ALPHA BANK

ALPHA CREDIT GROUP PLC

ANNUAL REPORT & FINANCIAL STATEMENTS

31 December 2017

3747110

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Company Particulars

Board of Directors

W. Lindsay Mackay
Graham Ballantyne
Stephen Tryner
Nicola Randell

Company Secretary

Brooke Morley

Registered Office

Capital House, 85 King William Street
London EC4N 7BL
Tel: 020 7332 6767
Fax: 020 7329 6022

Auditor

Deloitte LLP, London UK

Registered number

3747110 (England and Wales)

Date of incorporation

1 April 1999

Directors' Report

The directors of Alpha Credit Group PLC (the "Company") present their annual report together with the audited financial statements for the year ended 31 December 2017. The amounts presented in the Directors' Report are shown rounded to the nearest thousand where applicable.

Principal activities

The principal activities of the Company are acting as a financial intermediary and raising finance for its parent company, Alpha Bank A. E. ("Alpha Bank"), which is resident in Greece. In previous years it has issued Euro Medium Term Notes ("EMTNs") and Euro Commercial Papers ("ECPs") under Programmes guaranteed by Alpha Bank. The Base Prospectus and the Information Memorandum of the EMTN and ECP programmes respectively are available on the parent's company website at www.alpha.gr.

Principal risks and uncertainties facing the Company

The Company has no debt instruments in issue. This follows the substitution which took place in 2015 whereby Alpha Bank substituted itself for the Company as issuer of all debt instruments then outstanding. The principal risks affecting the Company's operations relate to credit risk in relation to the Company's intragroup nostro balances.

Results and dividends

The results for the year ended 31 December 2017 are shown on page 6. The profit for the year after taxation attributable to the owners is €21,000 (2016: loss of €350,000).

General administrative expenses decreased by 65% from €457,000 in 2016 to €158,000 in 2017, as a result of lower costs due to reduced activity.

The directors do not recommend the payment of a dividend (2016: nil).

Strategic report

The Financial Reporting Council (FRC) Bulletin 2014/4 (April 2014) highlights that a company is entitled to the small companies exemption in relation to the strategic report for the financial year if it would be so entitled but for being a member of an ineligible group. As such, the Company has elected to exercise this exemption in relation to the preparation of the strategic report for this financial year.

Corporate governance

The directors and management continue to promote and maintain a sound system of corporate governance in compliance with applicable regulatory requirements.

Directors

The directors who served during the financial year and to the date of this report are as follows:

W. Lindsay Mackay
Graham Ballantyne
John Coxon (resigned on 12 June 2017)
Stephen Tryner (appointed on 12 June 2017)
Nicola Randell

Directors' interests

None of the directors has or had any notifiable interest.

All directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Directors' remuneration

Details of directors' remuneration are shown in Note 7.

Directors' Report (continued)

Creditor payment policy

The Company's policy concerning the payment of creditors and service providers is to pay in accordance with its contractual and other legal obligations.

Donations

The Company did not make any political or charitable contributions during the year.

Directors' responsibility regarding disclosure of information to auditor

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Following a tender process for the audit of Alpha Bank A.E. and its subsidiaries that took place in 2017, it was recommended that Deloitte LLP be appointed as auditors for Alpha Bank Group entities effective for periods beginning on or after 1 January 2017 in replacement of KPMG LLP.

By order of the Board

Brooke Morley
Company Secretary

Capital House, 85 King William Street
London
EC4N 7BL

22nd May 2018

Company Registration Number: 3747110 England and Wales

Statement of Directors’ Responsibilities in Respect of the Directors’ Report and the Financial Statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (“IFRSs”) as adopted by the European Union and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with IFRSs as adopted by the European Union; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of the Board

Stephen Tryner
Director

22nd May 2018

Independent Auditor's Report to the Members of Alpha Credit Group PLC

Report on the audit of the financial statements

Opinion
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Alpha Credit Group Plc (the 'company') which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters

Mark Rhys, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

22nd May 2018

Statement of Comprehensive Income

For the year ended 31 December 2017

	Note	**2017 €000's**	2016 €000's
Interest and similar income		**1**	-
Interest expense and similar charges		**195**	-
Net interest income	3	**196**	-
Other operating (expense)	4	**(12)**	(24)
Operating (expense)		**184**	(24)
General administrative expenses	5	**(158)**	(457)
Profit/(loss) before tax		**26**	(481)
Income tax income / (expense)	8	**(5)**	131
Profit/(loss) after tax		**21**	(350)
Other comprehensive income		**-**	-
Total comprehensive income / (expense) for the year attributable to owners		**21**	(350)

The notes on pages 11 to 20 form an integral part of these financial statements.

Statement of Financial Position

As at 31 December 2017

	Note	**2017**	2016
		€000's	€000's
Assets			
Non-current Assets			
Deferred tax assets	12	**4**	5
		4	5
Current Assets			
Cash and cash equivalents		**9,023**	8,898
Current tax asset		**8**	360
		9,031	9,258
Total Assets		**9,035**	9,263
Equity			
Equity attributable to the owners of the Company			
Called-up share capital	13	**100**	100
Retained earnings	14	**8,895**	8,874
		8,995	8,974
Liabilities			
Non-current Liabilities		**-**	-
Current Liabilities			
Other liabilities		**40**	289
		40	289
Total Equity and Liabilities		**9,035**	9,263

The notes on pages 11 to 20 form an integral part of these financial statements.

These financial statements were approved by the board of directors on and were signed on its behalf by:

W. Lindsay Mackay
Director

Stephen Tryner
Director

22nd May 2018

Company Registration Number: 3747110 England and Wales

Statement of Changes in Equity

For the year ended 31 December 2017

	Share Capital €000's	Retained Earnings €000's	Total Equity €000's
Balance as at 1 January 2017	**100**	**8,874**	**8,974**
Total comprehensive income for the year			
Loss after tax	**-**	**21**	**21**
Total	**-**	**21**	**21**
Balance attributable to owners as at 31 December 2017	**100**	**8,895**	**8,995**

	Share Capital €000's	Retained Earnings €000's	Total Equity €000's
Balance as at 1 January 2016	100	9,224	9,324
Total comprehensive expense for the year			
Profit after tax	-	(350)	(350)
Total	-	(350)	(350)
Balance attributable to owners as at 31 December 2016	100	8,874	8,974

The notes on pages 11 to 20 form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2017

	2017 €000's	2016 €000's
Cash flows from operating activities		
Profit / (loss) before tax	**26**	(481)
Net decrease in assets relating to operating activities:		
Other assets	**-**	3
	-	3
Net increase / (decrease) in liabilities relating to operating activities:		
Other liabilities	**248**	(80)
	248	(80)
Income taxes paid	**(149)**	(101)
Net cash flows from operating activities	**125**	(659)
Net cash flows from investing activities	**-**	-
Net cash flows from financing activities	**-**	-
Net increase/(decrease) in cash and cash equivalents	**125**	(659)
Cash and cash equivalents at beginning of the year	**8,898**	9,557
Cash and cash equivalents at the end of the year	**9,023**	8,898

The notes on pages 11 to 20 form an integral part of these financial statements.

Notes to the Financial Statements

1. Accounting policies

1.1 Basis of presentation

The financial statements of Alpha Credit Group PLC, a company domiciled and incorporated in the UK (hereafter the "Company"), have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU") and the special provisions of Part VII of the Companies Act 2006, as at and for the year ended 31 December 2017. They are presented in Euros, rounded to the nearest thousand unless otherwise indicated, and are prepared on the historical cost basis.

1.2 Comparatives

The accounting policies applied during the period are consistent with those of the annual financial statements for the year ended 31 December 2016.

Management deem the going concern accounting policy to be critical.

1.3 Going concern

Note 16 to the financial statements includes the Company's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposure to credit risk and liquidity risk.

At 31 December 2017 the Company had a positive equity position and no debt instruments in issue. Its main asset is a nostro balance due from Alpha Bank. After reviewing the going concern note in the Alpha Bank A.E. financial statements for the year ended 31 December 2017, the directors are of the opinion that the balance due from the parent is fully recoverable and that these financial statements may continue to be prepared on the going concern basis.

1.4 Functional and presentational currency

The Company's functional and presentational currency is the Euro.

1.5 Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. All exchange differences are included in the Statement of Comprehensive Income.

Non-monetary assets and liabilities are recognised at the exchange rate ruling at initial recognition, except for those non-monetary items denominated in foreign currencies that are stated at fair value.

1.6 Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised in 'Interest income' and 'Interest expense' in the Statement of Comprehensive Income using the effective interest rates of the financial assets and financial liabilities to which they relate.

The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments earned or paid on a financial asset or liability through its expected life or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but not the future credit losses. The calculation includes all amounts paid or received by the Company that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts. In case the Company re-estimates the expected future cash flows of the assets and liabilities the resulting adjustment to the carrying amount is recognised in the Statement of Comprehensive Income.

1.7 Fees and commission income and expense

Transaction revenues and expenses relating to the recognition of a financial instrument, which are measured at amortised cost, such as debt securities, are capitalised and recognised in the Statement of Comprehensive Income using the effective interest rate method.

1. Accounting policies *(continued)*

1.8 Taxation

Income tax expense consists of current tax and deferred tax. It is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity, in which case it is recognised directly in equity.

Current tax is the expected tax payable on the taxable income for the year and any adjustments to the tax payable in respect of previous years.

Deferred tax is the tax that will be paid or for which relief will be obtained in the future resulting from the different period that certain items are recognised for financial reporting and tax purposes. It is provided for temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are provided based on the expected manner of realisation or settlement using tax rates (and laws) enacted at the balance sheet date. A deferred tax asset is recognised to the extent that it is beyond any reasonable doubt that future taxable profits will be available against which the asset can be utilised, taking into consideration the enacted tax rates at the balance sheet date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current assets and current liabilities against current tax amounts.

1.9 Cash and cash equivalents

Cash and cash equivalents consist of nostro balances with banks.

1.10 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation.

Subsequent expenditure is capitalised or recognised as a separate asset only when it increases the future economic benefits. Expenditure on repairs and maintenance is recognised in the Statement of Comprehensive Income as an expense as incurred.

Depreciation is charged on a straight-line basis over the estimated useful lives of property, plant and equipment taking into account residual values, with a full year's charge incurred in the year of acquisition.

The estimated useful lives are as follows:

- Computer hardware 3 years
- Fixtures and fittings 10 years
- Property, plant and equipment 10 years

The residual value of equipment and its useful life is reviewed and adjusted if necessary at each reporting date. Property, plant and equipment is reviewed for impairment, in accordance with the general principles and methodology set out in IAS 36 and the relevant implementation guidance, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Property, plant and equipment which is considered to be impaired is carried at its recoverable amount. Gains and losses from the sale of property, plant and equipment are recognised in the Statement of Comprehensive Income.

1.11 Intangible assets – computer software

Software acquired by the Company is stated at cost less accumulated amortisation and accumulated impairment losses.

Expenditure on internally developed software is recognised as an asset when the Company is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software, and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

1. Accounting policies (continued)

Amortisation is recognised in the Statement of Comprehensive Income on a straight-line basis over the estimated useful life of the software from the date that it is available for use. The estimated useful life of software is three to five years.

1.10 Financial instruments

1.10.1 Classification and measurement of financial assets and liabilities

The Company classifies its assets and liabilities at amortised cost or fair value through profit or loss.

Loans and receivables, which consist of balances due from banks, are carried at amortised cost. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between the initial amount recognised and the maturity amount, minus any reduction following re-estimation of cashflows.

Derivatives are carried at fair value through profit or loss. The Company does not hold or issue derivatives unless they are an embedded feature in financial instruments held or issued. Derivatives may be embedded in another contractual arrangement (a "host contract"). The Company accounts for an embedded derivative separately from the host contract when the host contract is not itself carried at fair value through profit or loss, the terms of the embedded derivative would meet the definition of a derivative if they were contained in a separate contract, and the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract. Separated embedded derivatives are accounted for depending on their classification and are presented in the Statement of Financial Position together with the host contract.

Financial liabilities of the company consist of debt. Debt is initially stated at fair value, that is the amount of the net proceeds after the deduction of issue costs, and subsequently measured at its amortised cost using the effective interest rate method. The Company currently has no debt instruments outstanding.

1.10.2 Impairment losses on financial assets

Impairment losses on assets carried at amortised cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate. Impairment losses are recognised in the Statement of Comprehensive Income and reflected in an allowance account against amounts due from banks. Interest on impaired assets continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Statement of Comprehensive Income. Assets are assessed for impairment when there has been an impairment trigger, including the non-payment of loan interest due on the payment date.

At each reporting date, an assessment is made as to whether a collective provision is required across the entire portfolio of loans and advances. Given that there are no loans and advances at 31 December 2017, it has been deemed that no collective provision is required.

1.11 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of the assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

During the year, management made the following estimates:

- In calculating deferred tax, estimates were based on current tax recoveries;
- Assessing whether the Company is considered a going concern (as set out above);

1. Accounting policies (continued)

The Company measures fair values using the following fair value hierarchy based on the significance of the inputs used in making the measurements as follows:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data having a significant effect on the instrument's valuation. This category also includes instruments that are valued based on observable inputs that require significant adjustments based on unobservable inputs.

Valuation techniques include net present value and discounted cash flow models, option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, equity index prices and expected price volatilities and correlations. The aim of valuation techniques is to arrive

at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

1.12 Future accounting developments

At 31 December 2017 a number of standards and interpretations, and amendments thereto, had been issued by the International Accounting Standards Board, which are not effective for the Company's financial statements as at 31 December 2017. However IFRS 9 "Financial Instruments", effective from 1 January 2018, is likely to have a significant impact on the Company's financial statements in the future should any debt instruments be issued.

2. Segment information

An operating segment is a component of a company that engages in business activities from which it may earn revenues and incur expenses. The Board believes that the Company has only one operating segment as it has only one area of activity (the issue of debt instruments to raise finance for its parent company), and operates in only one geographical area: Greece.

3. Net interest income

Typically, interest income and expense relates to loans made to the parent and notes and commercial papers issued to various counterparties respectively, as well as fee charges on the issue of notes by the dealer of the issue which the Company then recharges to its parent, Alpha Bank. As the Company had no debt instruments in issue throughout the year net interest income from these sources is nil. During the year interest income of €1,000 was received for a corporation tax overpayment in relation to 2015, and a credit against interest expense was also recognised to write back a prior year accrual previously made for expected interest payable to HMRC for a 2012 tax comp resubmission.

	2017	2016
	€000's	€000's
Interest income	**1**	-
Total interest and similar income	**1**	-
Interest expense	**(195)**	-
Total interest expense and similar charges	**(195)**	-
Net interest income	**196**	-

4. Other operating expense

	2017	2016
	€000's	€000's
Foreign exchange (loss)	**(12)**	(24)
Total other operating expense	**(12)**	(24)

5. General administrative expenses

	2017	2016
	€000's	€000's
Staff costs	**125**	357
Professional fees	**21**	86
Other expenses	**12**	14
Total	**158**	457

	2017	2016
Professional fees include		
Auditor's remuneration:	**€000's**	€000's
-Audit of these financial statements pursuant to legislation	**16**	18
-Audit related assurance services	**1**	5

6. Staff

The Company employed no staff during the year and none in the preceding year. Staff costs borne by Alpha Bank London Limited, a fellow group undertaking, are apportioned to the Company. They are based on the time spent by employees on matters relating to the Company and amounted to €125,000 *(*2016: €357,000). Of this amount €81,000 (2015: €218,000) related directly to salaries recharged and €11,000 (2016: €34,000) to pensions which form part of a defined contribution plan.

7. Directors Emoluments

	2017	2016
	€000's	€000's
The remuneration of the directors is as follows:		
Directors' emoluments	**70**	194
Company contributions to a defined contribution scheme	**7**	25
Total	**77**	219

The above amounts for remuneration include the following in respect of the highest paid director:

Directors' emoluments	**30**	67
Company contributions to a defined contribution scheme	**2**	5
Total	**32**	72

8. Income tax

	2017	2016
	€000's	€000's
Current tax		
UK corporation tax at 19.25% (2016: 20%)	**4**	-
Adjustments in respect of prior periods	**-**	(133)
Sub-total	**4**	(133)
Deferred tax		
Deferred tax (note 11)	**1**	2
Total	**5**	(131)

Factors affecting the tax charge for the year:

(Loss) / profit before tax	**26**	**(481)**
Current tax on the above at 19.25 % (2016:20%)	**5**	**(96)**
Adjustments in respect of prior periods	**-**	**(133)**
Adjustments in respect of non-taxable income	**(1)**	**-**
Adjustments in respect of current year losses for which no deferred tax asset is recognised	**-**	**96**
Re-measurement of deferred tax – change in nominal tax rate	**1**	**2**
Total	**5**	**(131)**

The standard rate of corporation tax for the period to 31 March 2017 is 20% (2016: 20%) and 19% for the period to 31 December 2017 (2016: 20%). The blended corporation tax rate applied to the reported profit is 19.25% (2016: 20%).

9. Property, plant and equipment

	Computer hardware €000's	Fixtures and fittings €000's	Plant and equipment €000's	Total €000's
Cost				
At 1 January 2017	**101**	**6**	**11**	**118**
At 31 December 2017	**101**	**6**	**11**	**118**
Accumulated depreciation				
At 1 January 2017	**101**	**6**	**11**	**118**
At 31 December 2017	**101**	**6**	**11**	**118**
Net book value				
At 31 December 2017	**-**	**-**	**-**	**-**
At 31 December 2016	-	-	-	-

10. Intangible assets – computer software

	2017 €000's	2016 €000's
Cost		
At 1 January	**230**	230
At 31 December	**230**	230
Accumulated amortisation		
At 1 January	**230**	230
At 31 December	**230**	230
Net book value	**-**	-

11. Deferred tax assets

	2017		
	Balance 1.1.2017 €000's	**Comprehensive Income €000's**	**Balance 31.12.2017 €000's**
Property, plant and equipment	**5**	**(1)**	**4**
Total	**5**	**(1)**	**4**

	2016		
	Balance 1.1.2016 €000's	Comprehensive Income €000's	Balance 31.12.2016 €000's
Property, plant and equipment	7	(2)	5
Total	7	(2)	5

12. Share capital

	2017	2016
	€000's	€000's
Issued, allotted and fully paid		
100,000 ordinary shares of €1 each fully paid up		
(2016: *100,000 ordinary shares of €1 each fully paid up*)	**100**	100

No dividend was paid in 2017 *(2016: nil).*

13. Retained earnings

	2017	2016
	€000's	€000's
At 1 January	**8,874**	9,224
Profit / (loss) for the year	**21**	(350)
At 31 December	**8,895**	8,874

14. Contingent liabilities and commitments

a) Legal issues

There are no pending legal cases in progress which may have a material impact on the financial statements of the Company (2016: nil).

b) Operating leases

The Company has no operating leases (2016: nil).

RISK MANAGEMENT

15. Financial instruments and risk management

In previous years the Company's financial instruments comprised borrowings in the form of subordinated and unsubordinated Euro Medium Term Notes ("EMTNs") and Euro Commercial Papers ("ECPs"), loans to its parent company and various other items that arise directly from its operations. The main purpose of the EMTNs and ECPs was to raise finance for the parent company. The Programme under which the EMTNs are issued remains at €30,000,000,000, and was renewed on 30 June 2017. Following the issuer substitution which took place in 2015, the Company had no EMTNs outstanding and no drawings were made under the Programme during 2017 *(2016: nil).*

The Programme under which the ECPs are issued remains at €5,000,000,000, and ECPs are guaranteed by the parent company. The Company had no ECPs outstanding and no drawings were made under the Programme during 2017 *(2016: nil).*

The main risks arising from the Company's financial instruments are credit risk, market risk (which includes interest rate risk, foreign currency risk and fair value risk) and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. There are no changes from the prior period in policies regarding risk.

15.1 Credit Risk

The only financial assets remaining are intragroup nostro balances of €9,023,000 *(*2016: €8,898,000). As such no ratings table has been provided. According to S&P these nostro balances are rated as "CCC+" (2016: "CCC+").

15.2 Market Risk

The Company's exposure to market price risk comprises interest rate risk, currency risk and fair value risk. As there are no outstanding debt instruments, the Company deems its market risk exposure to be minimal. The Company's policy towards these risks is explained below.

15.2.1 Interest rate risk profile of financial assets and financial liabilities

The only assets and liabilities remaining comprise intragroup non-interest bearing nostro balances, sundry creditors and shareholders' funds. As such no interest rate risk profile table has been provided.

15.2.2 Foreign Exchange Position

2017	**GBP**	**USD**	**EUR**	**Total**
	€000's	**€000's**	**€000's**	**€000's**
Cash and cash equivalents	88	39	8,896	9,023
Other assets	-	-	12	12
Total assets	**88**	**39**	**8,908**	**9,035**
Other liabilities	-	-	40	40
Shareholders' funds	-	-	8,995	8,995
Total liabilities	**-**	**-**	**9,035**	**9,035**
Net on-balance sheet position	**88**	**39**	**(127)**	**-**

2016	**GBP**	**USD**	**EUR**	**Total**
	€000's	**€000's**	**€000's**	**€000's**
Cash and cash equivalents	45	44	8,809	8,898
Other assets	-	-	365	365
Total assets	**45**	**44**	**9,174**	**9,263**
Other liabilities	-	-	289	289
Shareholders' funds	-	-	8,974	8,974
Total liabilities	**-**	**-**	**9,263**	**9,263**
Net on-balance sheet position	**45**	**44**	**(89)**	**-**

15.2 Market Risk (continued)

In the opinion of the directors, a movement in the above foreign currency positions against Euro would not have a significant impact on profit or equity of the Company and therefore no currency sensitivity analysis has been disclosed.

15.2.3 Fair values of financial assets and financial liabilities

There were no financial assets and liabilities as at 31 December 2017 other than intragroup nostro balances of €9,023,000 (2016: €8,898,000).

15.3 Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient funds to meet the obligations or commitments associated with its financial instruments. As there are no outstanding obligations or commitments associated with financial instruments, the Company deems its liquidity risk exposure to be minimal and no liquidity risk table has been provided.

15.4 Capital management

Since the repayment of all debt instruments the capital of the Company is matched by a balance placed with the parent company, and as such there are no capital management issues. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern and to maintain an optimal structure to reduce the cost of capital by, for example, the payment of dividends to the shareholder. The Company is not subject to any external capital requirements.

OTHER INFORMATION

16. Related party transactions

A number of transactions are entered into with related parties in the normal course of business. The outstanding balances at 31 December, and the related income and expense for the year, are as follows:

	2017	2016
	€000's	€000's
Assets:		
Current accounts held with Alpha Bank	**8,961**	8,880
Current accounts held with Alpha Bank London Limited	**62**	18
Expense:		
Interest paid to Alpha Group Jersey Limited	**-**	-
Personnel charge paid to Alpha Bank London Limited	**125**	357

17. Key Management Personnel

There are no key management personnel other than the directors whose transactions have been shown in Note 7.

18. Ultimate controlling party

The smallest and largest group in which the results of the Company are consolidated is that headed by Alpha Bank A.E., a company incorporated in Greece, whose principal place of business is 40 Stadiou Street, 102 52 Athens, Greece.

The consolidated financial statements of the group are available to the public and may be obtained from the above address, or from their internet site at www.alpha.gr.

19. Post balance sheet events

No events required to be disclosed under IFRS took place after the reporting period.

20. Obtaining Financial Statements

The Company's Financial Statements can be located on the Alpha Bank Group AE website at: http://www.alpha.gr/page/default.asp?la=2&id=4153