



COMMMENTS OF THE BoD / DRAFT RESOLUTIONS ON THE ITEMS OF THE AGENDA

(Article 27, par. 3 of Codified Law 2190/1920)

1st Item: Repurchase by the Bank of preferred shares of Law 3723/2008 held by the Hellenic Republic. Provision of related powers and authorizations.

The Board of Directors of the Bank, during its meeting on the 19th of December 2008 decided to propose to the General Meeting of the Shareholders of the Bank to take part in the Government's Bank Support Plan, under the Law 3723/2008, on the enhancement of liquidity in the Greek economy in response to the impact of the international financial crisis, by using the strengthening of its share capital provision as set forth in article 1, according to which, credit institutions that have been licensed by the Bank of Greece, regardless of whether their securities are listed in organized markets, may increase their share capital by issuing preferred shares that are purchased by the Hellenic Republic upon the decision of the Minister of Economics and Finance after the relevant proposal of the Governor of the Bank of Greece. The preferred shares are purchased mandatorily by the Bank upon the expiration of a five year period and/or voluntarily at a prior date, upon approval of the Bank of Greece.

Within this framework, the Extraordinary General Meeting of Shareholders approved, with its decision dated 28th January 2009, the increase of the share capital of the Bank, pursuant to article 1 of Law 3723/2008 by an amount of 224,960,000 Euros on consideration of bonds of the same value, issued by the Greek Government, with the issuance of 60,800,000 tangible preferred shares, and mandatorily redeemable within 5 years or voluntarily redeemable at an earlier date by the Bank, which were purchased exclusively by the Hellenic Republic, according to the specific provisions of article 1, Law 3723/2008.

This decision was also accompanied by the relevant amendment of article 6 on "Share Capital" and 7 on "Shares" of the Articles of Association of the Bank, which was approved with the decision number K2-2195/6.03.2009 of the Undersecretary of Development, was registered in the Register of Sociétés Anonymes which is maintained by the Ministry on the 6th of March of 2009 and published in the Official Gazette, issue of Public Limited Companies (Sociétés Anonymes) and Limited Liability Companies no. 1768/10.03.2009.

The entire amount of the abovementioned increase of the share capital was covered by the Hellenic Republic with Greek Government bonds of equal value upon the issuance of decision number 2/24004/0025/31.03.2009 (Official Gazette B' 652/9.04.2009) of the Minister of Economics and Finance (upon the relevant proposal of the Governor of the Bank of Greece) and the "Contract for the purchase of stock" which was signed on the 14th of May 2009 between the Bank and the Hellenic Republic. The Board of Directors of the Bank certified the coverage of the abovementioned increase



during its 136th meeting on the 25th of May of 2009 and proceeded to the issuance of a corresponding "multiple stock title" for the incorporation of the preferred share rights.

Subsequently, the Board of Directors of the Bank deemed appropriate and decided, during its meeting on the 6th of March 2009, to propose a further strengthening of the capital base of the Bank to the General Meeting of Common Shareholders, through the increase of its common share capital, by the amount of 526,262,033.40 Euros, with the issuance of 142,232,982 intangible, common, registered, shares carrying voting rights, with a nominal value of 3.70 Euros each, providing preemptive rights to the old shares at a ratio of one (1) new share per one (1) old share.

Within this framework, the EGM of the Bank, during its second (B) Iterative Meeting on the 22nd of April 2009, decided a further increase of its common share capital and authorized the Board of Directors to determine the price of each new share which, at a subsequent meeting of the Board of Directors, was set equal to the nominal, that is, 3.70 Euros per share.

During its meeting on the 7th of July 2009, the Board of Directors (Official Gazette TAE-EPE 8393/14.07.2009) certified the full coverage and full payment of the amount of 526,262,033.40 Euros of the increase of its share capital of common shares and the 142,232,982 new shares were listed for trading in the Athens Exchange on the 13th of July 2009.

As a result of this successful increase of the share capital, the capital of the Bank was strengthened, thus further strengthening the capital adequacy ratio of the Bank itself and of the Group, which, according to the data published on the 30th of November 2010, was 16.77% and 16.54% respectively.

Given the capital adequacy and the corresponding liquidity, the Bank intends to proceed to the repurchase of an amount up to the sum of the 60.8 million existing preferred shares which it had issued for the Hellenic Republic, pursuant to article 1 of Law 3723/2008, totaling up to the sum value of 224,960,000 Euros, subject to the required approvals by the competent authorities. In regard to this issue, a relevant request has been submitted to the Bank of Greece.

Pursuant to paragraph 1 of the decision number 54201/B/2884/26.11.2008 (Official Gazette B' 2471/4.12.2008) of the Minister of Economics and Finance on the enhancement of liquidity in the Greek economy in response to the impact of the international financial crisis, as subsequently amended with the decision number 21861/1259B/4.5.2009 (Official Gazette B' 825/4.5.2009) and as applies, the repurchase price of the preferred shares will be the same with the abovementioned offered price of the preferred shares, and Credit Institutions should return Greek Government Bonds of equal value or equal cash amount. At any time of the repurchase of the preferred shares via the return of Greek Government Bonds, the nominal value of the bonds must be equal to the nominal value of the bonds that were originally issued for the purchase of the preferred shares and should expire on the date of repurchase or during a short time period of up to three (3) months from said date. Additionally, on the date of the repurchase of the preferred shares, the market value of the bonds must be equal to their nominal value. In the case that this doesn't occur, then any difference between the current market value and the nominal value of the bonds should be arranged upon settlement, in cash, between the Credit Institution and the Hellenic Republic. The corresponding fixed return of 10% shall be paid to the Hellenic Republic on the date of repurchase of the preferred shares.

In view of the abovementioned criteria and following a review of the current portfolio of Greek Government Bonds held by the Bank, it was concluded that the Bank does not hold, under the current conditions, bonds issued by the Greek Government which satisfy the abovementioned criteria of the law in regard to their nominal value and maturity date.

Following the above and on the basis of the explicit provision of paragraph 1 of the abovementioned Ministerial Decision number 54201/B'2884/26.11.2008, as applicable, it is deemed appropriate that the repurchase of the preferred shares that are held/owned by the Hellenic Republic should take place with a payment in cash of equal value. Concurrently to the repurchase of the preferred shares, a corresponding fixed return of 10% must also be provided to the Hellenic Republic for the relevant time period, that is, from the 1st of January 2010 and until the repurchase date.

Thus, on the basis of the abovementioned, the Board of Directors proposes the following to the EGM:

- a) the repurchase of up to the sum of 60.8 million of preferred shares, issued by the Bank, which are currently owned by the Hellenic Republic at a total up to the sum value of 224,960,000 Euros, in consideration of cash of equal value and pursuant to the terms and provisions of the law, upon acquiring the necessary approvals,
- b) the concurrent payment, to the Hellenic Republic, of the fixed return of 10% for the relevant time period, that is, from the 1st of January 2010 and until the repurchase date.
- c) the provision of the relevant authorizations to the Chairman of the Board of Directors, the Executive Vice Chairman of the Board of Directors and the General Director of Financial Services, so that by acting jointly or separately, to proceed to any necessary action, contract, representation, application/request or declaration required, as well as to the payment of the repurchase price of the preferred shares and their corresponding fixed return to the Hellenic Republic, in order to implement, according to the law, said proposed repurchase up to the sum of the preferred shares of Law 3723/2008.

2nd subject: Ratification of the election of new members of the Board of Directors of the Bank.

Pursuant to article 18, paragraph 7 of Codified Law 2190/1920 the Board of Directors of the Bank announces that during its meeting on October 14th 2010 has elected as new "Non - Executive Members" Mrs. Kesti-Batsou Vassiliki (with Mr. Chronopoulos Panagiotis as substitute), and Mrs. Papadopoulou Sofia (with Mr. Kontos Constantine as substitute), Representatives of the Employees of Hellenic Postbank at the BoD, to replace Messrs. Sideris Georgios and Kotsiris Constantinos and submits the ratification of the election of the abovementioned Members by the General Meeting.

It is noted that the abovementioned decision of the election has been subjected to the publicity formalities of article 7b of Codified Law 2190/1920 (Official Gazette T.A.E.-E.P.E. 13581/29.11.2010).