EUROBANK
Holdings

EUROBANK ERGASIAS
SERVICES AND HOLDINGS S.A.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED
31 MARCH 2023

8 Othonos Str, Athens 105 57, Greece
eurobankholdings.gr, Tel.: (+30) 214 40 61000
General Commercial Registry No: 000223001000

Interim Consolidated Balance Sheet

	Note	31 March 2023 € million	31 December 2022 € million
ASSETS			
Cash and balances with central banks		**14,027**	14,994
Due from credit institutions		**1,741**	1,329
Securities held for trading		**142**	134
Derivative financial instruments	14	**1,005**	1,185
Loans and advances to customers	15	**40,037**	41,677
Investment securities	16	**13,745**	13,261
Investments in associates and joint ventures	18	**192**	173
Property and equipment	19	**741**	775
Investment property	19	**1,382**	1,410
Intangible assets		**284**	297
Deferred tax assets	12	**4,120**	4,161
Other assets	20	**2,044**	1,980
Assets of disposal groups classified as held for sale	13	**2,417**	84
Total assets		**81,877**	81,460
LIABILITIES			
Due to central banks	21	**8,329**	8,774
Due to credit institutions	22	**2,287**	1,814
Derivative financial instruments	14	**1,588**	1,661
Due to customers	23	**55,092**	57,239
Debt securities in issue	24	**4,055**	3,552
Other liabilities	25	**1,655**	1,701
Liabilities of disposal groups classified as held for sale	13	**1,885**	1
Total liabilities		**74,891**	74,742
EQUITY			
Share capital	26	**816**	816
Share premium	26	**1,161**	1,161
Reserves and retained earnings		**4,925**	4,646
Equity attributable to shareholders of the Company		**6,902**	6,623
Non controlling interests		**84**	95
Total equity		**6,986**	6,718
Total equity and liabilities		**81,877**	81,460

Notes on pages 6 to 42 form an integral part of these interim consolidated financial statements.

Interim Consolidated Income Statement

	Note	Three months ended 31 March 2023 € million	2022[(1)] € million
Net interest income	7	**503**	323
Net banking fee and commission income	8	**105**	93
Income from non banking services	19	**24**	25
Net trading income/(loss)	14, 25	**(8)**	225
Gains less losses from investment securities		**(0)**	(15)
Other income/(expenses)	12, 17.1	**(4)**	30
Operating income		**620**	681
Operating expenses	9	**(222)**	(206)
Profit from operations before impairments, provisions and restructuring costs		**398**	475
Impairment losses relating to loans and advances to customers	10	**(75)**	(59)
Other impairment losses and provisions	11	**(1)**	(25)
Restructuring costs	11	**(5)**	(45)
Share of results of associates and joint ventures		**6**	10
Profit before tax		**323**	356
Income tax	12	**(71)**	(86)
Net profit from continuing operations		**252**	270
Net loss from discontinued operations	13	**(26)**	(1)
Net profit		**226**	269
Net loss attributable to non controlling interests	13	**(11)**	(1)
Net profit attributable to shareholders		**237**	270
		€	**€**
Earnings per share			
-Basic and diluted earnings per share	6	**0.06**	0.07
Earnings per share from continuing operations			
-Basic and diluted earnings per share	6	**0.07**	0.07

[(1)] The comparative information has been adjusted with the presentation of Eurobank Direktna a.d. disposal group as a discontinued operation (note 13).

Notes on pages 6 to 42 form an integral part of these interim consolidated financial statements.

Interim Consolidated Statement of Comprehensive Income

	Three months ended 31 March			
	2023		2022[1]	
	€ million		€ million	
Net profit		**226**		269
Other comprehensive income:				
Items that are or may be reclassified subsequently to profit or loss:				
Cash flow hedges				
- changes in fair value, net of tax	**1**		3	
- transfer to net profit, net of tax	**(4)**	**(3)**	(0)	3
Debt securities at FVOCI				
- changes in fair value, net of tax	**53**		(241)	
- transfer to net profit, net of tax	**(27)**	**26**	109	(132)
Foreign currency translation				
- foreign operations' translation differences	**0**	**0**	(0)	(0)
Associates and joint ventures				
- changes in the share of other comprehensive income, net of tax	**(2)**	**(2)**	(15)	(15)
		21		(144)
Items that will not be reclassified to profit or loss:				
- Gains/(losses) from equity securities at FVOCI, net of tax		**6**		(5)
- Actuarial gains/(losses) on post employment benefit obligations, net of tax		**(0)**		2
		6		(3)
Other comprehensive income		**27**		(147)
Total comprehensive income attributable to:				
Shareholders				
- from continuing operations	**278**		125	
- from discontinued operations	**(14)**	**264**	(2)	123
Non controlling interests				
- from continuing operations	**0**		0	
- from discontinued operations	**(11)**	**(11)**	(1)	(1)
		253		122

[1] The comparative information has been adjusted with the presentation of Eurobank Direktna a.d. disposal group as a discontinued operation (note 13).

Notes on pages 6 to 42 form an integral part of these interim consolidated financial statements.

Interim Consolidated Statement of Changes in Equity

	Share capital € million	Share premium € million	Reserves and retained earnings € million	Non controlling interests € million	Total € million
Balance at 1 January 2022[1]	816	8,056	(3,333)	96	5,635
Net profit/(loss)	-	-	270	(1)	269
Other comprehensive income	-	-	(147)	(0)	(147)
Total comprehensive income for the three months ended 31 March 2022	-	-	123	(1)	122
Share options plan	-	-	1	-	1
Purchase/sale of treasury shares	-	-	(0)	-	(0)
Other	-	-	(1)	(0)	(1)
	-	-	(0)	(0)	(0)
Balance at 31 March 2022[1]	816	8,056	(3,210)	95	5,757
Balance at 1 January 2023	**816**	**1,161**	**4,646**	**95**	**6,718**
Share of the impact from the adoption of IFRS changes applicable to a Group's associate (note 18)	-	-	15	-	**15**
Net profit/(loss)	-	-	237	(11)	**226**
Other comprehensive income	-	-	27	0	**27**
Total comprehensive income for the three months ended 31 March 2023	**-**	**-**	**264**	**(11)**	**253**
Share options plan (note 26)	-	-	1	-	**1**
Purchase/sale of treasury shares (note 26)	-	-	(1)	-	**(1)**
	-	**-**	**0**	**-**	**0**
Balance at 31 March 2023	**816**	**1,161**	**4,925**	**84**	**6,986**
	Note 26	Note 26			

[1] The comparative information has been adjusted due to change in the presentation of treasury shares applied in 2022. As a result, as of 1 January and 31 March 2022, "Share premium" has increased by € 1 million against an equal decrease of "Reserves and retained earnings". Further information is provided in note 37 of the consolidated financial statements for the year ended 31 December 2022.

Notes on pages 6 to 42 form an integral part of these interim consolidated financial statements.

Interim Consolidated Cash Flow Statement

	Note	Three months ended 31 March 2023 € million	2022[1] € million
Cash flows from continuing operating activities			
Profit before income tax from continuing operations		**323**	356
Adjustments for:			
Impairment losses relating to loans and advances to customers	10	**75**	59
Other impairment losses, provisions and restructuring costs	11	**6**	70
Depreciation and amortisation	9	**28**	27
Other (income)/losses on investment securities	29	**55**	69
(Income)/losses on debt securities in issue	29	**(18)**	16
Other adjustments		**(2)**	(40)
		467	557
Changes in operating assets and liabilities			
Net (increase)/decrease in cash and balances with central banks		**(153)**	(31)
Net (increase)/decrease in securities held for trading		**(19)**	2
Net (increase)/decrease in due from credit institutions		**(91)**	808
Net (increase)/decrease in loans and advances to customers		**(10)**	(364)
Net (increase)/decrease in derivative financial instruments		**57**	(36)
Net (increase)/decrease in other assets		**(88)**	142
Net increase/(decrease) in due to central banks and credit institutions		**278**	(84)
Net increase/(decrease) in due to customers		**(517)**	(697)
Net increase/(decrease) in other liabilities		**(1)**	511
		(544)	251
Income tax paid		**(5)**	(4)
Net cash from/(used in) continuing operating activities		**(82)**	804
Cash flows from continuing investing activities			
Acquisition of fixed and intangible assets		**(34)**	(37)
Proceeds from sale of fixed and intangible assets		**5**	2
(Purchases)/sales and redemptions of investment securities		**(591)**	(1,163)
Disposal of subsidiaries, net of cash disposed	17.1	**2**	6
Disposal of holdings in associates and joint ventures		**-**	16
Net cash from/(used in) continuing investing activities		**(618)**	(1,176)
Cash flows from continuing financing activities			
(Repayments)/proceeds from debt securities in issue	24	**497**	28
Repayment of lease liabilities		**(10)**	(8)
(Purchase)/sale of treasury shares		**(1)**	(0)
Net cash from/(used in) continuing financing activities		**486**	20
Net increase/(decrease) in cash and cash equivalents from continuing operations		**(214)**	(352)
Net cash flows from discontinued operating activities		**(3)**	69
Net cash flows from discontinued investing activities		**12**	(13)
Net cash flows from discontinued financing activities		**(0)**	(0)
Effect of exchange rate changes on cash and cash equivalents		**0**	(1)
Net increase/(decrease) in cash and cash equivalents from discontinued operations	29	**9**	55
Cash and cash equivalents at beginning of period	29	**14,388**	13,149
Cash and cash equivalents at end of period	29	**14,183**	12,852

[1] The comparative information has been adjusted with the presentation of Eurobank Direktna a.d. disposal group as a discontinued operation (note 13).

Notes on pages 6 to 42 form an integral part of these interim consolidated financial statements.

1. General information

Eurobank Ergasias Services and Holdings S.A. (the Company or Eurobank Holdings), which is the parent company of Eurobank S.A. (the Bank) and its subsidiaries (the Group), consisting mainly of Eurobank S.A. Group (note 17.2), are active in retail, corporate and private banking, asset management, treasury, capital markets and other services. The Group operates mainly in Greece and in Central and Southeastern Europe. The Company is incorporated in Greece, with its registered office at 8 Othonos Street, Athens 105 57 and its shares are listed on the Athens Stock Exchange.

These interim consolidated financial statements were approved by the Board of Directors on 19 May 2023.

2. Basis of preparation and principal accounting policies

These interim condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 'Interim Financial Reporting' as endorsed by the European Union (EU). The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2022. Where necessary, comparative figures have been adjusted to conform to changes in the presentation in the current period. Unless indicated otherwise, financial information presented in Euro has been rounded to the nearest million. The figures presented in the notes may not sum precisely to the totals provided due to rounding.

The accounting policies and methods of computation in these interim consolidated financial statements are consistent with those in the consolidated financial statements for the year ended 31 December 2022, except as described below (note 2.1).

Going concern considerations

The interim financial statements have been prepared on a going concern basis, as the Board of the Directors considered as appropriate, taking into consideration the following:

The sustained, albeit weakening, inflation pressures, and the global financial volatility have carried well into 2023. In Greece, according to Hellenic Statistical Authority (ELSTAT) provisional data, the annual inflation rate based on the Harmonized Index of Consumer Prices (HICP), amid strong negative base effects and easing fuel prices, receded to 4.5% in April 2023, from 5.4% in March 2023 and 9.1% in April 2022, while the seasonally adjusted unemployment rate decreased to 10.9% in March 2023 (March 2022: 12.7%). According to Stability and Growth Programme 2023 (submitted to the European Commission in late April 2023), the Greek government forecasts a GDP growth rate of 2.3% in 2023 (2022: 5.9%) and 3% in 2024. The HICP growth rate is expected to decelerate to 4.5% and 2.4%, and the unemployment rate to drop to 11.8% and 10.9% in 2023 and 2024 respectively (2022: 12.4%). On the fiscal front, the general government primary balance posted a surplus of 0.1% of GDP in 2022 and is expected to post surpluses of 1.1% (under certain preconditions stated in the above programme) and 2.1% of GDP in 2023 and 2024 respectively. The gross public debt-to-GDP ratio is expected to decline further to 162.6% and 150.8% in 2023 and 2024 respectively (2022: 171.3%).

According to the International Monetary Fund's (IMF) World Economic Outlook (April 2023), the real GDP in Bulgaria is expected to grow by 1.4% in 2023 and 3.5% in 2024 (2022: 3.4%), while the average annual inflation rate is expected at 7.5% in 2023 and 2.2% in 2024 (2022: 15.3%). Respectively, in Cyprus the real GDP growth is forecasted at 2.5% in 2023 and 2.8% in 2024 (2022: 5.6%), while the average annual inflation rate is estimated at 3.9% in 2023 and 2.5% in 2024 (2022: 8.1%).

Growth in Greece and in other countries of presence is expected to receive a significant boost from investment projects and reforms funded by the European Union (EU). Greece shall receive € 30.5 billion (€ 17.8 billion in grants and € 12.7 billion in loans) up to 2026 through the Recovery and Resilience Facility (RRF), Next Generation EU (NGEU)'s largest instrument, and has applied for an additional € 5 billion of RRF loans through the REPowerEU plan. By January 2023, € 11.1 billion (€ 5.7 billion in grants and € 5.4 billion in loans) of RRF funds had been disbursed to the country by the EU. A further € 40 billion is due through EU's long-term budget (MFF), out of which € 20.9 billion are to fund the new National Strategic Reference Frameworks (ESPA 2021–2027).

On the monetary policy front, the Governing Council of the European Central Bank (ECB), in line with its strong commitment to its price stability mandate, has proceeded with seven rounds of interest rate hikes (in July, September, October, December 2022, and in February, March and May 2023), raising the three key ECB interest rates by 375 basis points in aggregate. Furthermore, although net bond purchases under the temporary Pandemic Emergency Purchase Programme (PEPP) ended in March 2022, as scheduled, the ECB will continue to reinvest principal from maturing securities at least until the end of 2024, including purchases of Greek Government Bonds (GGBs) over and above rollovers of redemptions. This year, the Greek state, through the Public Debt Management Agency (PDMA), issued a 10-year bond of € 3.5 billion at a yield of 4.279% on 17 January 2023, a 5-year bond of € 2.5 billion at a yield of 3.919% on 29 March 2023, and more recently, on 19 April 2023, re-opened the 17 January 2023 bond raising an additional € 0.3 billion at a yield of 4.31%. As of end March 2023, the cash reserves of the Greek State stood in excess of € 33 billion, and its sovereign rating was one notch below investment grade by three of the four External Credit Assessment Institutions (ECAIs) accepted by the Eurosystem (S&P Ratings: BB+, positive outlook; Fitch Ratings: BB+, stable outlook; DBRS Morningstar: BB (high), stable outlook).

Regarding the outlook for the next 12 months the major macroeconomic risks and uncertainties in Greece and our region are as follows: (a) the escalation of the ongoing Russia - Ukraine war and its ramifications on regional and global stability and security, as well as the European and Greek economy, (b) a potential prolongation of the ongoing inflationary wave and its impact on economic growth, employment, public finances, household budgets, firms' production costs, external trade and banks' asset quality, as well as any potential social and/or political ramifications these may entail, (c) the ongoing and potential upcoming central bank interest rate hikes worldwide, and in the euro area in particular, that may exert upwards pressures on sovereign and private borrowing costs, especially those of highly indebted borrowers, deter investments, increase volatility in the financial markets and lead economies to slow down or even a temporary recession, (d) the recent banking sector turmoil in the United States to continue and expand in the euro area, affecting customers' confidence, with a potential impact on assets under management levels and on liquidity, (e) the persistently large current account deficit and the prospect of it becoming once again a structural feature of the country's growth model, (f) the absorption capacity of the NGEU and MFF funds and the attraction of new investments in the country, (g) the effective and timely implementation of the reform agenda required to meet the RRF milestones and targets and to boost productivity, competitiveness, and resilience, (h) a delay in the implementation of planned reforms, projects and the budget's fiscal agenda due to the possibility of the May 2023 national elections resulting in an inability or delay to form a government with solid parliamentary majority, (i) the geopolitical developments in the near region and worldwide, and (j) the exacerbation of natural disasters due to the climate change and their effect on GDP, employment, fiscal balance and sustainable development in the long run.

Materialization of the above risks, would have potentially adverse effects on the fiscal planning of the Greek government, as it could decelerate the pace of expected growth and on the liquidity, asset quality, solvency and profitability of the Greek banking sector. In this context, the Group Management and Board, also mindful of the recent banking turmoil across some markets, are continuously monitoring the developments on the macroeconomic, financial and geopolitical fronts as well as the evolution of the Group's asset quality and liquidity KPIs and have increased their level of readiness, so as to accommodate decisions, initiatives and policies to protect the Group's capital and liquidity standing as well as the fulfilment, to the maximum possible degree, of its strategic and business goals in accordance with the business plan for 2023 - 2025.

In the first quarter of 2023, the net profit attributable to shareholders amounted to € 237 million (first quarter 2022: € 270 million), of which € 46 million (first quarter 2022: € 44 million) was related to the international operations. The adjusted net profit, excluding the net loss of € 15 million from discontinued operations (note 13) and before € 4 million restructuring costs (after tax) amounted to € 255 million (first quarter 2022: € 302 million). As at 31 March 2023, the Group's Total Adequacy Ratio (total CAD) and Common Equity Tier 1 (CET1) ratios stood at 18% (31 December 2022: 19.2%) and 15.2% (31 December 2022: 16%) respectively and carried the effect of the ending of the 5-year transition period for the recognition of the IFRS 9 impact on the regulatory capital and the reversion to the standardized approach as of 1 March 2023 (note 4). Pro-forma with the completion of project "Solar" and the sale of Eurobank Direktna a.d. disposal group, the total CAD and CET1 ratios would be 18.6% and 15.7% respectively (note 4). In January 2023, the European Banking Authority (EBA) launched the 2023 EU-wide stress test exercise which is designed to provide valuable input for assessing the resilience of the European banking sector, including the 4 Greek systemic banks, in the current uncertain and changing macroeconomic environment, covering the period of 2023-2025. The EBA expects to publish the results of the exercise at the end of July 2023 (note 4).

With regards to asset quality, the Group's NPE formation was positive by € 7 million during the period (fourth quarter 2022: € 35 million positive), (year ended 31 December 2022: € 46 million positive). The Group's NPE stock, following the classification of Eurobank Direktna a.d. disposal group as held for sale and other initiatives, amounted to € 2.1 billion (31 December 2022: € 2.3 billion), driving the NPE ratio to 5.1% (31 December 2022: 5.2%), while the NPE coverage ratio stood at 76% (31 December 2022: 74.6%).

In terms of liquidity, as at 31 March 2023, following the classification of Eurobank Direktna a.d. disposal group as held for sale, the Group deposits stood at € 55.1 billion (31 December 2022: € 57.2 billion), leading the Group's (net) loans to deposits (L/D) ratio to 72.9% (31 December 2022: 73.1%), while the funding from the targeted long term refinancing operations of the European Central Bank – TLTRO III programme decreased by € 0.5 billion amounting to € 8.3 billion (31 December 2022: € 8.8 billion) (note 21). Furthermore, during the period, the Bank proceeded with the issuance of a preferred senior note of € 500 million (note 24). As at 31 March 2023, the Bank's MREL ratio at consolidated level stands at 23.03% of RWAs, higher than the interim non-binding MREL targets of 20.48% and 22.91%, which are applicable from 1 January 2023 and 1 January 2024, respectively. The Group Liquidity Coverage ratio (LCR) has been maintained at high level reaching 167.5% (31 December 2022: 173%). In the context of the 2023 ILAAP (Internal Liquidity Adequacy Assessment Process), the liquidity stress tests results indicated that the Bank has adequate liquidity buffer to cover the potential outflows that could occur in all scenarios both in the short term (1 month horizon) and in the medium term (1 year horizon).

Going concern assessment

The Board of Directors, acknowledging the geopolitical, macroeconomic and financial risks to the economy and the banking system and taking into account the above factors relating to (a) the idiosyncratic growth opportunities in Greece and the region for this and the next years, also underpinned by the mobilisation of the already approved EU funding mainly through the RRF, and (b) the Group's pre-provision income generating capacity, asset quality, capital adequacy and liquidity position, has been satisfied that the financial statements of the Group can be prepared on a going concern basis.

2.1 New and amended standards and interpretations adopted by the Group

The following new standard and amendments to existing standards as issued by the International Accounting Standards Board (IASB) and endorsed by the EU that are relevant to the Group's activities apply from 1 January 2023:

IFRS 17, Insurance Contracts

IFRS 17, which supersedes IFRS 4 "Insurance Contracts" provides a comprehensive and consistent accounting model for insurance contracts. It applies to all types of insurance contracts as well as certain guarantees and financial instruments with discretionary participating features. Financial guarantee contracts are allowed to be within the scope of IFRS 17, if the entity has previously asserted that it regarded them as insurance contracts.

According to IFRS 17 core general model, groups of insurance contracts which are managed together and are subject to similar risks, are measured based on building blocks of discounted, probability-weighted estimates of future cash flows, a risk adjustment and a contractual service margin ("CSM") representing the unearned profit of the contracts. Under the model, estimates are remeasured at each reporting period. A simplified measurement approach may be used if it is expected that doing so a reasonable approximation of the general model is produced, or if the contracts are of short duration.

Revenue is allocated to periods in proportion to the value of expected coverage and other services that the insurer provides during the period, claims are presented when incurred and any investment components i.e. amounts repaid to policyholders even if the insured event does not occur, are not included in revenue and claims. Insurance services results are presented separately from the insurance finance income or expense.

In June 2020, the IASB issued Amendments to IFRS 17 to assist entities in its implementation. The amendments aim to assist entities to transition in order to implement the standard more easily, while they deferred the effective date, so that entities would be required to apply IFRS 17 for annual periods beginning on or after 1 January 2023.

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements of IFRS 17 for entities that first apply IFRS 17 and IFRS 9 "Financial Instruments" at the same time.

The Group has not issued contracts within the scope of IFRS 17; therefore, the adoption of the standard had no impact to the interim consolidated financial statements, other than through the Group's share of the results of its associate ''Eurolife FFH Insurance Group Holdings S.A.'' (note 18).

IAS 8, Amendments, Definition of Accounting Estimates

The amendments in IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" introduced the definition of accounting estimates and include other amendments to IAS 8 which are intended to help entities distinguish changes in accounting estimates from changes in accounting policies.

The amendments clarify how accounting policies and accounting estimates relate to each other by (i) explaining that accounting estimates are developed if the application of accounting policies requires items in the financial statements to be measured in a way that involves a measurement uncertainty and (ii) replacing the definition of a change in accounting estimates with the definition of accounting estimates, where accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". In addition, the amendments clarify that selecting an estimation or valuation technique and choosing the inputs to be used constitutes development of an accounting estimate and that the effects of a change in an input or technique used to develop an accounting estimate are changes in accounting estimates, if they do not result from the correction of prior period errors.

The adoption of the amendments had no impact on the interim consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies
IASB issued amendments to IAS 1 "Presentation of Financial Statements" that require entities to disclose their material accounting policies rather than their significant accounting policies.

According to IASB, accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Furthermore, the amendments clarify how an entity can identify material accounting policy information and provide examples of when accounting policy information is likely to be material. The amendments to IAS 1 also clarify that immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting policy information. To support these amendments the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2 Making Materiality Judgements to accounting policy disclosures, in order to support the amendments to IAS 1.

The adoption of the amendments had no impact on the interim consolidated financial statements, but it may affect the level of information provided in the disclosure of the Group's accounting policies in the annual consolidated financial statements.

IAS 12, Amendments, Deferred Tax related to Assets and Liabilities arising from a Single Transaction
The amendments clarify that the exemption on initial recognition set out in IAS 12 'Income Taxes' does not apply for transactions such as leases and decommissioning obligations that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. Accordingly, for such transactions an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented.

The adoption of the amendments had no impact on the interim consolidated financial statements.

3. Significant accounting estimates and judgments in applying accounting policies

In preparing these interim condensed consolidated financial statements, the significant estimates, judgments and assumptions made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied in the consolidated financial statements for the year ended 31 December 2022, including those related to the expected credit losses (ECL) on loans and advances to customers, as described below.

Further information about the key assumptions and sources of estimation uncertainty are set out in notes 12, 13, 15, 25, 27 and 30.

3.1 Impairment losses on loans and advances to customers

In the first three months of 2023, the prolonged war in Ukraine, the resulting geopolitical crisis along with the sustained- albeit weakening -inflationary pressures, the ongoing increase in borrowing costs and the evolving energy crisis continue to negatively affect the global economic environment. As a result of the above, the uncertainty regarding the economic outlook in the regions the Group operates remains high, since the above factors decelerate the growth pace and may eventually exert upward pressures on private borrowing costs (note 2).

Considering the prevailing macroeconomic conditions in the first quarter of 2023, as well as Group's robust performance, as evidenced by the marginally positive NPE formation, the Group, as at 31 March 2023, maintained the same probability-weighted annual forecasts of the key macroeconomic variables incorporated in the IFRS 9 expected credit loss models as these were revised as at 31 December 2022.

The Group remains cautious for any developments in the macroeconomic trends and geopolitical front and closely monitors all loan portfolios, so as to revise its estimates and assumptions applied to the assessment of impairment losses, if necessary.

4. Capital Management

The Group's capital adequacy position is presented in the following table:

	31 March 2023 € million	31 December 2022 € million
Equity attributable to shareholders of the Company	**6,902**	6,623
Add: Adjustment due to IFRS 9 transitional arrangements	**-**	279
Add: Regulatory non-controlling interests	**55**	68
Less: Goodwill	**(2)**	(2)
Less: Other regulatory adjustments	**(387)**	(253)
Common Equity Tier 1 Capital	**6,568**	6,715
Total Tier 1 Capital	**6,568**	6,715
Tier 2 capital-subordinated debt	**1,217**	1,250
Add: Other regulatory adjustments	**-**	61
Total Regulatory Capital	**7,785**	8,026
Risk Weighted Assets	**43,234**	41,899
Ratios:	**%**	**%**
Common Equity Tier 1	**15.2**	16.0
Pro-forma Common Equity Tier 1[(1)]	**15.7**	16.0
Total Capital Adequacy Ratio	**18.0**	19.2
Pro-forma Total Capital Adequacy Ratio[(1)]	**18.6**	19.0

[(1)] Pro-forma with the completion of project "Solar" (for 31/12/2022 and 31/3/2023 ratios) and the disposal of Eurobank Direktna a.d. (for 31/3/2023 ratio) classified as held for sale (note 13)

Notes:

a) The profit of € 237 million attributable to the shareholders of the Company for the period ended 31 March 2023 (31 December 2022: profit of € 1,330 million) has been included in the calculation of the above capital ratios.

b) As of 31 March 2023, the decrease in CET1 ratio, compared to 31 December 2022, is mainly attributed to i) the increase of the RWAs due to the reversion from the Internal Ratings Based Approach (IRB) to the Standardized Approach (STD) (see below) and the new production of loans, loan commitments and letters of guarantee and ii) the impact on regulatory capital from the ending on 1 January 2023 of the 5-year period of the IFRS 9 transitional adjustments according to the Regulation (EU) 2017/2395 and the FVOCI prudential treatment specified in Article 468 of the CRR, amended by the Regulation (EU) 2020/873. The negative impact on CET1 ratio from the above factors, was partly offset by i) the quarterly organic profitability and ii) the mark up of investment securities at FVOCI. Total Capital Adequacy ratio has further decreased due to the Tier 2 capital amortisation.

On 1 March 2023, the Group received approval from ECB to revert to the Standardized approach (STD) for all credit risk exposures. The Group's decision to move to a less sophisticated method for capital requirements calculation was based on the fact that the historical data and performance on which Internal Ratings Based (IRB) models are calibrated is considered to be of limited representativeness taking into account the recent economic developments. The Bank intends to continue utilizing its advanced risk management capabilities for internal purposes such as credit approvals, risk adjusted pricing, IFRS 9 provisions where applicable and risk monitoring.

The Group has sought to maintain an actively managed capital base to cover risks inherent in the business. The adequacy of the Group's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision (BIS rules/ratios) which have been incorporated in the European Union (EU) legislation through the Directive 2013/36/EU (known as CRD IV) along with the Regulation No 575/2013/EU (known as CRR), as they are in force. The above Directive has been transposed into Greek legislation by Law 4261/2014 as in force. Furthermore, the CRR as amended by the Regulation 2020/873 (CRR quick fix) provides, among others, for the extension by two years of the ability of the banks to add back to their regulatory capital any increase in provisions for (stage 1 and stage 2) expected losses compared to those that they have recognized in 1 January 2020 for their financial assets, which have not been defaulted. The relief which is applicable for 2023 and for 2024 is 50% and 25%, respectively.

Supplementary to the above, in the context of Internal Capital Adequacy Assessment Process (ICAAP), the Group considers a broader range of risk types and the Group's risk management capabilities. ICAAP aims ultimately to ensure that the Group has sufficient capital to cover all material risks that it is exposed to, over a three-year horizon.

Based on Council Regulation No 1024/2013, the European Central Bank (ECB) conducts annually a Supervisory Review and Evaluation Process (SREP) in order to define the prudential requirements of the institutions under its supervision. The key purpose of the SREP is to ensure that institutions have adequate arrangements, strategies, processes and mechanisms as well as capital and liquidity to ensure a sound management and coverage of their risks, to which they are or might be exposed, including those revealed by stress testing and risks the institution may pose to the financial system.

According to the 2022 SREP decision, from January 2023 the P2R for the Group stands at 2.75% in terms of total capital (or at 1.55% in terms of CET1 capital), reflecting the improved Group's financial position particularly in terms of asset quality. Thus, for the first quarter of 2023, the Group was required to meet a Common Equity Tier 1 Ratio of at least 9.75% and a Total Capital Adequacy Ratio of at least 14.45% (Overall Capital Requirement or OCR) including Combined Buffer Requirement of 3.70%, which is covered with CET1 capital and sits on top of the Total SREP Capital Requirement (TSCR).

The breakdown of the Group's CET1 and Total Capital requirements is presented below.

	31 March 2023	
	CET1 Capital Requirements	Total Capital Requirements
Minimum regulatory requirement	**4.50%**	**8.00%**
Pillar 2 Requirement (P2R)	1.55%	2.75%
Total SREP Capital Requirement (TSCR)	**6.05%**	**10.75%**
Combined Buffer Requirement (CBR)		
Capital conservation buffer (CCoB)	2.50%	2.50%
Countercyclical capital buffer (CCyB)	0.20%	0.20%
Other systemic institutions buffer (O-SII)	1.00%	1.00%
Overall Capital Requirement (OCR)	**9.75%**	**14.45%**

For the second quarter of 2023, the Group's Overall Capital Requirement (OCR) increases by 0.03% and stands at 14.48% in terms of total capital (or at 9.78% in terms of CET1 capital) following a corresponding increase in the countercyclical capital buffer. This buffer is calculated on a quarterly basis in accordance with the countercyclical capital buffer rates applicable in each country to which the Group has exposures.

Further disclosures regarding capital adequacy in accordance with the Regulation 575/2013 are provided in the Consolidated Pillar 3 Reports on the Company's website.

Minimum Requirements for Eligible Own Funds and Eligible Liabilities (MREL)

Under the Directive 2014/59 (Bank Recovery and Resolution Directive) as in force, which was transposed into the Greek legislation pursuant to Law 4335/2015 as in force, European banks are required to meet the minimum requirement for own funds and eligible liabilities (MREL). The Single Resolution Board (SRB) has determined Eurobank S.A. as the Group's resolution entity and a Single Point of Entry (SPE) strategy for resolution purposes. Based on the latest SRB's decision, the fully calibrated MREL (final target) to be met by Eurobank S.A. on a consolidated basis until the end of 2025 is set at 27.46% of its total risk weighted assets (RWAs), including a fully-loaded combined buffer requirement (CBR) of 3.86%. The final MREL target is updated by the SRB on an annual basis. The interim non-binding MREL target, which is applicable from January 2023, stands at 20.48% of RWAs, including a CBR of 3.70% and at 22.91% from January 2024, including a CBR of 3.86%.

In the period ended 31 March 2023, in the context of the implementation of its strategy to ensure ongoing compliance with its MREL requirements, the Bank successfully completed the issue of € 500 million MREL-eligible senior preferred notes (note 24). As at 31 March 2023, the Bank's MREL ratio at consolidated level stands at 23.03% of RWAs including profit for the period ended 31 March 2023 (31 December 2022: 23.07%), which is significantly above the aforementioned interim non - binding MREL target of 20.48%.

2023 EU – wide stress test

In January 2023, the European Banking Authority (EBA) launched the 2023 EU-wide stress test exercise which is designed to provide valuable input for assessing the resilience of the European banking sector in the current uncertain and changing macroeconomic environment.

This exercise is coordinated by the EBA in cooperation with the ECB and national supervisory authorities and is conducted according to the EBA's methodology. It is carried out on the basis of year-end 2022 figures and assesses the performance of EU banks under a baseline and adverse macroeconomic scenario, covering the period from 2023 to 2025. The baseline scenario for EU countries is based on the projections from the EU national central banks of December 2022. The adverse scenario, although unlikely to unfold, is used to assess the resilience of banks to a hypothetical severe scenario of a significant deterioration in the overall outlook for the economy and financial markets in the next three years. The narrative depicts an adverse scenario related to a hypothetical worsening of geopolitical developments leading to a severe decline in GDP with persistent inflation and high interest rates. In terms of GDP decline, the 2023 adverse scenario is the most severe used in the EU wide stress up to now. Eurobank Holdings Group is participating in the EBA-led stress test. In parallel, the ECB will conduct its own stress test for a number of medium sized- banks that it supervises directly and that are not included in the EBA-led stress test sample.

In March 2023, the Group completed the Advanced Data Collection (ADC) and the first Full Data Collection (FDC 1), while the second FDC (FDC 2) took place on 16 May 2023.

The EBA expects to publish the results of the exercise at the end of July 2023. The stress test results will be used to update each bank's Pillar 2 Guidance in the context of the SREP, while qualitative findings on weaknesses in banks' stress testing practices could also affect their Pillar 2 Requirements.

5. Operating segment information

Management has determined the operating segments based on the internal reports reviewed by the Strategic Planning Committee that are used to allocate resources and to assess their performance in order to make strategic decisions. The Strategic Planning Committee considers the business both from a business unit and geographic perspective. Geographically, management considers the performance of its business activities originated from Greece and other countries in Europe (International).

Greece is further segregated into retail, corporate, global markets & asset management, investment property and as of the first quarter of 2023, Remedial and Servicing Strategy, in order to be aligned with its separate internal reporting to Management. International is monitored and reviewed on a country basis. The Group aggregates segments when they exhibit similar economic characteristics and profile and are expected to have similar long-term economic development.

In more detail, the Group is organized in the following reportable segments:

- Retail: incorporating customer current accounts, savings, deposits and investment savings products, credit and debit cards, consumer loans, small business banking and mortgages.
- Corporate: incorporating current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products to corporate entities, custody and clearing services, cash management and trade services and investment banking services including corporate finance, merger and acquisitions advice.
- Global Markets & Asset Management: incorporating financial instruments trading, services to institutional investors, as well as, specialized financial advice and intermediation. In addition, this segment incorporates mutual fund products, institutional asset management and equity brokerage.
- International: incorporating operations in Bulgaria, Serbia, Cyprus, Luxembourg and Romania.
- Investment Property: incorporating investment property activities relating to a diversified portfolio of commercial real estate assets.
- Remedial and Servicing Strategy (RSS): incorporating a) the management of non - performing assets, that were previously reported in the "Retail" and "Corporate" segments, and b) the property management (repossessed assets), the notes of Cairo, Pillar and Mexico securitizations, which were retained by the Group, and the Group's share of results of doValue Greece Loans and Credits Claim Management S.A, that were previously reported in the "Other" segment.

Other segment of the Group refers mainly to a) property management (own used property & equipment), b) other investing activities (including equities' positions), c) private banking services to medium and high net worth individuals, d) the Group's share of results of Eurolife Insurance group and e) the results related to the Group's transformation projects and initiatives.

Comparative information has been adjusted to include the aforementioned changes affecting the reportable operating segments.

The Group's management reporting is based on International Financial Reporting Standards (IFRS) as adopted by the EU. The accounting policies of the Group's operating segments are the same with those described in the principal accounting policies.

Revenues from transactions between business segments are allocated on a mutually agreed basis at rates that approximate market prices.

Operating segments

	For the three months ended 31 March 2023							
	Retail € million	Corporate € million	Global Markets & Asset Mngt € million	Investment Property € million	RSS € million	International € million	Other and Elimination center € million	Total € million
Net interest income	235	106	35	(3)	11	137	(19)	503
Net commission income	18	32	24	(0)	1	29	1	105
Other net revenue	(2)	0	(10)	21	2	1	0	12
Total external revenue	251	139	49	18	14	166	(17)	620
Inter-segment revenue	7	9	(11)	1	(0)	(1)	(4)	-
Total revenue	257	148	38	19	14	165	(22)	620
Operating expenses	(94)	(30)	(14)	(9)	(17)	(61)	3	(222)
Impairment losses relating to loans and advances to customers	(20)	(6)	-	-	(28)	(11)	(9)	(75)
Other impairment losses and provisions (note 11)	(1)	1	1	(0)	(1)	(0)	(1)	(1)
Share of results of associates and joint ventures	-	-	0	-	3	(0)	3	6
Profit/(loss) before tax from continuing operations before restructuring costs	143	112	26	10	(28)	92	(26)	328
Restructuring costs (note 11)	(0)	(0)	(0)	-	(0)	(0)	(5)	(5)
Profit/(loss) before tax from continuing operations	143	112	26	10	(28)	92	(30)	323
Loss before tax from discontinued operations (note 13)	-	-	-	-	-	(44)	-	(44)
Profit/(loss) before tax attributable to non controlling interests	-	-	-	0	-	(11)	(0)	(11)
Profit/(loss) before tax attributable to shareholders	143	112	26	10	(28)	60	(30)	290

	31 March 2023							
	Retail € million	Corporate € million	Global Markets & Asset Mngt € million	Investment Property € million	RSS € million	International € million	Other and Elimination center [1] € million	Total € million
Segment assets	12,393	14,852	13,648	1,393	8,774	21,681	9,136	81,877
Segment liabilities	30,181	11,668	6,241	325	2,119	19,668	4,688	74,891

The International segment is further analyzed as follows:

	For the three months ended 31 March 2023					
	Bulgaria € million	Serbia € million	Cyprus € million	Luxembourg € million	Romania € million	Total € million
Net interest income	65	0	57	13	1	137
Net commission income	18	(0)	10	2	(0)	29
Other net revenue	1	(0)	(0)	(0)	(0)	1
Total external revenue	85	0	67	15	0	166
Inter-segment revenue	0	(0)	(0)	(1)	-	(1)
Total revenue	85	0	66	13	0	165
Operating expenses	(38)	(0)	(15)	(7)	(1)	(61)
Impairment losses relating to loans and advances to customers	(10)	0	(3)	(0)	2	(11)
Other impairment losses and provisions	0	(0)	(0)	(0)	(0)	(0)
Share of results of associates and joint ventures	-	-	-	-	(0)	(0)
Profit/(loss) before tax from continuing operations before restructuring costs	37	(0)	48	7	1	92
Restructuring costs	-	(0)	-	-	-	(0)
Profit/(loss) before tax from continuing operations	37	(0)	48	7	1	92
Loss before tax from discontinued operations (note 13)	-	(44)	-	-	-	(44)
Profit/(loss) before tax attributable to non controlling interests	0	(11)	-	-	-	(11)
Profit/(loss) before tax attributable to shareholders	37	(33)	48	7	1	60

	31 March 2023					
	Bulgaria € million	**Serbia € million**	**Cyprus € million**	**Luxembourg € million**	**Romania € million**	**International € million**
Segment assets[2]	**8,395**	**2,424**	**8,489**	**2,233**	**140**	**21,681**
Segment liabilities[2]	**7,560**	**2,180**	**7,682**	**2,037**	**210**	**19,668**

	For the three months ended 31 March 2022							
	Retail € million	Corporate € million	Global Markets & Asset Mngt € million	Investment Property € million	RSS € million	International € million	Other and Elimination center € million	Total € million
Net interest income	92	84	69	(5)	6	82	(6)	323
Net commission income	19	19	25	(0)	1	28	0	93
Other net revenue	0	1	204	56	1	(0)	3	265
Total external revenue	112	104	298	51	7	110	(2)	681
Inter-segment revenue	7	10	(10)	1	(0)	(0)	(7)	-
Total revenue	118	114	288	52	7	110	(9)	681
Operating expenses	(93)	(29)	(16)	(8)	(17)	(49)	7	(206)
Impairment losses relating to loans and advances to customers	(16)	6	-	-	(35)	(7)	(7)	(59)
Other impairment losses and provisions	(0)	1	(22)	(1)	(1)	(0)	(1)	(25)
Share of results of associates and joint ventures	(0)	-	0	-	1	-	9	10
Profit/(loss) before tax from continuing operations before restructuring costs	9	91	250	43	(45)	53	(1)	401
Restructuring costs	(3)	(0)	-	-	(0)	(0)	(42)	(45)
Profit/(loss) before tax from continuing operations	6	91	250	43	(45)	53	(43)	356
Loss before tax from discontinued operations (note 13)	-	-	-	-	-	(1)	-	(1)
Profit/(loss) before tax attributable to non controlling interests	-	-	-	-	-	(0)	(0)	(1)
Profit/(loss) before tax attributable to shareholders	6	91	250	43	(45)	52	(42)	356

	31 December 2022							
	Retail € million	Corporate € million	Global Markets & Asset Mngt € million	Investment Property € million	RSS € million	International € million	Other and Elimination center[1] € million	Total € million
Segment assets	12,541	14,871	13,096	1,445	9,041	21,704	8,762	81,460
Segment liabilities	30,097	12,082	5,572	307	2,009	19,736	4,939	74,742

	For the three months ended 31 March 2022					
	Bulgaria € million	Serbia € million	Cyprus € million	Luxembourg € million	Romania € million	Total € million
Net interest income	48	(0)	27	7	1	82
Net commission income	17	(0)	10	2	(0)	28
Other net revenue	(1)	(0)	0	0	(0)	(0)
Total external revenue	64	(0)	38	8	(0)	110
Inter-segment revenue	0	-	-	(0)	-	(0)
Total revenue	64	(0)	38	8	(0)	110
Operating expenses	(31)	(0)	(12)	(5)	(1)	(49)
Impairment losses relating to loans and advances to customers	(9)	0	(1)	0	2	(7)
Other impairment losses and provisions	(1)	0	0	(0)	(0)	(0)
Share of results of associates and joint ventures	-	-	-	-	0	0
Profit/(loss) before tax from continuing operations	25	(0)	25	3	0	53
Loss before tax from discontinued operations (note 13)	-	(1)	-	-	-	(1)
Profit/(loss) before tax attributable to non controlling interests	(0)	(0)	-	-	-	(0)
Profit/(loss) before tax attributable to shareholders	25	(1)	25	3	0	52

	31 December 2022					
	Bulgaria € million	Serbia € million	Cyprus € million	Luxembourg € million	Romania € million	International € million
Segment assets [(2)]	7,944	2,504	8,793	2,304	159	21,704
Segment liabilities [(2)]	7,146	2,217	8,031	2,112	230	19,736

[(1)] *Interbank eliminations between International and the other Group's segments are included.*

[(2)] *Intercompany balances among the Countries have been excluded from the reported assets and liabilities of International segment.*

6. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As at 31 March 2023, the Group's dilutive potential ordinary shares relate to the share options that were allocated to executives and personnel of Eurobank Holdings and its affiliated companies (note 26). The weighted average number of shares is adjusted for the share options by calculating the weighted average number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares for the period). The number of shares resulting from the above calculation is added to the weighted average number of ordinary shares in issue in order to determine the weighted average number of ordinary shares used for the calculation of the diluted earnings per share.

		Three months ended 31 March	
		2023	2022
Net profit for the period attributable to ordinary shareholders	*€ million*	**237**	270
Net profit for the period from continuing operations attributable to ordinary shareholders	*€ million*	**252**	270
Weighted average number of ordinary shares in issue for basic earnings per share	*Number of shares*	***3,710,259,749***	*3,707,965,683*
Weighted average number of ordinary shares in issue for diluted earnings per share	*Number of shares*	***3,723,426,477***	*3,714,589,757*
Earnings per share			
- Basic and diluted earnings per share	€	**0.06**	0.07
Earnings per share from continuing operations			
- Basic and diluted earnings per share	€	**0.07**	0.07

Basic and diluted losses per share from discontinued operations for the period ended 31 March 2023 amounted to € 0.004 (31 March 2022: € 0.0002 losses).

7. Net interest income

	31 March 2023 € million	31 March 2022 € million
Interest income		
Customers	**461**	285
Banks and other assets	**86**	4
Securities	**90**	47
Derivatives	**278**	115
	915	451
Interest expense		
Customers	**(69)**	(6)
Banks [(1)(2)]	**(59)**	14
Debt securities in issue	**(51)**	(23)
Derivatives	**(232)**	(112)
Lease liabilities - IFRS 16	**(1)**	(1)
	(412)	(128)
Total from continuing operations	**503**	323

[(1)] For the period ended 31 March 2022, it includes net income of € 30 million that is attributable to the targeted longer-term refinancing operations (TLTRO III) of the European Central Bank (ECB).
[(2)] Interest from financial assets with negative rates, which were applied until June of 2022, was recorded in interest expense.

In the first quarter of 2023, the increase of 55.7% in the net interest income from continuing operations against the comparative period was mainly driven by higher interest rates, the organic loans' growth and the increased positions in investment bonds, partly offset by higher debt issued and deposits cost.

8. Net banking fee and commission income

The following tables include net banking fees and commission income from contracts with customers in the scope of IFRS 15, disaggregated by major type of services and operating segments (note 5).

	31 March 2023					
	Retail € million	**Corporate € million**	**Global Markets & Asset Mngt € million**	**International € million**	**Other[(2)] € million**	**Total € million**
Lending related activities	**2**	**29**	**2**	**4**	**1**	**38**
Mutual funds and assets under management	**4**	**0**	**9**	**2**	**1**	**17**
Network activities and other[(1)]	**12**	**2**	**8**	**21**	**1**	**42**
Capital markets	**-**	**1**	**5**	**2**	**(1)**	**8**
Total from continuing operations	**18**	**32**	**24**	**29**	**2**	**105**

	31 March 2022					
	Retail € million	Corporate € million	Global Markets & Asset Mngt € million	International € million	Other[(2)] € million	Total € million
Lending related activities	2	15	2	3	(0)	22
Mutual funds and assets under management	3	0	11	3	2	19
Network activities and other [(1)]	14	2	7	21	0	43
Capital markets	-	3	5	2	(1)	9
Total from continuing operations	19	19	25	28	1	93

[(1)] Including income from credit cards related services.
[(2)] Includes "Remedial and Servicing Strategy" and "Other and elimination center" segments.

9. Operating expenses

	31 March 2023 € million	31 March 2022 € million
Staff costs	**(110)**	(103)
Administrative expenses	**(66)**	(59)
Contributions to resolution and deposit guarantee funds	**(18)**	(17)
Depreciation of real estate properties and equipment	**(10)**	(10)
Depreciation of right of use assets	**(9)**	(9)
Amortisation of intangible assets	**(9)**	(8)
Total from continuing operations	**(222)**	(206)

The average number of employees of the Group's continuing operations during the period was 9,891 (31 March 2022: 10,209). As at 31 March 2023, the number of branches and business/private banking centers of the Group's continuing operations amounted to 502 (31 December 2022: 515).

Furthermore, the average number of employees of Eurobank Direktna a.d. disposal group during the period was 1,465 (period ended 31 March 2022: 1,693 employees). As at 31 March 2023, the number of branches and business centers of Eurobank Direktna a.d. disposal group amounted to 98 (31 December 2022: 101) (note 13).

10. Impairment allowance for loans and advances to customers

The following tables present the movement of the impairment allowance on loans and advances to customers (expected credit losses – ECL). Information with regards to the estimates applied for the expected credit loss measurement as at 31 March 2023 is provided in note 3.

	31 March 2023			
	12-month ECL - Stage 1 € million	**Lifetime ECL - Stage 2 € million**	**Lifetime ECL - Stage 3 and POCI[(1)] € million**	**Total € million**
Impairment allowance as at 1 January	149	355	1,121	1,626
Transfers between stages	22	(14)	(8)	-
Impairment loss for the period	(17)	8	81	72
Recoveries from written - off loans	-	-	9	9
Loans and advances derecognised/ reclassified as held for sale during the period[(2)]	(8)	(9)	(36)	(54)
Amounts written off	-	-	(82)	(82)
Unwinding of Discount	-	-	(4)	(4)
Foreign exchange and other movements	(0)	(2)	(15)	(17)
Impairment allowance as at 31 March	**146**	**337**	**1,067**	**1,550**

	31 March 2022			
	12-month ECL - Stage 1 € million	Lifetime ECL - Stage 2 € million	Lifetime ECL - Stage 3 and POCI [(1)] € million	Total € million
Impairment allowance as at 1 January	171	311	1,391	1,872
Transfers between stages	16	(12)	(4)	-
Impairment loss for the period[(3)]	(24)	7	66	49
Recoveries from written - off loans	-	-	9	9
Loans and advances derecognised during the period [(2)]	(0)	(0)	(0)	(0)
Amounts written off	-	-	(11)	(11)
Unwinding of Discount	-	-	(5)	(5)
Foreign exchange and other movements	6	(0)	(24)	(18)
Impairment allowance as at 31 March	168	305	1,421	1,895

[(1)] The impairment allowance for POCI loans of € 6 million is included in 'Lifetime ECL –Stage 3 and POCI' (31 March 2022: € 7 million).
[(2)] It represents the impairment allowance of loans derecognized due to a) substantial modifications of the loans' contractual terms, b) sale transactions, c) debt to equity transactions and those that have been reclassified as held for sale during the period (note 13).
[(3)] It includes € 3 million impairment loss on loans and advances relating to discontinued operations (note 13).

The impairment losses relating to loans and advances to customers from continuing operations recognized in the Group's income statement for the period ended 31 March 2023 amounted to € 75 million (31 March 2022: € 59 million) and are analyzed as follows:

	31 March 2023 € million	31 March 2022 € million
Impairment loss on loans and advances to customers	**(72)**	(46)
Net income / (loss) from financial guarantee contracts [1]	**(9)**	(10)
Modification gain / (loss) on loans and advances to customers	**3**	(0)
Impairment (loss)/ reversal for credit related commitments	**3**	(3)
Total from continuing operations	**(75)**	(59)

[1] *It refers to purchased financial guarantee contracts, not integral to the guaranteed loans (projects Wave).*

11. Other impairments, restructuring costs and provisions

	31 March 2023 € million	31 March 2022 € million
Impairment and valuation losses on real estate properties	**(1)**	(2)
Impairment (losses)/reversal on bonds (note 16)	**4**	(21)
Other impairment losses and provisions[1]	**(4)**	(2)
Other impairment losses and provisions	**(1)**	(25)
Voluntary exit schemes and other related costs	**-**	(42)
Other restructuring costs	**(5)**	(3)
Restructuring costs	**(5)**	(45)
Total from continuing operations	**(6)**	(70)

[1] *Includes impairment losses on software, other assets and provisions on litigations and other operational risk events.*

For the period ended 31 March 2022, an amount of € 41 million has been recognised in the Group's income statement for employee termination benefits mainly in respect of the new Voluntary Exit Scheme (VES) that was launched by the Group in February 2022 for eligible units in Greece and offered to employees over a specific age limit.

12. Income tax

	31 March 2023 € million	31 March 2022 € million
Current tax	**(19)**	(12)
Deferred tax	**(52)**	(74)
Total income tax from continuing operations	**(71)**	(86)

According to Law 4172/2013 currently in force, the nominal Greek corporate tax rate for credit institutions that fall under the requirements of article 27A of Law 4172/2013 regarding eligible DTAs/deferred tax credits (DTCs) against the Greek State is 29%. The Greek corporate tax rate for legal entities other than the aforementioned credit institutions is 22%. In addition, the withholding tax rate for dividends distributed, other than intragroup dividends, is 5%. In particular, the intragroup dividends under certain preconditions are relieved from both income and withholding tax.

The nominal corporate tax rates applicable in the banking subsidiaries incorporated in the international segment of the Group (note 5) are as follows: Bulgaria 10%, Serbia 15%, Cyprus 12.5% and Luxembourg 24.94%.

Tax certificate and open tax years

The Company and its subsidiaries, associates and joint ventures, which operate in Greece (notes 17.1 and 18) have in principle up to 6 open tax years. For fiscal years starting from 1 January 2016 onwards, pursuant to the Tax Procedure Code, an 'Annual Tax Certificate' on an optional basis, is provided for the Greek entities, with annual financial statements audited compulsorily, which is issued after a tax audit is performed by the same statutory auditor or audit firm that audits the annual financial statements. The Company and, as a general rule, the Group's Greek companies have opted to obtain such certificate.

The Company's open tax years are 2017-2022, while the Bank's open tax years are 2020 - 2022. In April 2023, the Bank received a tax audit mandate by the tax authorities for the tax years 2020 and 2021 and the relevant tax audit is in progress. The tax certificates of the Company, the Bank and the other Group's entities, which operate in Greece, are unqualified for their open tax years until 2021. In addition, for the year ended 31 December 2022, the tax audits from external auditors are in progress.

In accordance with the Greek tax legislation and the respective Ministerial Decisions issued, additional taxes and penalties may be imposed by the Greek tax authorities following a tax audit within the applicable statute of limitations (i.e. in principle five years as from the end of the fiscal year within which the relevant tax return should have been submitted), irrespective of whether an unqualified tax certificate has been obtained from the tax paying company. In light of the above, as a general rule, the right of the Greek State to impose taxes up to tax year 2016 (included) has been time-barred for the Group's Greek entities as at 31 December 2022.

The open tax years of the foreign banking entities of the Group are as follows: (a) Eurobank Cyprus Ltd, 2018-2022 (a tax audit has been initiated for tax years 2018-2020), (b) Eurobank Bulgaria A.D., 2017-2022 (a tax audit of limited scope has been initiated for tax years 2020-2021), (c) Eurobank Direktna a.d. (Serbia), 2017-2022, and (d) Eurobank Private Bank Luxembourg S.A., 2018-2022. The remaining foreign entities of the Group (notes 17.1 and 18), which operate in countries where a statutory tax audit is explicitly stipulated by law, have in principle up to 6 open tax years, subject to certain preconditions of the applicable tax legislation of each jurisdiction.

In reference to its total uncertain tax positions, the Group assesses all relevant developments (e.g. legislative changes, case law, ad hoc tax/legal opinions, administrative practices) and raises adequate provisions.

Deferred tax

Deferred tax is calculated on all deductible temporary differences under the liability method as well as for unused tax losses at the rate in effect at the time the reversal is expected to take place.

The net deferred tax is analyzed as follows:

	31 March 2023 € million	31 December 2022 € million
Deferred tax assets	**4,120**	4,161
Deferred tax liabilities	**(32)**	(31)
Net deferred tax	**4,088**	4,130

The movement on deferred tax is as follows:

	31 March 2023 € million	31 March 2022 € million
Balance at 1 January	**4,130**	4,396
Income statement credit/(charge) from continuing operations	**(52)**	(74)
Investment securities at FVOCI	**(9)**	42
Cash flow hedges	**1**	(1)
Discontinued operations (note 13)	**18**	(0)
Other	**(0)**	(1)
Balance at 31 March	**4,088**	4,362

Deferred income tax (charge)/credit from continuing operations is attributable to the following items:

	31 March 2023 € million	31 March 2022 € million
Impairment/ valuation relating to loans, disposals and write-offs	**(68)**	(23)
Tax deductible PSI+ losses	**(13)**	(13)
Carried forward debit difference of law 4831/2021	**-**	(27)
Change in fair value and other temporary differences	**29**	(11)
Deferred income tax (charge)/credit from continuing operations	**(52)**	(74)

Deferred tax assets/(liabilities) are attributable to the following items:

	31 March 2023 € million	31 December 2022 € million
Impairment/ valuation relating to loans and accounting write-offs	**993**	1,030
PSI+ tax related losses	**939**	951
Losses from disposals and crystallized write-offs of loans	**2,212**	2,242
Other impairments/ valuations through the income statement	**(69)**	(120)
Cash flow hedges	**6**	5
Defined benefit obligations	**5**	5
Real estate properties, equipment and intangible assets	**(83)**	(78)
Investment securities at FVOCI	**(24)**	(15)
Other[1]	**109**	110
Net deferred tax	**4,088**	4,130

[1] It includes, among others, DTA on deductible temporary differences relating to operational risk provisions and the leasing operations.

Further information, in relation to the aforementioned categories of deferred tax assets as at 31 March 2023, is as follows:

(a) € 993 million refer to deductible temporary differences arising from impairment/valuation relating to loans including the accounting debt write-offs according to the Greek tax law 4172/2013, as in force. These temporary differences can be utilized in future periods with no specified time limit and according to current tax legislation of each jurisdiction;

(b) € 939 million refer to losses resulted from the Group's participation in PSI+ and the Greek's state debt buyback program which are subject to amortization for tax purposes over a thirty-year period, i.e. 1/30 of losses per year starting from year 2012 onwards (see below – DTCs section);

(c) € 2,212 million refer to the unamortized part of the crystallized tax losses arising from write-offs and disposals of loans, which are subject to amortization over a twenty-year period;

Assessment of the recoverability of deferred tax assets

The recognition of the deferred tax assets is based on management's assessment that the Group's legal entities will have sufficient future taxable profits, against which the deductible temporary differences and the unused tax losses can be utilized. The deferred tax assets are determined on the basis of the tax treatment of each deferred tax asset category, as provided by the applicable tax legislation of each jurisdiction and the eligibility of carried forward losses for offsetting with future taxable profits. Additionally, the Group's assessment on the recoverability of recognized deferred tax assets is based on (a) the future performance expectations (projections of operating results) and growth opportunities relevant for determining the expected future taxable profits, (b) the expected timing of reversal of the deductible and taxable temporary differences, (c) the probability that the Group entities will have sufficient taxable profits in the future, in the same period as the reversal of the deductible and taxable temporary differences or in the years into which the tax losses can be carried forward, and (d) the historical levels of Group entities' performance in combination with the previous years' tax losses caused by one off or non-recurring events.

In particular, for the period ended 31 March 2023, the deferred tax asset (DTA) recoverability assessment has been based on the three-year Business Plan that was approved by the Board of Directors in December 2022, for the period up to the end of 2025, and was submitted to the Single Supervisory Mechanism (SSM). For the years beyond 2025, the forecast of operating results was based on the management projections considering the growth opportunities of the Greek economy, the banking sector and the Group itself. Specifically, the management projections for the Group's future profitability adopted in the Business Plan, have considered, among others, (a) the interest rates' increase, (b) the sustainable increase in loan volumes and the growth, at a relatively lower pace, of customer deposits, (c) the increase in fee and commission income mostly driven by assets under management, bancassurance, network and lending related activities, cards' issuing and investment property rentals, (d) the discipline to operating expenses' targets, (e) the further decrease of NPE ratio in line with the NPE Management Strategy submitted to SSM, (f) the cost of risk, which is expected to carry the effect from the macroeconomic uncertainty and the inflationary pressures' impact on households' disposable income and (g) the fulfilment of interim MREL targets throughout the plan period. The major initiatives introduced in the context of the Group's transformation plan "Eurobank 2030", will contribute to meeting its financial objectives.

The Group closely monitors and constantly assesses the developments on the macroeconomic and geopolitical front (note 2) including the inflationary pressures and their potential effect on the achievement of its Business Plan targets in terms of asset quality and profitability and will continue to update its estimates accordingly.

Deferred tax credit against the Greek State and tax regime for loan losses

As at 31 March 2023, pursuant to the Law 4172/2013, as in force, the Bank's eligible DTAs/deferred tax credits (DTCs) against the Greek State amounted to € 3,355 million (31 December 2022: € 3,402 million). The DTCs are accounted for on: (a) the unamortised losses from the Private Sector Involvement (PSI) and the Greek State Debt Buyback Program, which are subject to amortisation over a thirty-year period and (b) on the sum of (i) the unamortized part of the DTC eligible crystallized tax losses arising from write-offs and disposals of loans, which are subject to amortization over a twenty-year period, (ii) the accounting debt write-offs and (iii) the remaining accumulated provisions and other losses in general due to credit risk recorded up to 30 June 2015. The DTCs will be converted into directly enforceable claims (tax credit) against the Greek State provided that the Bank's after tax accounting result for the year is a loss.

According to the Law 4831/2021 (article 125), which amended Law 4172/2013, the amortization of the PSI tax related losses is deducted from the taxable income at a priority over that of the crystallized tax losses (debit difference) arising from write-offs and disposals of loans. In addition, the amount of the annual tax amortization of the above crystallized tax losses is limited to the amount of the annual taxable profits, calculated before the deduction of such losses and following the annual tax deduction of the PSI tax related losses. The unutilized part of the annual tax amortization of the crystallized loan losses can be carried forward for offsetting over a period of 20 years. If at the end of the 20-year utilization period, there are balances that have not been offset, these will qualify as a tax loss, which is subject to the 5-year statute of limitation. The above provisions apply as of 1 January 2021 and cover the crystallized tax losses that have arisen from write-offs and disposals of loans as of 1 January 2016 onwards.

Taking into account the tax regime in force, the recovery of the Bank's deferred tax asset recorded on loans and advances to customers and the regulatory capital structure are further safeguarded, contributing substantially to the achievement of NPE management targets through write-offs and disposals, in line with the regulatory framework and SSM requirements.

According to tax Law 4172/2013 as in force, an annual fee of 1.5% is imposed on the excess amount of deferred tax assets guaranteed by the Greek State, stemming from the difference between the current tax rate for the eligible credit institutions (i.e. 29%) and the tax rate applicable on 30 June 2015 (i.e. 26%). For the period ended 31 March 2023, an amount of € 1.5 million has been recognized in "Other income/(expenses)".

13. Disposal groups classified as held for sale and discontinued operations

	31 March 2023 € million	31 December 2022 € million
Assets of disposal groups		
Eurobank Direktna a.d.	**2,334**	-
Real estate properties	**13**	15
Loans related to project Solar (note 15)	**70**	69
Total	**2,417**	84
Liabilities of disposal groups		
Eurobank Direktna a.d.	**1,884**	-
Other liabilities related to project Solar (note 15)	**1**	1
Total	**1,885**	1

Real estate properties

Starting from the end of 2019, the Group, in the context of its strategy for the active management of its real estate portfolio (repossessed, investment properties and own used properties), has gradually classified as held for sale certain pools of real estate assets of total remaining carrying amount ca. € 13 million as at 31 March 2023 (31 December 2022: € 15 million), after their remeasurement in accordance with the IFRS 5 requirements. The Group remains committed to its plan to sell the aforementioned assets, which is expected to be completed within 2023, and undertakes all necessary actions towards this direction.

The above non-recurring fair value measurements were categorized as Level 3 of the fair value hierarchy due to the significance of the unobservable inputs used, with no change occurring up to 31 March 2023.

Eurobank Direktna a.d. disposal group classified as held for sale

On 2 March 2023, the Bank announced that it has signed a binding agreement (share purchase agreement) with AIK Banka a.d. Beograd ("AIK") for the sale of its 70% shareholding in its subsidiary in Serbia, Eurobank Direktna a.d. (the "Transaction"). The sale is considered highly probable, therefore, as of 31 March 2023 the assets of Eurobank Direktna a.d. and the associated liabilities ("disposal group" - see below), which form part of the share purchase agreement, were classified as held for sale and presented as a discontinued operation. The subsidiary is the major part of the Group's operations in Serbia, which are presented in the International segment.

The Transaction is consistent with Eurobank's strategy to direct capital to opportunities with more compelling RoTBV (Return on Tangible Book Value) and to further enhance its presence in its core markets. In this context, based on the agreement, 100% of Eurobank Direktna a.d. disposal group was valued at € 280 million. The completion of the Transaction is expected to increase Eurobank Holdings Group's CET1 ratio by ca. 50 bps (based on 31 March 2023 ratio), reflecting mainly the release of related RWAs (Risk Weighted Assets). It is expected to be completed within year 2023, subject to customary regulatory and other approvals.

Following the classification of Eurobank Direktna a.d. disposal group as held for sale, as of 31 March 2023, in accordance with IFRS 5, impairment losses of € 49 million were recognized from measuring the disposal group at the lower of its carrying amount and fair value less estimated costs to sell. The fair value less estimated costs to sell of the disposal group has been determined based on the terms of the aforementioned agreement with AIK. This is a non-recurring fair value measurement, categorized as Level 3 in the fair value hierarchy due to the significance of the unobservable inputs. The impairment losses were allocated to property and equipment (€ 21 million), intangible assets (€ 20 million) and other assets (€ 8 million) of the disposal group.

The income statement, statement of total comprehensive income and cash flow statement distinguish discontinued operations from continuing operations. Comparative information has been adjusted accordingly.

The results of Eurobank Direktna a.d. disposal group presented as a discontinued operation are set out below.

	Three months ended 31 March	
	2023	2022
	€ million	€ million
Net interest income	**23**	16
Net banking fee and commission income	**5**	5
Other income/(expenses)	**0**	1
Operating Expenses	**(15)**	(16)
Profit before impairments, remeasurement losses, provisions and restructuring costs from discontinued operations	**13**	6
Impairment losses relating to loans and advances to customers	**(3)**	(3)
Remeasurement losses on non current and other assets	**(49)**	-
Other impairment losses, provisions and restructuring costs	**(5)**	(4)
Loss before tax from discontinued operations	**(44)**	(1)
Income tax [(1)]	**18**	(0)
Loss after tax from discontinued operations	**(26)**	(1)
Net loss from discontinued operations attributable to non controlling interests	**(11)**	(0)
Net loss from discontinued operations attributable to shareholders	**(15)**	(1)

[(1)] Following the classification of Eurobank Direktna a.d. disposal group as held for sale as of 31 March 2023, the Bank recognised a DTA of ca. € 18 million on the tax deductible temporary differences associated with its investment in the subsidiary and the estimated costs to sell (note 12).

The major classes of assets and liabilities of Eurobank Direktna a.d. classified as held for sale are as follows:

	31 March 2023 € million
Loans and advances to customers	1,565
Cash and balances with central banks	591
Investment securities	109
Due from credit institutions	16
Other assets	53
Total assets of disposal group classified as held for sale	2,334
Due to customers	1,621
Due to credit institutions	224
Other liabilities	39
Total liabilities of disposal group classified as held for sale	1,884
Net intragroup liabilities associated with the disposal group	178
Net assets of disposal group classified as held for sale[1]	272
Net assets of disposal group classified as held for sale attributable to non controlling interests	84
Net assets of disposal group classified as held for sale attributable to shareholders	188

[1] It includes costs to sell amounting to ca. € 8 million

As at 31 March 2023, cumulative losses (mainly currency translation differences) attributable to shareholders recognised in other comprehensive income amounted to € 125 million (31 December 2022: € 126 million).

14. Derivative financial instruments

	31 March 2023		31 December 2022	
	Fair values		Fair values	
	Assets € million	Liabilities € million	Assets € million	Liabilities € million
Derivatives for which hedge accounting is not applied/ held for trading	1,607	1,434	1,916	1,541
Derivatives designated as fair value hedges	559	480	643	486
Derivatives designated as cash flow hedges	5	73	2	78
Offsetting	(1,166)	(399)	(1,376)	(444)
Total derivatives assets/liabilities	1,005	1,588	1,185	1,661

As at 31 March 2023 and 31 December 2022, the Group has proceeded with the offsetting of positions in CCP (Central Counterparty) cleared OTC derivative financial instruments against the cash accounts used for variation margin purposes for such derivatives. Accordingly, as at 31 March 2023, derivatives assets and liabilities of € 1,166 million and € 399 million, respectively, were offset against € 767 million cash collateral received (31 December 2022: € 1,376 million assets and € 444 million liabilities were offset against € 932 million cash collateral received).

As at 31 March 2023, the net carrying value of the derivatives with the Hellenic Republic amounted to a liability of € 537 million (31 December 2022: € 489 million liability).

In respect of the "Net trading income/(loss)" for the comparative period ended 31 March 2022, the Group recognised approximately € 212 million gains from derivative financial instruments, following the termination of interest rate swaps in the context of its updated hedging strategy. Further relevant information is provided in note 19 of the consolidated financial statements for the year ended 31 December 2022.

15. Loans and advances to customers

	31 March 2023 € million	31 December 2022 € million
Loans and advances to customers at amortised cost		
- Gross carrying amount	41,686	43,450
- Impairment allowance	(1,550)	(1,626)
Carrying Amount	**40,137**	41,824
Fair value changes of loans in portfolio hedging of interest rate risk	**(115)**	(163)
Loans and advances to customers at FVTPL	**16**	16
Total	**40,037**	41,677

The table below presents the carrying amount of loans and advances to customers per product line and per stage as at 31 March 2023:

	31 March 2023				31 December 2022 [(4)]
	12-month ECL-Stage 1 € million	Lifetime ECL-Stage 2 € million	Lifetime ECL - Stage 3 and POCI [(1)] € million	Total amount € million	Total amount € million
Loans and advances to customers at amortised cost					
Mortgage lending:					
- Gross carrying amount	6,777	2,685	549	10,010	10,201
- Impairment allowance	(20)	(155)	(244)	(420)	(409)
Carrying Amount	6,757	2,529	304	9,590	9,792
Consumer lending:					
- Gross carrying amount	2,282	313	207	2,802	3,353
- Impairment allowance	(34)	(43)	(176)	(253)	(271)
Carrying Amount	2,247	270	31	2,549	3,082
Small Business lending:					
- Gross carrying amount	2,611	659	445	3,716	3,842
- Impairment allowance	(24)	(65)	(238)	(327)	(324)
Carrying Amount	2,588	594	207	3,389	3,518
Wholesale lending: [(2)]					
- Gross carrying amount	22,769	1,481	908	25,158	26,054
- Impairment allowance	(68)	(74)	(409)	(550)	(621)
Carrying Amount	22,701	1,407	500	24,608	25,432
Total loans and advances to customers at AC					
- Gross carrying amount	34,439	5,138	2,109	41,686	43,450
- Impairment allowance	(146)	(337)	(1,067)	(1,550)	(1,626)
Carrying Amount	**34,293**	**4,801**	**1,042**	**40,137**	41,824
Fair value changes of loans in portfolio hedging of interest rate risk				**(115)**	(163)
Loans and advances to customers at FVTPL					
Carrying Amount [(3)]				**16**	16
Total				**40,037**	41,677

[(1)] As at 31 March 2023, POCI loans of € 36 million gross carrying amount (of which € 35 million included in non performing exposures) and € 6 million impairment allowance are presented in 'Lifetime ECL – Stage 3 and POCI' (31 December 2022: € 43 million gross carrying amount and € 6.5 million impairment allowance).
[(2)] Includes € 4,729 million related to the senior notes of Pillar, Cairo and Mexico securitizations, which have been categorized in Stage 1.
[(3)] Includes € 9.9 million related to the mezzanine notes of the Pillar, Cairo and Mexico securitizations.
[(4)] As at 31 December 2022, gross loans and advances to customers and impairment allowance relating to Eurobank Direktna a.d. classified as held for sale (note 13) amounted to € 1,639 million and € 53 million, respectively.

In line with the regulatory framework and Single Supervisory Mechanism's (SSM) requirements for Non-Performing Exposures' (NPE) management, in March 2023, the Group submitted its NPE Management Strategy for 2023-2025, along with the annual NPE stock targets at both Bank and Group level. The plan envisages the decrease of the Group's NPE ratio at 5.2% at the end of 2023 and at 4.5% in 2025.

In the context of its NPE management strategy, the Group has structured another NPE securitization transaction (project 'Solar'), as part of a joint initiative with the other Greek systemic banks initiated since 2018, in order to decrease further its NPE ratio and strengthen its balance sheet de-risking. In addition, the Group targets to the prudential and accounting derecognition of the underlying corporate loan portfolio from its balance sheet by achieving a Significant Risk Transfer (SRT) and including 'Solar' securitization under the Hellenic Asset Protection Scheme (HAPS), thus the senior note of the securitization to become entitled to the Greek State's guarantee. In parallel, the Management along with the other participating banks have initiated actions towards the disposal of the majority stake of the mezzanine and junior notes to be issued in the context of the above-mentioned securitization.

Accordingly, as of 30 June 2022, the Group classified the underlying corporate loan portfolio as held for sale and remeasured the portfolio's expected credit losses, in accordance with the Group's accounting policy for the impairment of financial assets, which was calculated by reference to the estimated fair value of the notes to be retained by the Group, upon the completion of transaction, and the expected consideration to be received by the sale of mezzanine and junior notes. As at 31 March 2023, the carrying amount of the aforementioned loan portfolio reached € 69 million, comprising loans with gross carrying amount of € 258 million, which carried an impairment allowance of € 189 million. Furthermore, the impairment allowance of the letters of guarantee included in the underlying portfolio reached € 1 million and was presented in "liabilities of disposal groups classified as held for sale" (note 13).

As at 31 March 2023 the Group's NPE stock stood at € 2.1 billion and the NPE ratio at 5.1%, following the classification of Eurobank Direktna a.d. disposal group (as of March 2023) and project "Solar" underlying loan portfolio (as of June 2022) as held for sale (31 December 2022: € 2.3 billion and 5.2% respectively), while the NPE coverage ratio stood at 76% (31 December 2022: 74.6%).

Post balance sheet event

In April 2023, the Bank announced the launch of a reward initiative for housing loan clients under floating rate loans disbursed until 31 December 2022, who have no delinquencies and meet their financial obligations in a consistent manner. The reward program will take the form of a cap in the relevant base rates, for a period of 12 months from inception, with a view to protect borrowers against future increases in reference rates.

16. Investment securities

	31 March 2023			
	12-month ECL-Stage 1 € million	Lifetime ECL-Stage 2 € million	Lifetime ECL-Stage 3 € million	Total € million
Debt securities at amortised cost				
- Gross carrying amount	**9,678**	**6**	**33**	**9,717**
- Impairment allowance	**(11)**	**(0)**	**(10)**	**(21)**
Debt securities at FVOCI	**3,686**	**32**	**-**	**3,718**
Total	**13,353**	**38**	**23**	**13,414**
Debt securities at FVTPL				**23**
Equity securities at FVOCI				**103**
Equity securities at FVTPL				**205**
Total Investment securities				**13,745**

	31 December 2022			
	12-month ECL-Stage 1 € million	Lifetime ECL-Stage 2 € million	Lifetime ECL-Stage 3 € million	Total € million
Debt securities at amortised cost				
- Gross carrying amount	9,175	6	33	9,214
- Impairment allowance	(12)	(0)	(10)	(22)
Debt securities at FVOCI	3,612	121	-	3,733
Total	12,775	127	23	12,925
Debt securities at FVTPL				0
Equity securities at FVOCI				95
Equity securities at FVTPL				241
Total Investment securities				13,261

The investment securities per category are analyzed as follows:

	31 March 2023			
	Investment securities at FVOCI € million	**Investment securities at amortised cost € million**	**Investment securities at FVTPL € million**	**Total € million**
Debt securities				
- Greek government bonds	**1,049**	**4,514**	**-**	**5,563**
- Greek government treasury bills	**80**	**-**	**-**	**80**
- Other government bonds	**1,339**	**2,136**	**-**	**3,475**
- Other issues	**1,250**	**3,046**	**23**	**4,319**
	3,718	**9,696**	**23**	**13,437**
Equity securities	**103**	**-**	**205**	**308**
Total	**3,821**	**9,696**	**228**	**13,745**

	31 December 2022			
	Investment securities at FVOCI € million	Investment securities at amortised cost € million	Investment securities at FVTPL € million	Total € million
Debt securities				
- Greek government bonds	897	4,374	-	5,271
- Greek government treasury bills	79	-	-	79
- Other government bonds	1,591	1,919	-	3,510
- Other issues	1,166	2,899	0	4,065
	3,733	9,192	0	12,925
Equity securities	95	-	241	336
Total	3,828	9,192	241	13,261

As at 31 March 2023, the carrying value of the Group's Russian debt exposures, which have been classified as credit impaired, amounted to € 19 million, including an impairment allowance of € 8 million (31 December 2022: € 19 million, including an impairment allowance of € 7 million).

As at 31 March 2023, the carrying value of the Bank's participation of 15.8% in Hellenic Bank Public Company Limited ("Hellenic Bank") that was designated at FVOCI, amounted to € 103.1 million (31 December 2022: € 94.6 million). Following the completion of the acquisition of an additional 13.41% holding in Hellenic Bank in April 2023, it will be accounted for as a Group's associate as of the second quarter of 2023 (note 18).

17. Group composition

17.1 Shares in subsidiaries

The following is a listing of the Company's subsidiaries as at 31 March 2023, included in the interim consolidated financial statements for the period ended 31 March 2023:

Name	Note	Percentage holding	Country of incorporation	Line of business
Eurobank S.A.		100.00	Greece	Banking
Be Business Exchanges S.A. of Business Exchanges Networks and Accounting and Tax Services		98.01	Greece	Business-to-business e-commerce, accounting, tax and sundry services
Eurobank Asset Management Mutual Fund Mngt Company Single Member S.A.		100.00	Greece	Mutual fund and asset management
Eurobank Equities Investment Firm Single Member S.A.		100.00	Greece	Capital markets and advisory services
Eurobank Leasing Single Member S.A.		100.00	Greece	Leasing
Eurobank Factors Single Member S.A.		100.00	Greece	Factoring
Herald Greece Single Member Real Estate development and services S.A. 1		100.00	Greece	Real estate
Herald Greece Single Member Real Estate development and services S.A. 2		100.00	Greece	Real estate
Standard Single Member Real Estate S.A.		100.00	Greece	Real estate
Cloud Hellas Single Member Ktimatiki S.A.		100.00	Greece	Real estate
Piraeus Port Plaza 1 Single Member Development S.A.		100.00	Greece	Real estate
(Under liquidation) Anchor Hellenic Investment Holding Single Member S.A.		100.00	Greece	Real estate
Athinaiki Estate Investments Single Member S.A.		100.00	Greece	Real estate

Name	Note	Percentage holding	Country of incorporation	Line of business
Piraeus Port Plaza 2 Single Member Development S.A.		100.00	Greece	Real estate
Piraeus Port Plaza 3 Single Member Development S.A.		100.00	Greece	Real estate
Tenberco Real Estate Single Member S.A.		100.00	Greece	Real estate
Value Touristiki Single Member Development S.A.		100.00	Greece	Real estate
Eurobank Bulgaria A.D.	d	99.99	Bulgaria	Banking
IMO Property Investments Sofia E.A.D.		100.00	Bulgaria	Real estate services
Berberis Investments Ltd		100.00	Channel Islands	Holding company
Eurobank Cyprus Ltd		100.00	Cyprus	Banking
ERB New Europe Funding III Ltd		100.00	Cyprus	Finance company
Foramonio Ltd		100.00	Cyprus	Real estate
NEU 03 Property Holdings Ltd		100.00	Cyprus	Holding company
NEU Property Holdings Ltd		100.00	Cyprus	Holding company
Lenevino Holdings Ltd		100.00	Cyprus	Real estate
Rano Investments Ltd		100.00	Cyprus	Real estate
Neviko Ventures Ltd		100.00	Cyprus	Real estate
Zivar Investments Ltd		100.00	Cyprus	Real estate
Amvanero Ltd		100.00	Cyprus	Real estate
Revasono Holdings Ltd		100.00	Cyprus	Real estate
Volki Investments Ltd		100.00	Cyprus	Real estate
Adariano Investments Ltd		100.00	Cyprus	Real estate
Elerovio Holdings Ltd		100.00	Cyprus	Real estate
Sagiol Ltd		100.00	Cyprus	Holding company
Macoliq Holdings Ltd		100.00	Cyprus	Holding company
Senseco Trading Limited		100.00	Cyprus	Holding company
Eurobank Private Bank Luxembourg S.A.		100.00	Luxembourg	Banking
Eurobank Fund Management Company (Luxembourg) S.A.		100.00	Luxembourg	Fund management
ERB Lux Immo S.A.		100.00	Luxembourg	Real estate
ERB New Europe Funding B.V.		100.00	Netherlands	Finance company
ERB New Europe Funding II B.V.		100.00	Netherlands	Finance company
ERB New Europe Holding B.V.		100.00	Netherlands	Holding company
ERB IT Shared Services S.A.		100.00	Romania	Informatics data processing
IMO Property Investments Bucuresti S.A.		100.00	Romania	Real estate services
IMO-II Property Investments S.A.		100.00	Romania	Real estate services
Seferco Development S.A.		99.99	Romania	Real estate
Eurobank Direktna a.d.	c	70.00	Serbia	Banking
ERB Leasing A.D. Beograd-in Liquidation		85.15	Serbia	Leasing
IMO Property Investments A.D. Beograd		100.00	Serbia	Real estate services
Reco Real Property A.D. Beograd		100.00	Serbia	Real estate
ERB Hellas Plc		100.00	United Kingdom	Special purpose financing vehicle
Karta II Plc		-	United Kingdom	Special purpose financing vehicle
Astarti Designated Activity Company		-	Ireland	Special purpose financing vehicle
ERB Recovery Designated Activity Company		-	Ireland	Special purpose financing vehicle

The following entities are not included in the interim consolidated financial statements due to immateriality:

(i) the Group's special purpose financing vehicles and the related holding entities, which are dormant and/or are under liquidation: Themeleion III Holdings Ltd, Themeleion IV Holdings Ltd, Themeleion Mortgage Finance Plc, Themeleion II Mortgage Finance Plc, Themeleion III Mortgage Finance Plc, Themeleion IV Mortgage Finance Plc, Themeleion V Mortgage Finance Plc, Themeleion VI Mortgage Finance Plc, Anaptyxi APC Ltd and Byzantium II Finance Plc.

(ii) the holding entity of Karta II Plc: Karta II Holdings Ltd.

(iii) dormant entity: Enalios Real Estate Development S.A.

(iv) entities controlled by the Group pursuant to the terms of the relevant share pledge agreements: Finas S.A., Rovinvest S.A. and Promivet S.A.

(a) ERB Hellas (Cayman Islands) Ltd, Cayman Islands

In December 2022, the liquidation of the company was decided. In February 2023, the return of the company's share capital to the Bank, through the repurchase of its own shares, was completed.

(b) Retail Development S.A., Romania

In February 2023, the Bank signed an agreement for the sale of its participation interest of 99.99% in Retail Development S.A. to a third party for a cash consideration of € 2.4 million. The resulting loss on disposal amounted to € 1.1 million and was recognized in "Other income/(expenses)".

(c) Eurobank Direktna a.d., Serbia

On 2 March 2023, the Bank announced that it has signed a binding agreement (share purchase agreement) with AIK Banka a.d. Beograd ("AIK") for the sale of its 70% shareholding in its subsidiary in Serbia, Eurobank Direktna a.d. Therefore, as of 31 March 2023, Eurobank Direktna a.d. was classified as held for sale (note 13).

(d) Agreement for the acquisition of BNP Paribas Personal Finance Bulgaria by Eurobank Bulgaria A.D.

On 9 December 2022, Eurobank Holdings announced that it had reached an agreement for the acquisition of BNP Paribas Personal Finance Bulgaria (the "Business") by Eurobank's subsidiary in Bulgaria, Eurobank Bulgaria A.D. ("Postbank"). Specifically, Postbank had signed a put option letter for the benefit of BNP Paribas Personal Finance providing for the sale of its Bulgarian branch, based on the agreed terms. Pursuant to the above agreement, a consultation process with the French Labour Council has taken place, the conclusion of which led to the signing of a Business Transfer Agreement in January 2023.

The transaction is in line with the Group's strategy to further strengthen Postbank's position in the Bulgarian retail sector and is expected to burden the Eurobank Holdings Group's regulatory capital ratios by ca. 25bps, reflecting mainly the increase in the Group's Risk Weighted Assets. As of the end of December 2022, BNP Paribas Personal Finance Bulgaria, which operates through a network of 44 branches, had total assets of c. € 490 million, deposits close to € 95 million and a clientele of more than 270 thousand clients. The completion of the transaction is expected to take place in the first semester of 2023 subject to approvals by all competent regulatory authorities.

Post balance sheet event

ERB Hellas Plc, United Kingdom

In April 2023, the liquidation of the company was completed.

17.2 Consolidated balance sheet and income statement of Eurobank S.A.

Eurobank Holdings Group comprises Eurobank S.A. Group, which constitutes its most significant component and the Company's directly held subsidiary Be Business Exchanges S.A. The consolidated balance sheet and income statement of Eurobank S.A. including explanatory information regarding the main differences with those of Eurobank Holdings are set out below:

	31 March 2023 € million	31 December 2022 € million
ASSETS		
Cash and balances with central banks	**14,027**	14,994
Due from credit institutions	**1,741**	1,329
Securities held for trading	**143**	135
Derivative financial instruments	**1,005**	1,185
Loans and advances to customers	**40,037**	41,677
Investment securities	**13,745**	13,261
Investments in associates and joint ventures	**192**	173
Property and equipment	**741**	775
Investment property	**1,382**	1,410
Intangible assets	**284**	297
Deferred tax assets	**4,120**	4,161
Other assets	**2,042**	1,976
Assets of disposal groups classified as held for sale	**2,417**	84
Total assets	**81,876**	81,457
LIABILITIES		
Due to central banks	**8,329**	8,774
Due to credit institutions	**2,287**	1,814
Derivative financial instruments	**1,588**	1,661
Due to customers	**55,150**	57,297
Debt securities in issue	**4,057**	3,554
Other liabilities	**1,655**	1,703
Liabilities of disposal groups classified as held for sale	**1,885**	1
Total liabilities	**74,951**	74,804
EQUITY		
Share capital	**3,941**	3,941
Reserves and retained earnings	**2,899**	2,618
Equity attributable to shareholders of the Bank	**6,840**	6,559
Non controlling interests	**85**	94
Total equity	**6,925**	6,653
Total equity and liabilities	**81,876**	81,457

	Three months ended 31 March	
	2023	2022
	€ million	€ million
Net interest income	**503**	323
Net banking fee and commission income	**105**	93
Income from non banking services	**24**	25
Net trading income/(loss)	**(8)**	225
Gains less losses from investment securities	**(0)**	(15)
Other income/(expenses)	**(4)**	30
Operating income	**620**	681
Operating expenses	**(219)**	(204)
Profit from operations before impairments, provisions and restructuring costs	**401**	477
Impairment losses relating to loans and advances to customers	**(75)**	(59)
Other impairment losses and provisions	**(1)**	(25)
Restructuring costs	**(5)**	(45)
Share of results of associates and joint ventures	**6**	10
Profit before tax	**326**	358
Income tax	**(72)**	(86)
Net profit from continuing operations	**254**	272
Net loss from discontinued operations	**(26)**	(1)
Net profit	**228**	271
Net loss attributable to non controlling interests	**(11)**	(1)
Net profit attributable to shareholders	**239**	272

As at 31 March 2023, the total assets and total liabilities of Eurobank S.A. Group are € 1 million lower and € 60 million higher than those of Eurobank Holdings Group, respectively. Hence, the total equity of Eurobank S.A. Group amounting to € 6,925 million is € 61 million lower than that of Eurobank Holdings Group mainly due to the intercompany assets and liabilities of Eurobank Holdings and its direct subsidiary with the Bank. The net profit attributable to shareholders of Eurobank S.A. Group for the period amounting to € 239 million is € 2 million higher than that of Eurobank Holdings Group mainly due to € 3 million higher operating expenses of Eurobank Holdings Group.

18. Investments in associates and joint ventures

As at 31 March 2023, the carrying amount of the Group's investments in associates and joint ventures amounted to € 192 million (31 December 2022: € 173 million). The following is the listing of the Group's associates and joint ventures as at 31 March 2023:

Name	Country of incorporation	Line of business	Group's share
Femion Ltd	Cyprus	Special purpose investment vehicle	66.45
(Under liquidation) Tefin S.A.	Greece	Dealership of vehicles and machinery	50.00
Global Finance S.A.(1)	Greece	Investment financing	33.82
Rosequeens Properties Ltd	Cyprus	Special purpose investment vehicle	33.33
Odyssey GP S.a.r.l.	Luxembourg	Special purpose investment vehicle	20.00
Eurolife FFH Insurance Group Holdings S.A.(1)	Greece	Holding company	20.00
Alpha Investment Property Commercial Stores S.A.	Greece	Real estate	30.00
Peirga Kythnou P.C.	Greece	Real estate	50.00
doValue Greece Loans and Credits Claim Management S.A.	Greece	Loans and Credits Claim Management	20.00
Perigenis Business Properties S.A.	Greece	Real estate	18.90

(1) Eurolife Insurance group (Eurolife FFH Insurance Group Holdings S.A. and its subsidiaries) and Global Finance group (Global Finance S.A. and its subsidiaries) are considered as the Group's associates.

IFRS changes applicable to Eurolife FFH Insurance Group Holdings S.A.

As of 1 January 2023, Eurolife FFH Insurance Group Holdings S.A. (Eurolife) has adopted IFRS 17 "Insurance Contracts" and IFRS 9 "Financial instruments". On the same date, the Group's share of the positive impact from the Eurolife transition to IFRS 17 amounted to € 15 million recognized directly in equity, analyzed in a) € 30 million increase in reserves due to the change of financial assumptions for insurance contracts since the transition date, and b) € 15 million decrease in retained earnings. On the other hand, the Eurolife transition to IFRS 9 resulted in a) a minor impact on the Group's equity due to the recognition of expected credit losses for financial assets at amortized cost and b) € 8 million decrease of the Group's fair value reserve against retained earnings due to the designation of equity instruments at FVTPL, previously classified as available for sale under IAS 39 and the recognition of expected credit losses for debt securities at FVOCI.

Post balance sheet event

Hellenic Bank Public Company Limited, Cyprus

On 4 April 2023 the Bank announced that, after the receipt of the relevant regulatory approvals, it has completed the acquisition of an additional 13.41% holding in Hellenic Bank Public Company Limited ("Hellenic Bank"), a financial institution located in Cyprus, for a consideration of € 70 million. Following that, the total holding in Hellenic Bank, including the previously held participation of 15.8% with carrying value amounting to € 103.1 million as at 31 March 2023 (note 16), reached 29.2% with a total deemed cost of investment € 173 million. The Group is considered to have significant influence over the entity, therefore it will be accounted for as an associate as of the second quarter of 2023.

Hellenic Bank group's total equity amounted to € 1,120.5 million as at 31 December 2022, based on its latest published annual Financial Statements. The Group currently performs the exercise for the determination of the fair values of the identifiable assets and liabilities of the entity at the acquisition date. The initial application of the equity accounting method is expected to have a positive effect on the Group's income statement, reflecting the difference between the share of the fair value of the Hellenic Bank group's net identifiable assets and the deemed cost of the Bank's holding in the entity, and a minor negative impact on the Group's capital adequacy ratios.

19. Property and equipment and Investment property

The carrying amounts of property and equipment and investment property are analyzed as follows:

	31 March 2023 € million	31 December 2022 € million
Land, buildings, leasehold improvements	**440**	455
Furniture, equipment, motor vehicles	**46**	50
Computer hardware, software	**78**	83
Right of use of assets [1]	**177**	187
Total property and equipment	**741**	775
Investment Property [2]	**1,382**	1,410
Total	**2,123**	2,185

[1] The respective lease liabilities are presented in "other liabilities" (note 25).

[2] In the period ended 31 March 2023, the carrying amount of investment property decreased by € 28 million of which € 9 million is attributable to the sale of the Group's subsidiary "Retail Development S.A" (note 17.1) and € 10.5 million refers to a transfer to own used property.

In the period ended 31 March 2023, the Group recognized rental income of € 22 million from investment properties in the income statement line 'income from non banking services' (31 March 2022: € 24 million).

The valuation methods and key assumptions required under each method, based on which the carrying value of investment property portfolio is determined, as well as the sensitivity analysis on key assumptions, are described in the consolidated financial statements for the year ended 31 December 2022.

20. Other assets

	31 March 2023 € million	31 December 2022 € million
Receivable from Deposit Guarantee and Investment Fund	**495**	495
Repossessed properties and relative prepayments	**575**	577
Pledged amount for a Greek sovereign risk financial guarantee	**235**	234
Balances under settlement (1)	**87**	51
Deferred costs and accrued income	**104**	92
Other guarantees	**214**	215
Income tax receivable (2)	**33**	30
Other assets	**301**	286
Total	**2,044**	1,980

(1) Includes settlement balances with customers relating to banking and brokerage activities.
(2) Includes withholding taxes, net of provisions.

As at 31 March 2023, other assets net of provisions, amounting to € 301 million include, among others, receivables related to (a) prepayments to suppliers, (b) public entities, (c) property management activities, (d) legal cases and e) the sale of the Bank's Merchant Acquiring Business in 2022.

21. Due to central banks

	31 March 2023 € million	31 December 2022 € million
Secured borrowing from ECB	**8,329**	8,774

As at 31 March 2023, the Group had € 8.4 billion outstanding principal under the TLTRO III refinancing program of the European Central Bank (ECB), following the early repayment of € 0.5 billion during the first quarter.

22. Due to credit institutions

	31 March 2023 € million	31 December 2022(2) € million
Secured borrowing from credit institutions	**1,205**	764
Borrowings from international financial and similar institutions	**433**	663
Deposits from banks received as collateral (1)	**350**	294
Current accounts and settlement balances with banks	**167**	76
Interbank takings	**132**	17
Total	**2,287**	1,814

(1) The amount presented is after offsetting of € 767 million collaterals received for Group's positions in CCP (Central Counterparty) cleared OTC derivative financial instruments against such derivatives (31 December 2022: € 932 million) (note 14).
(2) As at 31 December 2022, due to credit institutions relating to Eurobank Direktna a.d. disposal group classified as held for sale (note 13) amounted to € 218 million.

Borrowings from international financial and similar institutions include borrowings from European Investment Bank, European Bank for Reconstruction and Development and other similar institutions.

23. Due to customers

	31 March 2023 € million	31 December 2022 [1] € million
Savings and current accounts	**39,017**	42,840
Term deposits	**15,873**	14,198
Repurchase agreements	**202**	201
Total	**55,092**	57,239

[1] *As at 31 December 2022, due to customers relating to Eurobank Direktna a.d. disposal group classified as held for sale (note 13) amounted to € 1,630 million.*

As at 31 March 2023, due to customers for the Greek and International operations amounted to € 38,887 million and € 16,205 million, respectively (31 December 2022: € 39,575 million and € 17,664 million, respectively).

24. Debt securities in issue

	31 March 2023 € million	31 December 2022 € million
Securitisations	**553**	553
Subordinated notes (Tier 2)	**1,262**	1,259
Medium-term notes (EMTN)	**2,240**	1,740
Total	**4,055**	3,552

Securitisations

The carrying value of the class A asset backed securities issued by the Bank's special purpose entities Karta II plc and Astarti DAC as at 31 March 2023, amounted to € 303 million and € 250 million, respectively.

Tier 2 Capital instruments

On 30 November 2022, the Company announced the issuance of a € 300 million subordinated Tier II debt instrument which matures in December 2032, is callable in December 2027 offering a coupon of 10% per annum and is listed on the Luxembourg Stock Exchange's Euro MTF market. On the same date, the Bank issued a subordinated instrument of equivalent terms, held by the Company. The proceeds from the issue will support Eurobank Holding's group strategy to ensure ongoing compliance with its total capital adequacy ratio requirements and will be used for Eurobank S.A.'s general funding purposes.

In January 2018, Eurobank Ergasias S.A. issued Tier 2 capital instruments of face value of € 950 million, in replacement of the preference shares which had been issued in the context of the first stream of Hellenic Republic's plan to support liquidity in the Greek economy under Law 3723/2008. The aforementioned instruments have a maturity of ten years (until 17 January 2028) and pay fixed nominal interest rate of 6.41%, that shall be payable semi-annually.

Covered bonds

Financial disclosures required by the Act 2620/28.08.2009 of the Bank of Greece in relation to the covered bonds issued, are available at the Bank's website (Investor Report for Covered Bonds Programs).

Medium-term notes (EMTN)

In January 2023, the Bank completed the issue of a € 500 million senior preferred note. The bond, which is listed in the Luxembourg Stock Exchange's Euro MTF market, matures in January 2029 and is callable at par in January 2028, offering a coupon of 7% per annum.

The proceeds from the issue will support Group's strategy to ensure ongoing compliance with its MREL requirements and will be used for the Bank's general funding purposes.

Further information about the issue is provided in the relevant announcement published in the Bank's website on 20 January 2023.

During the period ended 31 March 2023, the Bank proceeded with the issue of medium term notes of face value of € 6 million, which were designated for Group's customers.

25. Other liabilities

	31 March 2023 € million	31 December 2022 € million
Balances under settlement[1]	**396**	444
Lease liabilities	**196**	205
Deferred income and accrued expenses	**218**	165
Other provisions	**65**	71
ECL allowance for credit related commitments	**53**	57
Standard legal staff retirement indemnity obligations	**19**	19
Employee termination benefits	**55**	61
Sovereign risk financial guarantee	**33**	33
Income taxes payable	**28**	14
Deferred tax liabilities (note 12)	**32**	31
Trading liabilities	**402**	419
Other liabilities	**158**	182
Total	**1,655**	1,701

[1] Includes settlement balances relating to bank cheques and remittances, credit card transactions, other banking and brokerage activities.

As at 31 March 2023, other liabilities amounting to € 158 million mainly consist of payables relating with (a) suppliers and creditors, (b) contributions to insurance organizations, and (c) duties and other taxes.

As at 31 March 2023, other provisions amounting to € 65 million (31 December 2022: € 71 million) mainly include: (a) € 26 million for outstanding litigations against the Group (note 30) and (b) € 31 million for other operational risk events, of which € 20 million is relating to the sale of former Romanian subsidiaries.

As at 31 March 2023, trading liabilities amounting to € 402 million (31 December 2022: € 419 million) reflect the short positions in debt instruments, entered into in the context of the Group's economic hedging strategies, aiming to manage on a pool basis market driven risks that derive from asset positions. For the period ended 31 March 2023, the loss recognized in net trading income from the aforementioned short positions amounted to € 11 million (31 March 2022: € 12 million gain).

26. Share capital, share premium and treasury shares

As at 31 March 2023, the par value of the Company's shares is € 0.22 per share (31 December 2022: € 0.22). All shares are fully paid. The balance of share capital and share premium is as follows:

	Share capital € million	Share premium € million
Balance at 31 March 2023	**816**	**1,161**

The following is an analysis of the movement in the number of the Company's shares outstanding:

	Number of shares		
	Issued Shares	Treasury Shares	Net
Balance at 1 January 2023	**3,710,677,508**	**(260,036)**	**3,710,417,472**
Purchase of treasury shares	-	(683,632)	**(683,632)**
Sale of treasury shares	-	45,657	**45,657**
Balance at 31 March 2023	**3,710,677,508**	**(898,011)**	**3,709,779,497**

Treasury shares

In the ordinary course of business, the Company's subsidiaries, except for the Bank, may acquire and dispose of treasury shares. According to paragraph 1 of Article 16c of Law 3864/2010, during the period of the participation of the HFSF in the share capital of the Company, the Company is not permitted to purchase treasury shares without the approval of the HFSF.

In addition, as at 31 March 2023 the number of the Company's shares held by the Group's associates in the ordinary course of their insurance and investing activities was 64,163,790 in total (31 December 2022: 64,163,790).

Share options

Under the five-year shares award plan approved in 2020 and started in 2021, the executives and personnel of Eurobank Holdings and its affiliated companies are granted share options rights, which are exercised in portions annually during the term of the plan by issuing new shares with a corresponding share capital increase. Each portion may be exercised wholly or partly and converted into shares at the employees' option, provided that they remain employed by the Group until the first available exercise date. The maximum number of rights that can be approved was set at 55,637,000 rights, each of which would correspond to one new share and the exercise price of each new share would be equal to € 0.23.

The movement of share options during the period is analysed as follows:

Share options granted	2023
Balance at 1 January 2023	**22,268,322**
Options awarded during the period	-
Options cancelled during the period	(167,844)
Options exercised during the period	-
Balance at 31 March 2023	**22,100,478**

The share options outstanding at the end of the period have the following expiry dates:

Expiry date [1]	Share options 31 March 2023
2023	5,457,932
2024	7,074,513
2025	3,104,194
2026	2,595,139
2027	2,595,139
2028	1,273,561
Weighted average remaining contractual life of share options outstanding at the end of the period	24 months

[1] *Based on the earliest contractual exercise date.*

The terms of the share options granted to the employees of the Group, along with the valuation method and the inputs used to measure the share options, are presented in Note 39 of the Group's consolidated financial statements for the year ended 31 December 2022.

27. Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price). When a quoted price for an identical asset or liability is not observable, fair value is measured using another valuation technique that is appropriate in the circumstances and maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect assumptions that market participants would use when pricing financial instruments, such as quoted prices in active markets for similar instruments, interest rates and yield curves, implied volatilities and credit spreads.

The Group's financial instruments measured at fair value or at amortized cost for which fair value is disclosed are categorized into the three levels of the fair value hierarchy based on whether the inputs to the fair values are observable or unobservable, as follows:

(a) Level 1-Financial instruments measured based on quoted prices (unadjusted) in active markets for identical financial instruments that the Group can access at the measurement date. A market is considered active when quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency and represent actually and regularly occurring transactions. Level 1 financial instruments include actively quoted debt instruments held or issued by the

Group, equity and derivative instruments traded on exchanges, as well as mutual funds that have regularly and frequently published quotes.

(b) Level 2-Financial instruments measured using valuation techniques with inputs, other than level 1 quoted prices, that are observable either directly or indirectly, such as: i) quoted prices for similar financial instruments in active markets, ii) quoted prices for identical or similar financial instruments in markets that are not active, iii) inputs other than quoted prices that are directly or indirectly observable, mainly interest rates and yield curves observable at commonly quoted intervals, forward exchange rates, equity prices, credit spreads and implied volatilities obtained from internationally recognized market data providers and iv) other unobservable inputs which are insignificant to the entire fair value measurement. Level 2 financial instruments include over the counter (OTC) derivatives, less liquid debt instruments held or issued by the Group and equity instruments.

(c) Level 3-Financial instruments measured using valuation techniques with significant unobservable inputs. When developing unobservable inputs, best information available is used, including own data, while at the same time market participants' assumptions are reflected (e.g. assumptions about risk). Level 3 financial instruments include unquoted equities or equities traded in markets that are not considered active, certain OTC derivatives, loans and advances to customers including securitized notes of loan portfolios originated by the Group and recognized in financial assets and certain debt securities held or issued by the Group.

Financial instruments carried at fair value

The fair value hierarchy categorization of the Group's financial assets and liabilities measured at fair value is presented in the following tables:

	31 March 2023			
	Level 1 € million	**Level 2 € million**	**Level 3 € million**	**Total € million**
Securities held for trading	**142**	**-**	**-**	**142**
Investment securities at FVTPL	**117**	**17**	**94**	**228**
Derivative financial instruments(1)	**0**	**1,004**	**1**	**1,005**
Investment securities at FVOCI	**3,637**	**184**	**-**	**3,821**
Loans and advances to customers mandatorily at FVTPL	**-**	**-**	**16**	**16**
Financial assets measured at fair value	**3,896**	**1,205**	**111**	**5,212**
Derivative financial instruments(1)	**0**	**1,588**	**-**	**1,588**
Trading liabilities	**402**	**-**	**-**	**402**
Financial liabilities measured at fair value	**402**	**1,588**	**-**	**1,990**

	31 December 2022			
	Level 1 € million	Level 2 € million	Level 3 € million	Total € million
Securities held for trading	134	-	-	134
Investment securities at FVTPL	93	15	133	241
Derivative financial instruments(1)	1	1,178	6	1,185
Investment securities at FVOCI	3,600	228	-	3,828
Loans and advances to customers mandatorily at FVTPL	-	-	16	16
Financial assets measured at fair value	3,828	1,421	155	5,404
Derivative financial instruments(1)	1	1,660	-	1,661
Trading liabilities	419	-	-	419
Financial liabilities measured at fair value	420	1,660	-	2,080

(1) *Amounts are after offsetting € 1,166 million and € 399 million level 2 derivative financial assets and liabilities, respectively, against cash collateral received (2022: after offsetting € 1,376 million and € 444 million derivative financial assets and liabilities, respectively) (note 14).*

The Group recognizes transfers into and out of the fair value hierarchy levels at the beginning of the quarter in which a financial instrument's transfer was effected. During the period ended 31 March 2023, the Group transferred OTC derivative instruments of € 6 million from Level 3 to Level 2 following the assessment on the significance of the CVA adjustment to their entire fair value measurement, calculated based on internal rating models.

Reconciliation of Level 3 fair value measurements

	31 March 2023 € million
Balance at 1 January	**155**
Transfers into Level 3	**1**
Transfers out of Level 3	**(6)**
Additions, net of disposals and redemptions[1]	**(40)**
Total gain/(loss) for the period included in profit or loss	**0**
Foreign exchange differences and other	**1**
Balance at 31 March	**111**

[1] *Mainly refers to Grivalia Hospitality S.A. (note 32).*

Group's valuation processes and techniques

The Group's processes and procedures governing the fair valuations are established by the Group Market Counterparty Risk Sector in line with the Group's accounting policies. The Group uses widely recognized valuation models for determining the fair value of common financial instruments that are not quoted in an active market, such as interest and cross currency swaps, that use only observable market data and require little management estimation and judgment. Specifically, observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded and simple over-the-counter derivatives. Availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determining fair values.

Where valuation techniques are used to determine the fair values of financial instruments that are not quoted in an active market, they are validated against historical data and, where possible, against current or recent observed transactions in different instruments, and periodically reviewed by qualified personnel independent of the personnel that created them. All models are certified before they are used and models are calibrated to ensure that outputs reflect actual data and comparative market prices. Fair values' estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties, to the extent that market participants would take them into account in pricing the instrument. Fair values also reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty, where appropriate.

Valuation controls applied by the Group may include verification of observable pricing, re-performance of model valuations, review and approval process for new models and/or changes to models, calibration and back-testing against observable market transactions, where available, analysis of significant valuation movements, etc. Where third parties' valuations are used for fair value measurement, these are reviewed in order to ensure compliance with the requirements of IFRS 13.

The fair values of OTC derivative financial instruments are estimated by discounting expected cash flows using market interest rates at the measurement date. Counterparty credit risk adjustments and own credit risk adjustments are applied to OTC derivatives, where appropriate. Bilateral credit risk adjustments consider the expected cash flows between the Group and its counterparties under the relevant terms of the derivative instruments and the effect of the credit risk on the valuation of these cash flows. As appropriate in circumstances, the Group considers also the effect of any credit risk mitigating arrangements, including collateral agreements and master netting agreements on the calculation of credit risk valuation adjustments (CVAs). CVA calculation uses probabilities of default (PDs) based on observable market data such as credit default swaps (CDS) spreads, where appropriate, or based on internal rating models. The Group applies similar methodology for the calculation of debit-value-adjustments (DVAs), when applicable. Where valuation techniques are based on internal rating models and the relevant CVA is significant to the entire fair value measurement, such derivative instruments are categorized as Level 3 in the fair value hierarchy. A reasonably possible change in the main unobservable input (i.e. the recovery rate), used in their valuation, would not have a significant effect on their fair value measurement.

The Group determines fair values for debt securities held using quoted market prices in active markets for securities with similar credit risk, maturity and yield, quoted market prices in non active markets for identical or similar financial instruments, or using discounted cash flows method.

Unquoted equity instruments at FVTPL under IFRS 9 are estimated mainly (i) using third parties' valuation reports based on investees' net assets, where management does not perform any further significant adjustments, and (ii) net assets' valuations, adjusted where considered necessary.

Loans and advances to customers including securitized notes of loan portfolios originated by the Group with contractual cash flows that do not represent solely payments of principal and interest (SPPI failures), are measured mandatorily at fair value through profit or loss. Quoted market prices are not available as there are no active markets where these instruments are traded. Their fair values are estimated on an individual loan basis by discounting the future expected cash flows over the time period they are expected to be recovered, using an appropriate discount rate or by reference to other comparable assets of the same type that have been transacted during a recent time period. Expected cash flows, which incorporate credit risk, represent significant unobservable input in the valuation and as such, the entire fair value measurement is categorized as Level 3 in the fair value hierarchy.

Financial instruments not measured at fair value

The following tables present the carrying amounts and fair values of the Group's financial assets and liabilities which are not carried at fair value on the balance sheet:

	31 March 2023	
	Carrying amount € million	**Fair value € million**
Loans and advances to customers	**40,021**	**40,005**
Investment securities at amortised cost	**9,696**	**8,779**
Financial assets not measured at fair value	**49,717**	**48,784**
Debt securities in issue	**4,055**	**3,850**
Financial liabilities not measured at fair value	**4,055**	**3,850**

	31 December 2022	
	Carrying amount € million	Fair value € million
Loans and advances to customers	41,661	41,767
Investment securities at amortised cost	9,192	8,155
Financial assets not measured at fair value	50,853	49,922
Debt securities in issue	3,552	3,399
Financial liabilities not measured at fair value	3,552	3,399

The assumptions and methodologies underlying the calculation of fair values of financial instruments not measured at fair value, are in line with those used to calculate the fair values for financial instruments measured at fair value. Particularly:

(a) Loans and advances to customers including securitized notes of loan portfolios originated by the Group: quoted market prices are not available as there are no active markets where these instruments are traded. The fair values are estimated by discounting future expected cash flows over the time period they are expected to be recovered, using appropriate risk-adjusted rates. Loans are grouped into homogenous assets with similar characteristics, as monitored by Management, such as product, borrower type and delinquency status, in order to improve the accuracy of the estimated valuation outputs. In estimating future cash flows, the Group makes assumptions on expected prepayments, product spreads and timing of collateral realization. The discount rates for loans to customers incorporate inputs for expected credit losses and interest rates, as appropriate;

(b) Investment securities measured at amortized cost: the fair values are determined using prices quoted in an active market when these are available. In other cases, fair values are determined using quoted market prices for securities with similar credit risk, maturity and yield, quoted market prices in non active markets for identical or similar financial instruments, or by using the discounted cash flows method. In addition, for certain high quality corporate bonds for which quoted prices are not available, fair value is determined using prices that are derived from reliable data management platforms while part of them is verified by market participants (e.g. brokers). In certain cases, prices are implied by liquidity agreements (e.g. repos, pledges) with other financial institutions; and

(c) Debt securities in issue: the fair values are determined using quoted market prices, if available. If quoted prices are not available, fair values are determined based on third party valuations, quotes for similar debt securities or by discounting the expected cash flows at a risk-adjusted rate, where the Group's own credit risk is determined using inputs indirectly observable, i.e. quoted prices of similar securities issued by the Group or other Greek issuers.

For other financial instruments, which are short term or re-price at frequent intervals (cash and balances with central banks, due from credit institutions, due to central banks, due to credit institutions and due to customers), the carrying amounts represent reasonable approximations of fair values.

28. Interest Rate Benchmark reform – IBOR reform

Following the completion of the Group's IBOR transition program regarding the IBOR rates that ceased after 31 December 2021 (CHF, GBP, JPY, 1W and 2M USD and EUR Libor), the Group has focused on the transition of its exposures that reference the remaining USD LIBOR tenors ahead of 30 June 2023, the scheduled cessation date.

Such exposures refer mainly to loans to customers that will transition to the new alternative benchmark rates on their first roll date after cessation date and derivative contracts that will automatically transition to the appropriate fallback rates as a result of the adherence to the ISDA protocol or following bilateral renegotiations.

29. Cash and cash equivalents and other information on interim cash flow statement

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with original maturities of three months or less:

	31 March 2023 € million	31 December 2022 € million
Cash and balances with central banks (excluding mandatory and collateral deposits with central banks)	**12,986**	13,524
Due from credit institutions	**739**	404
Securities held for trading	**5**	16
Cash and cash equivalents presented within assets of disposal group classified as held for sale	**453**	444
Total	**14,183**	14,388

Other (income)/losses on investment securities presented in continuing operating activities are analyzed as follows:

	31 March 2023 € million	31 March 2022 € million
Amortisation of premiums/discounts and accrued interest	**54**	54
(Gains)/losses from investment securities	**1**	15
Total from continuing operations	**55**	69

In the period ended 31 March 2023, the carrying amount of the debt securities in issue decreased by € 18 million due to changes in accrued interest and amortisation of debt issuance costs (31 March 2022: increased by € 16 million).

30. Contingent liabilities and commitments

The Group presents the credit related commitments it has undertaken within the context of its lending related activities into the following three categories: a) financial guarantee contracts, which refer to guarantees and standby letters of credit that carry the same credit risk as loans (credit substitutes), b) commitments to extend credit, which comprise firm commitments that are irrevocable over the life of the facility or revocable only in response to a material adverse effect and c) other credit related commitments, which refer to documentary and commercial letters and other guarantees of medium and low risk according to the Regulation No 575/2013/EU.

Credit related commitments are analyzed as follows:

	31 March 2023 € million	31 December 2022 € million
Financial guarantee contracts	**1,863**	1,767
Commitments to extend credit	**3,775**	3,778
Other credit related commitments	**980**	954
Total	**6,618**	6,499

Note: Credit related commitments of Eurobank Direktna a.d. disposal group amounting to € 258 million are not included above (31 December 2022: € 259 million).

The credit related commitments within the scope of IFRS 9 impairment requirements of continuing operations amount to € 10.1 billion (31 December 2022: € 10.0 billion), including revocable loan commitments of € 3.5 billion (31 December 2022: € 3.5 billion), while the corresponding allowance for impairment losses amounts to € 53 million (31 December 2022: € 56 million). As at 31 March 2023, the credit related commitments within the scope of IFRS 9 impairment requirements of Eurobank Direktna disposal group amounted to € 462 million (31 December 2022: € 461 million), while the corresponding allowance for impairment losses amounts to € 1.5 million (2022: € 1.2 million).

In addition, the Group has issued a sovereign risk financial guarantee of € 0.23 billion (31 December 2022: € 0.23 billion) for which an equivalent amount has been deposited under the relevant pledge agreement (note 20).

Legal proceedings

As at 31 March 2023, the provisions for legal proceedings outstanding against the Group amounted to € 26 million (note 25) (31 December 2022: € 28 million).

In respect of judicial proceedings, inquiries, or cases under investigation by state or regulatory authorities, it is noted that the Hellenic Competition Commission has been conducting for a period of time an investigation for certain legal entities of the financial sector, including the Bank, in relation to issues concerning concerted practices.

Furthermore, in the normal course of its business, the Group has been involved in a number of legal proceedings, which are either at still a premature or at an advanced trial instance. The final settlement of these cases may require the lapse of a certain time so that the litigants exhaust the legal remedies provided for by the law. Management, is closely monitoring the developments to the relevant cases and having considered the advice of the Legal Services General Division, does not expect that there will be an outflow of resources and therefore does not acknowledge the need for a provision.

31. Post balance sheet events

Details of post balance sheet events are provided in the following notes:

Note 2 - Basis of preparation and principal accounting policies
Note 12 - Income tax
Note 15 - Loans and advances to customers
Note 16 - Investment securities
Note 17.1 - Shares in subsidiaries
Note 18 - Investments in associates and joint ventures
Note 32 - Related parties

32. Related parties

Eurobank Ergasias Services and Holdings S.A. (the Company or Eurobank Holdings) is the parent company of Eurobank S.A. (the Bank).

The Board of Directors (BoD) of Eurobank Holdings is the same as the BoD of the Bank and part of the key management personnel (KMP) of the Bank provides services to Eurobank Holdings according to the terms of the relevant agreement between the two entities. As at 31 March 2023, the percentage of the Company's ordinary shares with voting rights held by the Hellenic Financial Stability Fund (HFSF) stands at 1.40%. The HFSF is considered to have significant influence over the Company pursuant to the provisions of the Law 3864/2010, as in force, including the amendments under law 4941/2022, and the Tripartite Relationship Framework Agreement

(TRFA) between the Bank, the Company and the HFSF signed on 23 March 2020 and amended on 3 February 2022. Further information in respect of the HFSF rights based on the aforementioned framework is provided in the section "Report of the Directors and Corporate Governance Statement" of the Annual Financial Report for the year ended 31 December 2022.

In 2023, Eurobank Holdings announced its intention to submit an offer for the buyback of its 52.08 million shares (corresponding to a participation of 1.4%), presently owned by the HFSF. Following the receipt of the required approval from the regulator in May 2023, the submission of such an offer is currently subject to the receipt of the approval from the General Meeting of the Company's Shareholders.

Fairfax Group, which holds 32.99% of Eurobank Holdings voting rights as of 31 March 2023 (31 December 2022: 32.99%), is considered to have significant influence over the Company.

In January 2022, an occupational insurance fund ("Institution for occupational retirement provision-occupational insurance fund Eurobank's Group personnel" henceforth "the Fund") was established as a not-for-profit legal entity under Law 4680/2020, for the benefit of the employees of the Company, the Bank and certain other Greek entities of the Group, which constitute the sponsoring employers of the Fund. Accordingly, in line with IAS 24 Related Parties, the Fund is considered to be related party to the Group.

A number of banking transactions are entered into with related parties in the normal course of business and are conducted on an arm's length basis. These include loans, deposits and guarantees. In addition, as part of its normal course of business in investment banking activities, the Group at times may hold positions in debt and equity instruments of related parties.

The outstanding balances of the transactions with (a) Fairfax group, (b) the key management personnel (KMP) and the entities controlled or jointly controlled by KMP and (c) other related parties, as well as the relating income and expenses are as follows:

	31 March 2023			31 December 2022		
	Fairfax Group(2) (4) € million	**KMP and Entities controlled or jointly controlled by KMP(1) € million**	**Other Related Parties(3) € million**	Fairfax Group(2) € million	KMP and Entities controlled or jointly controlled by KMP(1) € million	Other Related Parties(3) € million
Loans and advances to customers	**104.60**	**5.38**	**0.66**	73.45	5.69	0.14
Other assets	**0.08**	**-**	**81.26**	0.39	-	87.07
Due to customers	**115.00**	**21.06**	**90.98**	34.22	20.98	97.50
Debt securities in issue	**80.49**	**1.36**	**100.27**	81.98	1.27	102.47
Other liabilities	**0.10**	**0.58**	**9.35**	0.13	0.20	10.35
Guarantees issued	**1.97**	**-**	**-**	1.97	-	-
Guarantees received	**-**	**-**	**-**	-	0.01	-

	Three months ended 31 March 2023			Three months ended 31 March 2022		
Net interest income	**0.63**	**-**	**(1.03)**	0.07	-	0.83
Net banking fee and commission income	**0.01**	**0.01**	**2.64**	-	0.05	2.83
Impairment losses relating to loans and advances including relative fees	**(0.80)**	**-**	**(14.28)**	(0.11)	-	(13.15)
Other operating income/(expenses)	**2.38**	**(3.75)**	**(2.91)**	2.28	(3.74)	(3.09)

(1) Includes the key management personnel of the Group and their close family members.

(2) The balances with the Group's associate Eurolife FFH Insurance Group Holdings S.A., which is also a member of Fairfax Group, are presented in the column other related parties.

(3) Other related parties include associates, joint ventures and the Eurobank Group's personnel occupational insurance fund. In particular, as at 31 March 2023 the outstanding balances of transactions with the Fund refer mainly to deposits of € 1.4 million received from the Fund (31 December 2022: € 1 million).

(4) In January 2023, the Bank disposed of a 10.8% holding in Fairfax Group's subsidiary "Grivalia Hospitality S.A." to Eurolife FFH Insurance Group Holdings S.A for a cash consideration of € 48.3 million. Furthermore, in March 2023, the Bank participated in the share capital increase of "Grivalia Hospitality S.A." with an amount of € 8.6 million. As at 31 March 2023, the Bank's retained holding in the entity reached 9.1%.

For the period ended 31 March 2023, there were no material transactions with the HFSF.

For the period ended 31 March 2023, an impairment of € 0.01 million (31 March 2022: an impairment of € 0.4 million) has been recorded against loan balances with Group's associates and joint ventures, while the respective impairment allowance amounts to € 0.03 million (31 December 2022: € 0.02 million).

Key management compensation (directors and other key management personnel of the Group)

Key management personnel are entitled to compensation in the form of short-term employee benefits of € 1.73 million (31 March 2022: € 1.64 million) and long-term employee benefits of € 0.29 million (31 March 2022: € 0.26 million). Additionally, the Group has recognized € 0.67 million expense relating with equity settled share based payments (31 March 2022: € 0.34 million) (note 26). Furthermore, as at 31 March 2023, the defined benefit obligation for the KMP amounts to € 1.62 million (31 December 2022: € 1.58 million), while the respective cost for the period through the income statement amounts to € 0.04 million (31 March 2022: € 0.03 million).

33. Board of Directors

The Board of Directors (BoD) was elected by the Annual General Meeting (AGM) of the Shareholders held on 23 July 2021 for a three years term of office that will expire on 23 July 2024, prolonged until the end of the period the AGM for the year 2024 will take place.

Following the aforementioned AGM decision, the BoD was constituted as a body at the BoD meeting of 23 July 2021, as follows:

G. Zanias	Chairman, Non-Executive Member
G. Chryssikos	Vice Chairman, Non-Executive Member
F. Karavias	Chief Executive Officer
S. Ioannou	Deputy Chief Executive Officer
K. Vassiliou	Deputy Chief Executive Officer
A. Athanasopoulos	Deputy Chief Executive Officer
B.P. Martin	Non-Executive Member
A. Gregoriadi	Non-Executive Independent Member
I. Rouvitha Panou	Non-Executive Independent Member
R. Kakar	Non-Executive Independent Member
J. Mirza	Non-Executive Independent Member
C. Basile	Non-Executive Independent Member
E. Deli	Non-Executive Member (HFSF representative under Law 3864/2010)

Athens, 19 May 2023

Georgios P. Zanias	**Fokion C. Karavias**	**Harris V. Kokologiannis**
I.D. No AI - 414343	I.D. No AI - 677962	I.D. No AN - 582334
CHAIRMAN OF THE BOARD OF DIRECTORS	CHIEF EXECUTIVE OFFICER	GENERAL MANAGER OF GROUP FINANCE CHIEF FINANCIAL OFFICER