future cash flows from them will be included in the cash flows from financing activities.
Adoption of this amendment is not expected to have an effect on the Company's financial statements.

IAS 12, Amendment - Recognition of Deferred Tax Assets for Unrealised Losses (effective from 1.1.2017, not yet adopted by the EU)

The amendment clarifies that (a) unrealised losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use, (b) estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences, (c) estimation of probable future taxable profits can include recovery of an asset at an amount greater than its book value, if there are adequate indications that it is likely that recovery by the company is achievable and (d) an entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax law does not restrict the sources of taxable profits from which deductible temporary tax differences can be recovered, then they can be deducted. Where there are restrictions, the deferred tax assets are examined only in conjunction with deferred tax assets of the same type.
Adoption of this amendment is not expected to have an effect on the Company's financial statements.

IAS 40, Amendment - Investment Property (effective from 1.1.2018, not yet adopted by the EU)

This amendment clarifies that the transfer of a property, including a property under construction or in development, to, or from, investment property must only take place when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property and it must be suitably documented.

Adoption of this amendment is not expected to have an effect on the Company's financial statements.

IFRS 2, Amendment - Share-based payments (effective from 1.1.2018, not yet adopted by the EU)

The amendment relates to (a) measurement of cash-settled share-based payment transactions (b) accounting for modifications of share-based payment transactions from cash-settled to equity-settled and (c) the classification of share-based payments which are settled net of tax withholdings. More specifically, the amendment makes it clear that a cash-settled share-based payment is measured using the same approach for equity-settled share-based payments, and so when measuring the liability, market conditions and non-vesting conditions are taken into account in measuring 'fair value' but conditions unrelated to the market and service conditions are reflected in the estimate of the number of payments made which are expected to vest.
In addition, it clarifies that when a cash-settled share-based payment is modified into an equity-settled share-based payment, as a result of changes in its terms and conditions, the liability from the original cash-settled, share-based payment is de-recognised and the equity-based share-based payment is recognised at fair value on the modification date, and recognised to the degree that the goods or services have been provided up to that date. Any difference between the book value of the liability which was de-recognised and the amount recognised in equity on that date is recognised directly in profit and loss. A share-based payment which an economic entity is permitted or obliged to settle net after withholding part of the shares in order to discharge a withholding tax obligation on the employee's behalf (net settlement) is classed as an equity-settled share-based payment in its entirety, provided that the payment would in any event have been classified thus if it did not include the net settlement features.

Adoption of this amendment is not expected to have an effect on the Company's financial statements.

IFRS 9, Financial Instruments (effective from 1.1.2018)

IFRS 9 refers to Financial Instruments and includes revised guidelines and new requirements on classification and measurement, impairment and hedge accounting. The standard adopts a uniform approach to the classification of all categories of financial assets, under which classification and measurement is based on the business model the company uses to manage its assets and the characteristics of the contractual cash flows for those financial assets. The IFRS introduces an impairment model based on loses expected from credit risk and replaces the existing incurred losses model. The standard also introduces changes to the hedge accounting model, which seek to bring hedge accounting into line with risk management operations.
At present, the company is assessing the impact of these new requirements, but does not expect a major quantitative impact on its financial statements when it makes the transition to IFRS 9. The Company plans to adopt IFRS 9 on the date it becomes mandatory.

IFRS 15, Revenue from Contracts with Customers (effective from 1.1.2018)

IFRS 15 establishes a single and comprehensive framework for recognising revenue with the aim of systematically applying it to all contracts with customers, and specifies when and what revenues are to be recognised, but does not affect the recognition of revenues from financial instruments that fall within the scope of IFRS 9 and IAS 39. In addition, IFRS 15 replaces the older standards, IAS 18 (Revenue) and IAS 11 (Construction Contracts), and related interpretations in relation to revenue recognition.
The Company is currently examining the effects of IFRS 15 on its financial statements, but adoption is not expected to have any significant effect on them.

IFRS 15, Amendment (effective from 1.1.2018, not yet adopted by the EU)

The amendment to IFRS 15 clarifies:

• When a promised good or service can be identified distinctly from other promises in a contract, i.e. it is distinct in the context of the contract, which is part of the economic entity's assessment of whether a promised good or service entails a performance obligation.

• Guidelines on principal versus agent considerations to determine whether the nature of a promise by an economic entity is to provide promised goods or services itself (i.e. the economic entity is the principal) or whether it arranges goods or services to be provided by another (i.e. the economic entity is an agent).• In relation to intellectual property licenses, when the economic entity's activities significantly affect intellectual property over which the customer has rights, which is a factor in determining whether the company recognises revenue over time or at a specific point in time.

• The scope for applying the exception for sales or use-based rights of intellectual property licenses (royalties constraint) when there are other promised goods or services in the contract. Moreover, the amendment also adds 2 practical solutions for transition requirements in IFRS 15 for completed contracts if full retrospective transition has been chosen and for contracts modified upon transition.The Company is currently examining the effects of IFRS 15 on its financial statements, but adoption is not expected to have any significant effect on them.

IFRS 16 - Leases (effective from 1.1.2019, not yet adopted by the EU)

Under IFRS 16, which supersedes IAS 17 and the relevant interpretations, the classification of leases by the lessee as either operating or finance leases is done away with, and all leases are treated the same as finance leases in accordance with IAS 17. The new standard foresees recognition of a right-of-use asset and a lease liability at the present value of rents payable over the term of the lease, in the case where there is a contract or part of a contract which gives the lessee the right to use an asset for a specific time period for a price. Consequently, the straight line method of recognising expenses from operating leases under IAS 17 is replaced by depreciation of the right-of-use asset and the interest charges from the lease liability. Recognition of assets and liabilities by lessees, as described above, is not required for certain short-term leases and leases for low value assets. In addition, accounting for lessors is not substantially affected by the requirements of IFRS 16. The Company is currently examining the effect of IFRS 16 on its financial statements.

Annual improvements to the IFRS 2014 - 2016 (effective from 1.1.2017 and 1.1.2018, not yet adopted by the EU)

The amendments introduce major changes made to two IFRS as a result of publication of the results of the 2014-2016 cycle of the IASB annual improvements project. The issues the amendments focus on are as follows:

In IFRS 12 "Disclosure of interests in other entities" they clarify that the disclosure requirements the standard lays down apply to an interest an economic entity has in a subsidiary, joint venture or associate classified as held for sale, apart from the requirement for condensed financial reporting. This amendment is applicable to annual accounting periods commencing on or after 1.1.2017.

In IAS 28 "Investments in associates and joint ventures" they clarify that an entity that is a venture capital organisation, mutual fund or entities with similar activities can opt to measure each investment in an associate or joint venture at fair value through profit and loss and that that option must be made separately for each associate or joint venture upon initial recognition. This amendment is applicable to annual accounting periods commencing on or after 1.1.2018. Adoption of these amendments is not expected to have an effect on the Company's financial statements.

IFRIC 22 - Foreign currency transactions and advance consideration (effective from 1.1.2018, not yet adopted by the EU)

IFRIC 22 sets out the requirements about which exchange rate should be used to present foreign currency transactions which include advance consideration. The interpretation makes it clear that in this case the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the relevant asset, expense or revenue, is the prepayment date, namely the date on which the economic entity initially recognised the non-monetary asset (non-current receivables from current income) or the non-monetary liability (unearned and deferred income) which arose from prepaying the price. If there are multiple payments or receipts in advance, the economic entity must establish a date of transaction for each payment or receipt.Adoption of these amendments is not expected to have an effect on the Company's financial statements.

3 Important accounting estimates and assumptions in implementing the accounting policies

In implementing the Company's accounting policies, Management makes estimates and assumptions which affect the amounts shown in asset and liability accounts in the financial statements during the next financial year. These estimates and assumptions are constantly evaluated and are based on historical experience and on other factors including expected future events which, under current conditions, are expected to occur.

3.1 Provision for bad debt

The Company constantly examines customer debt balances to assess to what extent impairment loss has been incurred. In determining whether impairment loss should be recognised in the income statement, the Company using its discretion examines to what extent there are indications to show that there is a definable reduction in the expected cash flows from a customer portfolio before the reduction can be correlated with a specific balance of a customer in the portfolio. Such indications may include data observed which indicates that there was a negative change in the repayment ability of a group of debtors or in national or local economic conditions related to breaches of obligations in respect of a group of assets. Management used estimates based on historical experience of losses from assets with similar credit risk features and similar objective indications of impairment losses with the portfolio when determining future cash flows.

The methodology and assumptions used to calculate the amount and the timing of future cash flows is periodically re-examined to reduce any differences between estimates of losses and actual loss experience.

4 Financial risk management

4.1 Use of financial instruments

By their nature, Company activities are primarily related to the use of financial instruments, including derivatives.

The Company primarily trades in financial instruments and from time to time acquires exposure to over-the-counter instruments including derivatives to exploit short-term fluctuations in the equity market and due to its leading role as a Type B market maker in the domestic listed derivatives market. Company Management in cooperation with the Management Committees of the Eurobank Ergasias Group specify the transaction limits for the size of exposure that can be accepted.

4.2. Financial risk factors

Company activities expose it to various financial risks: credit risk, market risk, liquidity risk and concentration risk. General company risk management policy focuses on the uncertainty of financial markets and seeks to minimise possible negative impacts on financial performance, financial status and Company cash flows.

4.2.1 Credit Risk

The Company is exposed to credit risk which is the risk that the counterparty is unable to fully pay the amounts it owes when these become due. Provisions for impairment are recognised for losses incurred on the balance sheet date. Consequently, Management carefully manages its exposure to credit risk in the context of the regulatory provisions laid down by the supervisory authority (the Hellenic Capital Market Commission).

(a) Derivatives

The Company imposes limits to control net exposure to derivatives, in other words the difference between purchase and sale agreements, in terms of amount and terms. At any point the amount subject to credit risk is limited to the current fair value of instruments favourable for the Company (in other words derivatives with a positive fair value) which in relation to derivatives are only a small part of the theoretical amount of contracts used to express the volume of outstanding instruments. Managing exposure to credit risk is done by taking into account possible exposure to market fluctuations. Collateral or other securities are not usually included for exposure to credit risk for these instruments unless the Company requires a margin deposit from counterparties.

(b) Credit-related commitments

These are maintained in line with the regulatory provisions of the supervisory authorities from time to time.

The ability of members of ATHEX to grant credit to customers to enable stock exchange transactions to be carried out (via a margin account) was regulated for the first time by Law 2843/2000.

The model used for providing such credit is based on the general principle that credit is extended only on the basis of a written agreement between the member and the customer where the latter provides the member with corresponding collateral for the credit over which the member maintains a lawful pledge.

The margin account enables investors to purchase more shares than those which their available capital would permit by utilising leverage techniques. However, the purchase of shares on credit is a technique used by investors skilled in handling this tool and who know how it operates.

The specific terms and conditions for members of ATHEX to grant credit are laid down by law and in the regulatory decisions of the Hellenic Capital Market Commission and Acts of the Governor of the Bank of Greece issued pursuant to such laws. Consequently, the Company is not exposed to significant credit risk from its activities.

The debt balance of customers with a margin on 31.12.2016 amounted to € 6,744,706 and the current value of the margin portfolio is € 17,116,887.

(c) Credit risk for T+2 (2-day credit)

Pursuant to Law 2843/2000 and HCMC Decision No. 2/213/28.3.2001 the customer should have paid the purchase price by the end of T+2. If this is not done the ATHEX Member may make necessary sales to minimise risk on T+3 or make advances for part of the purchase price and in general is not exposed to significant credit risk. Alternatively, after signing an additional agreement with the Company, the customer may obtain 2-day credit which relates to operations and the risks entailed by the margin account.

The debt balance of customers with 2-day credit on 31.12.2016 amounted to € 1,051,367 and the current value of the margin portfolio is € 142,747,105.

(d) Deposits with mature loan balance financial institutions

In order to protect free cash assets of customers the Hellenic Capital Market Commission required in Decision No. 2/306/22.6.2004 (as in force) that ATHEX members keep their customer's monies in special bank accounts with credit institutions of good repute.

4.2.2. Market Risk

The Company is exposed to market risk. Market risk arises from exposure to securities, which are exposed to general and specific fluctuations in the market and to exposure risk, FX risk and interest rate risk. The Company takes position for commercial reasons in shares, derivatives where the underlying securities are shares or share indexes. These assets are listed on regulated markets, are directly realisable and suitable for market risk hedging.

(i) Exposure risk

On 31.12.2016 the company's total exposure (delta equivalent per Risk Factor) was € 358,194 (This figure can be broken down into FTSE/ATHEX Large Cap Index: € -2,215,462, Shares: € + 2,573,656 due to hedging risk).Market risk based on the in-house value at risk (VAR) model and with VaR parameters at 10 days / 99% confidence interval, was € 93,527. If the Company needed to fully realise its portfolio, the maximum possible loss from such realisation has been computed at € 23,946, and this amount has been recorded as an expense.

(ii) Foreign exchange risk

The Company's financial status and cash flows are exposed to risk from the impact of fluctuations in current exchange rates. On 31.12.2016 the Company was exposed to negligible foreign exchange risk (note 25).

(iii) Interest rate risk

The Company's financial status and cash flows are exposed to risk from the impact of fluctuations in exchange rates that currently apply on the market. Interest rate risk for cash flows is the risk that future cash flows from a loan which has been granted will fluctuate due to changes in market rates. In the case of credit granted via margin accounts or 2-day credit lines, the interest rate risk is rolled over to customers in most cases by contract. Overall Company exposure to interest rate risk is considered to be negligible.

4.2.3. Liquidity Risk

The Company is exposed to liquidity risk daily. The Company does not have cash assets to cover all its needs since experience shows that the minimum level of capital reinvestment upon maturity can be forecast with a high degree of certainty. Management sets limits on the minimum amount of capital to mature which is available to cover such liquidity gaps using stress tests.

The maturity of assets and liabilities and the ability to replace interest-bearing liabilities at acceptable cost upon maturity are factors in determining company liquidity and its exposure to interest rate fluctuations (note 26).

4.2.4 Concentration risk

Concentration risk refers to the case where the loan portfolio or company exposure correspond to a large degree to a single counterparty or a group of associated counterparties with common characteristics or the same collateral issuer in relation to the credit risk. As far as retail customers with similar characteristics are concerned, the company's loan portfolio is diversified across a wide range of customers. In the case of institutional customers or groups of associated companies, where exposure is particularly short-term, the most important form of risk is considered to be the risk related to the size of the exposure or the overall exposure of associated companies, and other risks (such as country risk) are considered to be not very important.

4.2.5 Capital adequacy

The initial capital management objectives were to ensure that the Company maintains satisfactory capital adequacy ratios in order to allow it to continue its operations and maximise the benefits for shareholders.

The Company manages its capital structure and adjusts it depending on economic conditions and the risk characteristics of its activities. The Company can adjust its capital structure by adjusting the level of dividend distributed to shareholders, by returning capital to shareholders or by issuing equity instruments.

On 31.12.2016 the Company's capital adequacy indicator was 36.51%. The minimum limit is 8%.

Amounts are expressed in € '000.

	31-Δεκ-16	31-Δεκ-15
Tier 1 capital		
Share capital	43,866	43,866
Statutory reserve and other reserves	22,324	22,327
Losses / (profits) carried forward	(2,625)	1,327
Total Tier 1 Capital	**63,565**	**67,520**
Less: Total regulatory adjustments to intrinsic equity	(410)	(369)
Total regulatory capital	**63,154**	**67,151**
Total weighted assets	**172,960**	**165,746**
Basel III capital adequacy index	**36.51%**	**40.51%**

4.3 Fair value of financial assets and liabilities

Fair value is the amount for which an asset could be exchange or a liability settled by informed and willing parties in a purely commercial transaction. The market price (where there is an active market such as a recognised exchange) is the best indicator of fair value for a financial instrument. In cases where there are no indicative market prices, the fair value of financial assets and liabilities is computed using their present value or other valuation methods, where all significant variables are observable in the market.

The values resulting using these methods are significantly affected by assumptions about the level and timing of future cash flows and discounting rates used. The fair values of financial assets and liabilities approximate their book value for the following reasons:

a. Financial assets held for commercial purposes, derivatives and other transactions entered into for commercial reasons, and interest-bearing notes, investment instruments available for sale and financial assets and liabilities valued at fair value through profit and loss are valued at fair value by reference to stock exchange prices, if they are available. If stock exchange prices are not available, the fair values are computed using valuation methods.

b. All financial assets valued at fair value are categorised at year end into one of the three fair value ranking levels depending on whether valuation is based on data observable or non-observable in the market.

   Level 1 - Stock exchange prices on active markets for financial assets with the same characteristics. These prices must be available from a stock exchange or active index / market directly and at regular intervals and must represent real, frequent transactions on a purely commercial basis. This level includes listed shares, debt instruments and negotiable derivatives.

   Level 2 - Financial assets valued using valuation methods where all the most important data comes from observable values. This level includes OTC derivatives and complex financial assets and liabilities.

   Level 3 - Financial assets valued using valuation methods where the most important data comes from non-observable values.

   As regards the remaining financial assets which are short-term or are valued again at regular time intervals, their book value approximates their fair value.

All amounts are in Euro.	31-Δεκ-16 Stock exchange prices on active markets (Level 1) € '000	Valuation model, observable values (Level 2) € '000	Valuation model, non-observable values (Level 3) € '000	Total € '000
Financial receivables at fair value through profit and loss:	**10,547**	**-**		**10,547**
Derivatives	**100**	**-**		**100**
Investment securities portfolio	**-**	**-**	**120**	**120**
Total financial assets	**10,647**	**-**	**120**	**10,767**
Financial liabilities at fair value through profit and loss:				
Open sales of shares on ATHEX	463			**463**
Derivatives	**171**	**-**	**-**	**171**
Total financial liabilities	**634**	**-**	**-**	**634**

	31-Δεκ-15 Stock exchange prices on active markets (Level 1) € '000	Valuation model, observable values (Level 2) € '000	Valuation model, non-observable values (Level 3) € '000	Total € '000
Financial receivables at fair value through profit and loss:	**13,972**	**-**		**13,972**
Derivatives	**62**	**-**		**62**
Investment securities portfolio	**-**		**120**	**120**
Total financial assets	**14,034**	**-**	**120**	**14,154**
Financial liabilities at fair value through profit and loss:				
Open sales of shares on ATHEX	21			**21**
Derivatives	**330**	**-**	**-**	**330**
Total financial liabilities	**351**	**-**	**-**	**351**

5 Results from financial transactions

All amounts are in Euro.

	1.1- 31.12.2016	1.1- 31.12.2015
Losses from financial transactions - shares	(3,772,633)	(8,149,826)
Gains from financial transactions - derivatives	2,836,774	8,780,961
Profits from foreign exchange differences	22,501	135,738
Sale/impairment of investment securities portfolio	-	(241,302)
	(913,358)	**525,571**

6 Net income from fees/commission

All amounts are in Euro.

	1.1- 31.12.2016	1.1- 31.12.2015
Share purchase/sale commission	5,941,800	8,412,971
Derivatives commission	338,769	1,203,997
Investment banking revenues	6,822	2,289,892
Other income	228,809	362,099
	6,516,200	**12,268,959**

7 Staff salaries and expenses

All amounts are in Euro.

	1.1- 31.12.2016	1.1- 31.12.2015
Employee salaries, wages and benefits	4,455,777	5,415,682
Social security contributions	908,261	1,027,758
Retirement pay and other post-service benefits	953,425	-
Other staff expenses	457,282	524,911
	6,774,745	**6,968,351**

The number of staff employed on 31.12.2016 was 88 compared to 110 on 31.12.2015.

8 Other operating expenses

All amounts are in Euro.

	1.1- 31.12.2016	1.1- 31.12.2015
Administrative expenses	4,116,966	3,873,767
Provisions for extraordinary and general risks	(95,961)	486,716
Rents payable for operating leases	226,463	265,506
	4,247,468	**4,625,989**

9 Interest income - expenses

All amounts are in Euro.

Income from interest

	1.1- 31.12.2016	1.1- 31.12.2015
Interest on deposits and other interest	421,553	500,474
Auxiliary & Guarantee Fund revenues	0	11,509
	421,553	**511,983**

Interest expenses

	1.1- 31.12.2016	1.1- 31.12.2015
Interest on loans	115,162	138,960
Negative interest (Bank of Greece) on Auxiliary Fund levies	136,360	32,020
Other interest	13,504	1,837
	265,026	**172,817**

10 Income tax

All amounts are in Euro.

	1.1- 31.12.2016	1.1- 31.12.2015
Income tax for the period		
Discount for lump-sum payment of tax	-	(99,756)
Deferred tax (Note 11)	(1,525,400)	620,486
Total	**(1,525,400)**	**520,730**

Total provision for income tax shown in results

The tax rate in Greece for 2016 is 29% (29% in 2015). The reconciliation between income tax on EBT based on current rates and tax expenses is as follows:

	1.1- 31.12.2016	1.1- 31.12.2015
Results before tax	**(5,377,439)**	**1,615,547**
Tax at applicable rate (29% in 2016 and in 29% in 2015)	**(1,559,457)**	**468,509**
Tax impact:		
Untaxed income / Untaxed deductible expenditure	**85,050**	**151,977**
Deferred tax asset recognised during the period on prior period tax losses	**(56,870)**	**-**
Discount for lump-sum payment of tax	**-**	**(99,756)**
Other tax adjustments	**5,877**	**-**
Income tax	**(1,525,400)**	**520,730**

From the period ending 31.12.2011 onwards, Article 65A of Law 4174/2013 (which is in force now, and as Article 82 of Law 2238/1994 previously in force also required), Greek societes anonyme and limited liability companies whose annual financial statements are audited of necessity are obliged from fiscal years commencing before 1.1.2016 to obtain an annual tax certificate issued after a tax audit is carried out by the statutory auditor or auditing firm which audits the annual financial statements.

For periods commencing from 1.1.2016 onwards the annual tax certificate is optional.

The company has been audited by the tax authorities up to and including the 20**10** period and has received an unqualified tax certificate for the periods 2011-2015. For 2016 the tax audit is under way.Upon completion of the tax audit, Company Management does not expect there to be major tax liabilities other than those entered in and already presented in the financial statements.

Under Greek tax law and the relevant Ministerial Decisions, companies to which a tax certificate is issued which does not indicate any tax violations are not exempted from the imposition of surtaxes and fines by the Greek tax authorities after completion of the tax audit in the context of the legislative restrictions laid down (as a rule 5 years after the end of the period in which the tax return ought to have been filed).

11 Deferred tax

All amounts are in Euro.

Deferred income tax is calculated for all interim differences based on the full liability method with an expected actual tax rate of 29% as stated in Note 10.

The deferred tax account is presented below:
All amounts are in Euro.

	31-Δεκ-16
Balance on 1 January	382,368
(Debit)/Credit to income statement	1,525,400
(Debit)/Credit to statement of changes in equity	41,954
Balance at end of period/year	**1,949,722**
Deferred tax liabilities are attributable to the following:	
Pensions and other post-employment benefits	154,027
Tax losses and other temporary differences	1,795,695
Deferred tax assets – (liabilities)	**1,949,722**

	31-Δεκ-15
Balance on 1 January	1,016,995
(Debit)/Credit to income statement	(620,486)
(Debit)/Credit to statement of changes in equity	(14,141)
Balance at end of period/year	**382,368**
Deferred tax liabilities are attributable to the following:	
Pensions and other post-employment benefits	107,790
Tax losses and other temporary differences	274,578
Deferred tax assets – (liabilities)	**382,368**

Recognition of these deferred tax assets is based on Management's estimate as at 31.12.2016 that the Company will have adequate taxable profits in the future against which unused tax losses and deductible temporary differences can be used.

12 Cash and cash equivalents

All amounts are in Euro.
For the purpose of preparing the cash flow statement, cash and cash equivalents are the following balances which mature within a 90-day period:

	31-Δεκ-16	31-Δεκ-15
Cash on hand	40	75
Company sight deposits	13,753,274	6,493,106
Sight deposits for customer mature credit balances	51,111,159	44,958,551
	64,864,473	**51,451,732**

13 Financial assets presented at fair value through profit and loss

All amounts are in Euro.	31-Δεκ-16	31-Δεκ-15
Shares		
- Listed on the Athens Exchange and foreign exchanges (Receivables)	10,546,977	13,972,344

Of these shares, shares worth € 3,953,296 in the assets are blocked in favour of the Athens Exchange Clearing House to cover the margin.
The entire listed share portfolio is characterised as held for trade.

	31-Δεκ-16	31-Δεκ-15
Opening balance (1 Jan)	13,972,344	4,834,489
Reductions / (Additions)	(4,003,576)	9,696,168
Adjustment to fair value	578,209	(558,313)
Closing balance (31 Dec)	**10,546,977**	**13,972,344**

14 Derivatives

All amounts are in Euro.

	31-Δεκ-16		
	Contract/ nominal value	Fair value Assets	Fair value Liabilities
Derivatives held for trade			
Negotiable futures	14,012,208	82,926	168,017
Negotiable options	3,792,485	16,705	2,827
		99,631	**170,844**

This exposure arose from hedging exposure to futures that arose from our obligations as a market maker for shares and index futures.

	31-Δεκ-15		
	Contract/ nominal value	Fair value Assets	Fair value Liabilities
Derivatives held for trade			
Negotiable futures	13,680,187	59,825	324,797
Negotiable options	103,350	2,458	5,158
		62,283	**329,955**

15 Receivables - liabilities from customers - brokers - stock exchange

All amounts are in Euro.

	31-Δεκ-16	31-Δεκ-15
Receivables from customers	10,030,291	33,073,796
Receivables from brokers - stock exchange	23,987,105	66,764,274
	34,017,397	**99,838,070**
Liabilities to customers - brokers - stock exchange	6,591,015	33,570,645
Liabilities to customers for cleared transactions	51,111,159	44,958,551
	57,702,174	**78,529,196**

Receivables from customers can be broken down as follows:	31-Δεκ-16	31-Δεκ-15
Customer balances	11,841,870	35,010,585
Less : Provisions for impairment of receivables	(1,811,578)	(1,936,788)
Total	**10,030,291**	**33,073,797**

The changes in the provisions account can be broken down as follows:

	31-Δεκ-16	31-Δεκ-15
Opening balance	1,936,788	1,460,308
Plus: Provision formed for year	66,677	485,148
Less : Prior period provisions, not verified	(191,887)	-
Less : Receivables written off via provisions	-	(8,668)
Balance at the end of year	**1,811,578**	**1,936,788**

The table below shows the change in customer receivables over time:

	31-Δεκ-16	31-Δεκ-15
Receivables from customers up to 3 months	4,755,563	27,488,435
Receivables from customers from 3 to 12 months	888,911	1,611,649
Receivables from customers over 1 year	6,197,396	5,910,501
	11,841,870	**35,010,585**
Less : Provisions for impairment of receivables	(1,811,578)	(1,936,788)
Closing balance	**10,030,292**	**33,073,797**

The amounts not covered by the impairment provision related to margin and 2-day credit products. The current value of the margin portfolio of customers with a debt balance on 31.12.2016 was € 910,911,740 compared to a portfolio value of € 697,922,818 on 31.12.2015.

The fair value of these assets approximate their book value.

16 Intangible assets

All amounts are in Euro.

	31.12.2016		
	Software		Total intangible assets
Acquisition cost:			
Balance on 1.1.2016	3,372,768		3,372,768
Increases	321,203		321,203
Sales - Deletions	(894)		(894)
Balance on 31.12.2016	**3,693,077**		**3,693,077**
Accumulated depreciation:			
Balance on 1.1.2016	(3,154,565)		(3,154,565)
Depreciation for the period	(128,940)		(128,940)
Sales - Deletions	894		894
Balance on 31.12.2016	**(3,282,611)**		**(3,282,611)**
Carried value on 31.12.2016	**410,466**	**-**	**410,466**

All amounts are in Euro.

	31.12.2015		
	Software		Total intangible assets
Acquisition cost:			
Balance on 1.1.2015	3,329,818		3,329,818
Increases	42,950		42,950
Balance on 31.12.2015	**3,372,768**		**3,372,768**
Accumulated depreciation:			
Balance on 1.1.2015	(2,942,182)		(2,942,182)
Depreciation for the period	(212,383)		(212,383)
Balance on 31.12.2015	**(3,154,565)**	**-**	**(3,154,565)**
Carried value on 31.12.2015	**218,203**	**-**	**218,203**

16 Tangible assets

All amounts are in Euro.

	31-Δεκ-16			
	Improvements to third party property	Furniture and other equipment	Computers	Total tangible assets
Acquisition cost:				
Balance on 1.1.2016	1,038,271	1,663,529	2,392,692	5,094,492
Increases		7,859	59,126	66,985
Sales / Deletions	-	(25,144)	(276,922)	(302,065)
Balance on 31.12.2016	**1,038,271**	**1,646,244**	**2,174,897**	**4,859,412**
Accumulated depreciation:				
Balance on 1.1.2016	(655,421)	(1,569,514)	(2,197,824)	(4,422,759)
Sales - Deletions		24,626	276,758	301,384
Depreciation for the period	(31,218)	(40,140)	(69,198)	(140,555)
Balance on 31.12.2016	**(686,639)**	**(1,585,027)**	**(1,990,264)**	**(4,261,930)**
Carried value on 31.12.2016	**351,632**	**61,217**	**184,633**	**597,482**

All amounts are in Euro.

	31-Δεκ-15			
	Improvements to third party property	Furniture and other equipment	Computers	Total tangible assets
Acquisition cost:				
Balance on 1.1.2015	1,038,271	1,667,516	2,376,490	5,082,277
Increases	-	-	43,284	43,284
Sales / Deletions	-	(3,987)	(27,082)	(31,069)
Balance on 31.12.2015	**1,038,271**	**1,663,529**	**2,392,692**	**5,094,492**
Accumulated depreciation:				
Balance on 1.1.2015	(624,203)	(1,526,616)	(2,128,016)	(4,278,835)
Sales - Deletions	-	3,330	25,299	28,629
Depreciation for the period	(31,218)	(46,228)	(95,107)	(172,553)
Balance on 31.12.2015	**(655,421)**	**(1,569,514)**	**(2,197,824)**	**(4,422,759)**
Carried value on 31.12.2015	**382,850**	**94,014**	**194,868**	**671,733**

17 Other long-term assets

All amounts are in Euro.

	31-Δεκ-16	31-Δεκ-15
Participation in the Auxiliary Fund	3,368,035	3,333,158
Participation in the Guarantee Fund	2,780,253	2,949,589
	6,148,288	**6,282,747**

These participations include the following sums: a) € 1,717,586 which relates to payment as a guarantee for levies to the Auxiliary Fund for shares and € 900,449 which relates to payment as a guarantee to the Auxiliary Fund for derivatives (in accordance with the provisions of Law 2471/1997 and Law 3371/2005 and the decisions of the Hellenic Capital Market Commission issued pursuant to them). The Auxiliary Fund's manager and custodian is Hellenic Exchanges S.A. Holding, b) € 750,000 in the Cyprus Stock Exchange's Liquidation Fund, c) € 2,780,253 which relate to payment of a guarantee to the Investment Services Guarantee Fund in accordance with the provisions of Law 2533/1997. A letter of guarantee of € 2,280,253 has also been issued for the same purpose.

The following points should be noted in relation to the Auxiliary Fund:

Transaction limits and the Auxiliary Fund were introduced at the end of 1996 and start of 1997 to handle problems with transaction clearing. Law 3371/2005 amended the original law and bolstered the role of the Auxiliary Fund and how it operates. In cooperation with the Guarantee Fund, and having obtained approval from the HCMC after examining risk hedging methods applied on European markets, the HELEX Group concluded that it was necessary to implement a modern counterparty risk management and hedging method on the Greek equities market with a change in the method for calculating the daily transaction limits for ATHEX members.

18 Investment securities portfolio

All amounts are in Euro.

	31-Δεκ-16	31-Δεκ-15
Shares not listed on ATHEX	456	456
Greek corporate bonds	119,560	119,560
	120,016	**120,016**

The fair values approximate the book values.

19 Other assets

All amounts are in Euro.

	31-Δεκ-16	31-Δεκ-15
Income receivable	26,146	29,410
Prepaid expenses	238,932	401,186
Other receivables	17,481	11,790
Receivables from the Greek State	6,404,789	7,247,846
Sundry debtors	216,246	259,603
	6,903,593	**7,949,835**

Receivables from the Greek State include the sum of € 5,780,929 relating to settlement of income tax for the previous year (2015).

The fair value of these assets approximate their book value.

20 Personnel termination liabilities

All amounts are in Euro.

The impact of the amendments in the revised IAS 19 on the statement of comprehensive income for 2016 are presented below:

	31-Δεκ-16		31-Δεκ-15
Balance on 1 January	371,690		381,079
Benefits paid during year	(938,654)		-
(Credit) / Debit to income statement	953,424		39,374
Recognition of actuarial loss / (gain) in comprehensive income	144,669		(48,763)
Balance at year end	**531,129**	-	**371,690**

In order to form the provision for personnel termination compensation the following assumptions were used: a) discount rate of 1.76% and b) future increases for 2017: 1.00%, 2018: 2019:2020, 1.60%, c) Expected remaining working life: 22.45 years

Cost of current employment	27,721	29,580
Interest costs	9,590	9,794
Cost of cutbacks/settlements/termination of service	916,113	-
	953,424	**39,374**

These results are dependent on the economic and demographic assumptions used in preparing the actuarial study.

Thus, on the valuation date (31.12.2016):
• Use of a 0.5% higher discount rate would result in the present value of the actuarial obligation being 9% lower while use of a 0.5% lower discount rate would result in the present value of the actuarial obligation being 10% higher.

21 Loan obligations

All amounts are in Euro.

	31-Δεκ-16	31-Δεκ-15
Working Capital	-	30,000,000
	-	**30,000,000**

22 Other liabilities

	31-Δεκ-16	31-Δεκ-15
Suppliers	500,479	481,316
Insurance and pension fund dues	219,006	262,639
Liabilities to related enterprises	1,116,092	2,007,501
Pre-collected income and expenses payable	154,866	158,189
Other liabilities	908,175	898,112
	2,898,618	**3,807,758**

The fair value of these assets approximate their book value.

23 Share Capital

All amounts are in Euro.

	31-Δεκ-15	
	Ordinary shares No. of shares	Share Capital
1.1.2015 & 31.12.2015	**1,390,350**	**43,865,543**

	31-Δεκ-16	
	Ordinary shares No. of shares	Share Capital
1.1.2016 & 31.12.2016	**1,390,350**	**43,865,543**

24 Reserves

All amounts are in Euro.

	31-Δεκ-15				
	Ordinary Reserves	Balance of uncovered losses from securities carried forward to be offset in future	Other Reserves	Extraordinary Reserves	Total
Balance on 1.1.2015	14,586,692	(29,658)	7,488,643	146,735	22,192,412
Actuarial profits	-	-	34,622	-	34,622
Transfer of reserves	35,155	-	64,835	-	99,990
Balance on 31.12.2015	**14,621,847**	**(29,658)**	**7,588,100**	**146,735**	**22,327,024**

	31-Δεκ-16				
	Ordinary Reserves	Balance of uncovered losses from securities carried forward to be offset in future	Other Reserves	Extraordinary Reserves	Total
Balance on 1.1.2016	14,621,847	(29,658)	7,588,100	146,735	22,327,024
Actuarial losses			(102,715)	-	(102,715)
Transfer of reserves			99,756	-	99,756
Balance on 31.12.2016	**14,621,847**	**(29,658)**	**7,585,141**	**146,735**	**22,324,065**

The statutory reserve formed in accordance with the provisions of Greek law (Articles 44 and 45 of Codified Law 2190/1920) under which at least 5% of the annual net earnings (net of tax) must be placed in the statutory reserve until that reserve reaches 1/3 of the paid-up share capital. The statutory reserve may be used to cover losses following a decision of the Ordinary General Meeting of Shareholders and consequently cannot be used for any other purpose.On 31.12.2016 the statutory reserve stood at € 14,621,847 (1/3 of the paid-up share capital).

Reserves from tax preference items were formed in line with the provisions of various laws. Under Greek tax law, those reserves are exempt from income tax so long as they are not distributed to shareholders, whereas if distributed or capitalised, they will be taxed at the tax rate applicable at the time of distribution.

25 Foreign exchange risk

All amounts are in Euro.

The table below summarises Company exposure to interest rate risk on 31.12.2016 and 31.12.2015. The table presents assets and liabilities, per currency, at book values expressed in euro.

		31-Δεκ-16		
	Euro	USD	Other currencies	Total
ASSETS				
Non-Current Assets				
Intangible assets	410,466	-	-	410,466
Tangible assets	597,482	-	-	597,482
Other long-term assets	6,148,288	-	-	6,148,288
Investment securities portfolio	120,016	-	-	120,016
Deferred tax	1,949,722			1,949,722
	9,225,974	**-**	**-**	**9,225,974**
Current Assets				
Customers - brokers - stock exchange	31,780,803	1,799,420	437,173	34,017,397
Other assets	6,903,593	-		6,903,593
Financial assets presented at fair value through profit and loss	10,546,977	-	-	10,546,977
Derivative financial instruments - receivables	99,631	-	-	99,631
Cash and cash equivalents	53,512,353	9,235,717	2,116,403	64,864,473
	102,843,357	**11,035,137**	**2,553,576**	**116,432,070**
Total assets	**112,069,331**	**11,035,137**	**2,553,576**	**125,658,045**
LIABILITIES				
Short-term liabilities				
Loan obligations	-	-	-	-
Customers-brokers-stock exchange	49,444,263	7,902,803	355,109	57,702,174
Derivative financial instruments - liabilities	170,844	-	-	170,844
Financial assets presented at fair value through profit and loss	462,685	-	-	462,685
Other taxes	327,816	-	-	327,816
Other liabilities	2,898,618	-	-	2,898,618
Long-term liabilities				
Staff dismissal and retirement compensation provisions	531,129	-	-	531,129
Total Liabilities	**53,835,355**	**7,902,803**	**355,109**	**62,093,266**
Equity	**58,233,976**	**3,132,335**	**2,198,468**	**63,564,779**
Total liabilities & equity	**112,069,331**	**11,035,137**	**2,553,576**	**125,658,045**

		31-Δεκ-15		
	Euro	USD	Other currencies	Total
ASSETS				
Non-Current Assets				
Intangible assets	218,203	-	-	218,203
Tangible assets	671,733	-	-	671,733
Other long-term assets	6,282,747	-	-	6,282,747
Investment securities portfolio	120,016	-	-	120,016
Deferred tax	382,368			382,368
	7,675,067	**-**	**-**	**7,675,067**
Current Assets				
Customers - brokers - stock exchange	98,566,592	912,560	358,918	99,838,070
Other assets	7,949,835	-		7,949,835
Financial assets presented at fair value through profit and loss	13,972,344	-	-	13,972,344
Derivative financial instruments - receivables	62,283	-	-	62,283
Cash and cash equivalents	43,739,401	5,786,451	1,925,880	51,451,732
	164,290,455	**6,699,011**	**2,284,798**	**173,274,264**
Total assets	**171,965,522**	**6,699,011**	**2,284,798**	**180,949,331**
LIABILITIES				
Short-term liabilities				
Loan obligations	30,000,000	-	-	30,000,000
Customers - brokers - stock exchange	73,039,934	5,264,053	225,209	78,529,196
Derivative financial instruments - liabilities	329,955	-	-	329,955
Financial assets presented at fair value through profit and loss	21,304	-	-	21,304
Other taxes	369,896	-	-	369,896
Other liabilities	3,807,758	-	-	3,807,758
Long-term liabilities				
Staff dismissal and retirement compensation provisions	371,690	-	-	371,690
Total Liabilities	**107,940,537**	**5,264,053**	**225,209**	**113,429,799**
Equity	**64,024,985**	**1,434,958**	**2,059,589**	**67,519,532**
Total liabilities & equity	**171,965,522**	**6,699,011**	**2,284,798**	**180,949,331**

26 Breakdown of liabilities based on maturity

All amounts are in Euro.

The table below presents Company liabilities in categories based on the time remaining to maturity on the balance sheet date.

			31-Δεκ-16			
	Up to 1 month	**1 - 3 months**	**3 - 12 months**	**1 - 5 years**	**Over 5 years**	**Total**
LIABILITIES						
Short-term liabilities						
Loan obligations	-					-
Customers - brokers - stock exchange	57,702,174	-	-	-	-	57,702,174
Derivative financial instruments - liabilities	170,844	-	-	-	-	170,844
Financial assets at fair value through profit and loss	462,685	-	-	-	-	462,685
Other taxes	327,816	-	-	-		327,816
Other liabilities	2,095,477			803,141	-	2,898,618
Long-term liabilities						
Staff dismissal and retirement compensation provisions	-	-	-	-	531,129	531,129
Total liabilities	**60,758,996**	**-**	**-**	**803,141**	**531,129**	**62,093,266**

			31-Δεκ-15			
	Up to 1 month	**1 - 3 months**	**3 - 12 months**	**1 - 5 years**	**Over 5 years**	**Total**
LIABILITIES						
Short-term liabilities						
Loan obligations	30,000,000					30,000,000
Customers - brokers - stock exchange	78,529,196	-	-	-	-	78,529,196
Derivative financial instruments - liabilities	329,955	-	-	-	-	329,955
Financial assets at fair value through profit and loss	21,304	-	-	-	-	21,304
Other taxes	369,896	-		-		369,896
Other liabilities	3,004,617			803,141	-	3,807,758
Long-term liabilities						
Staff dismissal and retirement compensation provisions	-	-	-	-	371,690	371,690
Total liabilities	**112,254,968**	**-**	**-**	**803,141**	**371,690**	**113,429,799**

27 Transactions with related parties

All amounts are in Euro.

The company is controlled by the bank Eurobank Ergasias S.A. (whose registered offices are in Athens and which is listed on ATHEX) which holds 100% of the company's share capital.

In November 2015 after the Bank's share capital increase was completed, which was fully subscribed by institutional and other investors, the percentage of ordinary shares with voting rights in the Bank held by the HFSF dropped from 35.41% to 2.38%.

Despite that major drop in its holding, the HFSF is still considered to exert material influence over the Bank. More specifically, in the context of Law 3864/2010, as in force, the HFSF exercises its voting rights at the Bank's General Meeting only on decisions to amend the Bank's articles of association, including increases or decreases in the Bank's share capital or the granting of authorisation to the Board of Directors to do so, decisions relating to the merger, spin off, conversion, revival, extension of the effective term or winding up of the Bank, transfer of assets (including the sale of subsidiaries) or any other item requiring a qualified majority under the provisions of Law 2190/1920. Moreover, on 4.12.2015 the Bank signed a new relationship framework agreement with HFSF which replaced the previous one signed on 26.8.2014, which regulates matters relating to, inter alia, (a) the Bank's corporate governance, (b) the restructuring plan and monitoring thereof, (c) monitoring of implementation of the bank's framework for monitoring NPLs and the Bank's performance in resolving those matters, (d) major obligations specified in Law 3864/2010 and cases where HFSF's restricted voting rights can be changed into full rights, (e) monitoring of the Bank's actual risk profile compared to the approved risk and capital strategies, (f) HFSF's consent for the risk and capital strategy of the Group the Bank belongs to, and for the strategy, policy and governance of the Group the Bank belongs to, in terms of how arrears and NPLs are managed, and (g) the duties, rights and obligations of the HFSF's representative on the Bank's Board of Directors.

The Company engages in banking transactions with related parties within the normal context of its operations on a purely commercial basis. The volume of transactions with related parties and the end of period/year balances are shown below:

	31-Δεκ-16	
Receivables - Liabilities	**Eurobank Ergasias S.A.**	**Other related parties**
Receivables		
Cash assets	61,003,065	1,353,134
Other receivables	133,502	248
Liabilities		
Other liabilities	1,048,391	71,936

	1.1- 31.12.2016	
Income - Expenses	**Eurobank Ergasias S.A.**	**Other related parties**
Income from fees/commission	29,320	26,151
Expenses from fees/commission	(746,991)	-
Staff salaries and expenses	318,334	(18,998)
Overheads	(730,303)	(348,208)
Income from interest	52,781	-
Interest expenses	(119,397)	-
Total	(1,196,256)	(341,055)

	31-Δεκ-15	
Receivables - Liabilities	**Eurobank Ergasias S.A.**	**Other related parties**
Receivables		
Cash assets	47,009,854	1,785,336
Other receivables	122,932	3,943
Liabilities		
Loans	30,000,000	-
Other liabilities	1,928,121	79,380

	1.1- 31.12.2015	
Income - Expenses	**Eurobank Ergasias S.A.**	**Other related parties**
Income from fees/commission	3,232,471	397,510
Expenses from fees/commission	(1,764,658)	-
Staff salaries and expenses	(181,406)	(179,008)
Overheads	(363,009)	(269,585)
Income from interest	88,808	-
Interest expenses	(138,960)	-
Total	873,246	(51,083)

28 Dividend per share

At the Company's Ordinary General Meeting of Shareholders convened on 30.6.2015 to approve the 2014 financial statements, distribution of a dividend of € 11.70 per share (or € 16,267,095 in total) for 2014 was approved.

On 30.6.2016 the Ordinary General Meeting of Shareholders approved the non-distribution of dividends for the year which ended 31.12.2015.

For the year which ended on 31.12.2016 the company reported a loss of € -3,724,239 and the Company's Board of Directors will not propose a dividend, just as it did in the year which ended on 31.12.2015.

29 Commitments

Operating lease commitments of the company as lessee

All amounts are in Euro.

The Company rents buildings and cars via non-cancellable operating leases. The leases have various terms, adjustment clauses and renewal rights, and the Company is required to give notice of termination of the arrangements based on the notice period laid down by law for commercial leases as in force. The cost of leases entered in the income statement for the period is disclosed in Note 8. The total future rents payable under those non-cancellable operating leases are as follows:

All amounts are in Euro.

	31-Δεκ-16		
	Buildings	Cars	Total
Up to 1 year	191,401	60,602	252,003
From 1 to 5 years	739,421	150,004	889,424
More than 5 years	658,387	-	658,387
	1,589,209	**210,606**	**1,799,815**
	31-Δεκ-15		
	Buildings	**Cars**	**Total**
Up to 1 year	236,968	33,712	270,680
From 1 to 5 years	928,578	9,792	938,370
More than 5 years	812,903	-	812,903
	1,978,449	**43,504**	**2,021,953**

30 Contingent liabilities

- Guarantee letters

The Company has contingent liabilities relating to banks, other guarantees and other issues arising in the context of its normal activities. It is not expected that there will be substantial charges from contingent liabilities. The Company has issued guarantee letters in the context of its normal activities worth € 2,280,253 (to cover the Guarantee fund).

- Pending litigation

In the case of customer balances not covered by the valuation value of their portfolio and for pending lawsuits against the Company (including any fines from normal operations) as well as any proceedings instituted by the Company with respect to tax issues, the company has formed a provision which Management considers adequate. The value of these provisions is calculated from time to time based on individualised projections in each case.

Management is in direct and ongoing contact with its legal advisors and relying on their view it does not consider that particular amounts will be payable by the company from pending lawsuits other than the amounts already covered by the provisions formed.

31 Events after the balance sheet date

There have been no other events after the date of the balance sheet for the period 1.1.2016-31.12.2016 which could significantly affect the Company's current economic situation other than the events referred to in Note 2 about developments in the Greek economy.