



ALPHA BANK

EMPORIKI GROUP FINANCE PLC

ANNUAL REPORT & FINANCIAL STATEMENTS

31 December 2016

Registered number
5052675

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Company Particulars

Board of Directors

W. Lindsay Mackay
Graham Ballantyne
John Coxon
Nicola Randell

Company Secretary

Brooke Morley

Registered Office

66 Cannon Street
London EC4N 6EP
Tel: 020 7332 6767
Fax: 020 7329 6022

Independent Auditor

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

Registered number

5052675 (England and Wales)

Date of incorporation

23rd February 2004

Directors' Report

The directors of Emporiki Group Finance PLC (the "Company") present their annual report together with the audited financial statements for the year ended 31 December 2016.

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.

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 2016 are shown on page 6. The loss for the year after taxation attributable to the owners is €180,000 (2015: profit of €39,000).

General administrative expenses decreased by 24% from €213,000 in 2015 to €162,000 in 2016, as a result of lower costs due to reduced activity.

The directors do not recommend the payment of a dividend (2015: final dividend of nil and an interim dividend of €34,000,000).

Corporate governance

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

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.

Directors

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

Martin J. Waghorn (resigned on 22 June 2016)
Monika Ahmed (resigned on 3 November 2016)
W. Lindsay Mackay
Graham Ballantyne
John Coxon
Nicola Randell (appointed on 3 November 2016)

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 8.

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.

Directors' Report *(continued)*

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. As a result KPMG LLP will not be seeking reappointment as the Company's auditor for the financial year commencing 1 January 2017. A resolution proposing the appointment of Deloitte LLP as auditor of the Company and giving authority to the Directors to determine its remuneration will be submitted to the forthcoming Annual General Meeting.

By Order of the Board



Brooke Morley
Company Secretary

66 Cannon Street
London
EC4N 6EP

5 April 2017

Company Registration Number: 5052675 (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



John Coxon
Director

5 April 2017

Independent Auditor's Report to the Members of Emporiki Group Finance PLC

We have audited the financial statements of Emporiki Group Finance PLC for the year ended 31 December 2016 set out on pages 6 to 17. 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.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

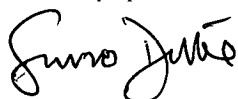
Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' Report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Suvro Dutta (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London, E14 5GL

5 April 2017

Statement of Comprehensive Income

For the year ended 31 December 2016

	Note	2016 €000's	2015 €000's
Interest receivable and similar income		4	23,902
Interest payable and similar charges		-	(23,668)
Net interest income	3	4	234
Gains less losses on financial transactions	4	-	(3)
Other operating (expense) / income	5	(22)	2
Operating (expense) / income		(18)	233
General administrative expenses	6	(162)	(213)
(Loss) / profit before tax		(180)	20
Income tax credit	9	-	19
(Loss) / profit after tax		(180)	39
Other comprehensive income		-	-
Total comprehensive (expense) / income for the year attributable to owners		(180)	39

The notes on pages 10 to 17 form an integral part of these financial statements.

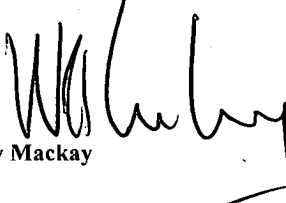
Statement of Financial Position

As at 31 December 2016

	Note	2016 €000's	2015 €000's
Assets			
Non-current Assets		-	-
Current Assets			
Cash and cash equivalents		1,428	1,421
Current tax asset		3	210
		<u>1,431</u>	<u>1,631</u>
Total Assets		<u>1,431</u>	<u>1,631</u>
Equity			
Equity attributable to the owners of the Company			
Called-up share capital	10	18	18
Retained earnings	11	<u>1,361</u>	<u>1,541</u>
		1,379	1,559
Liabilities			
Non-current liabilities		-	-
Current Liabilities			
Other liabilities		52	72
		<u>52</u>	<u>72</u>
Total Equity and Liabilities		<u>1,431</u>	<u>1,631</u>

The notes on pages 10 to 17 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 5 April 2017 and were signed on its behalf by:


W. Lindsay Mackay
Director


John Coxon
Director

Company Registration Number: 5052675 (England and Wales)

Statement of Changes in Equity

For the year ended 31 December 2016

	Share Capital €000's	Retained Earnings €000's	Total Equity €000's
Balance as at 1 January 2016	18	1,541	1,559
Total comprehensive income for the year			
Loss after tax	-	(180)	(180)
Total	-	(180)	(180)
Transactions with owners, recognised directly in equity			
Dividend paid	-	-	-
Total	-	-	-
Balance attributable to owners as at 31 December 2016	18	1,361	1,379

	Share Capital €000's	Retained Earnings €000's	Total Equity €000's
Balance as at 1 January 2015	18	35,502	35,520
Total comprehensive income for the year			
Profit after tax	-	39	39
Total	-	39	39
Transactions with owners, recognised directly in equity			
Dividend paid	-	(34,000)	(34,000)
Total	-	(34,000)	(34,000)
Balance attributable to owners as at 31 December 2015	18	1,541	1,559

The notes on pages 10 to 17 form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2016

	2016 €000's	2015 €000's
Cash flows from operating activities		
(Loss) / profit before tax	(180)	20
<i>Adjustment to reconcile net profit before tax to cash flow from operating activities:</i>		
Loss on fair value of derivative financial assets	-	22,548
Gain on fair value of embedded derivative financial liabilities	-	(22,548)
Amortisation of discounts	-	15,034
	(180)	15,054
<i>Net decrease in assets relating to operating activities:</i>		
Due from banks	-	389,354
<i>Net (decrease) in liabilities relating to operating activities:</i>		
Due to customers	-	(417,540)
Other liabilities	(20)	(7)
	(200)	(13,139)
<i>Net cash outflow from operating activities before taxes:</i>		
Income taxes paid	207	(12)
Net cash flows used from operating activities	7	(13,151)
Net cash flows used from investing activities	-	-
<i>Net cash outflow from financing activities:</i>		
Dividend paid	-	(34,000)
Net cash flows used from financing activities	-	(34,000)
Net increase / (decrease) in cash and cash equivalents	7	(47,151)
Cash and cash equivalents at beginning of the year	1,421	48,572
Cash and cash equivalents at the end of the year	1,428	1,421

The notes on pages 10 to 17 form an integral part of these financial statements.

Notes to the Financial Statements

1. Accounting policies

Basis of presentation and principle activities

The financial statements of Emporiki Group Finance PLC, a company domiciled and incorporated in the UK (hereafter the “Company”), have been prepared in accordance with International Financial Reporting Standards (“IFRS”) 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 2016. They are presented in Euros, rounded to the nearest thousand unless otherwise indicated, and are prepared on the historical cost basis.

Comparatives

The accounting policies applied during the period are consistent with those of the annual financial statements for the year ended 31 December 2015.

Management deem the going concern accounting policy to be critical.

Going concern

Note 13 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 2016 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 2016, 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.

Functional and presentational currency

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

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.

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.

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.

Notes to the Financial Statements (*continued*)

1. Accounting policies (*continued*)

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.

Financial liabilities

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.

Cash and cash equivalents

Cash and cash equivalents consist of nostro balances with banks.

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 initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, if market prices are not available. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income.

Certain derivatives embedded in other financial instruments such as the option, are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract, and the host contract is not carried at fair value through the Statement of Comprehensive Income. These embedded derivatives are measured at fair value with changes in fair value recognised in the Statement of Comprehensive Income.

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 outstanding at 31 December 2016, it has been deemed that no collective provision is required.

Notes to the Financial Statements (*continued*)

1. Accounting policies (*continued*)

Use of estimates and judgements

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.

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.

Future accounting developments

At 31 December 2016 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 2016. However IFRS 9 "Financial Instruments" may have an 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.

INCOME STATEMENT

Interest income and expense relates to loans made to the parent and notes issued to various counterparties, 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 the only interest income earned was in relation to overpaid corporation tax.

3. Net interest income

	2016 €000's	2015 €000's
Interest income	4	23,902
Total interest and similar income	4	23,902
Interest expense	-	(23,668)
Total interest expense and similar charges	-	(23,668)
Net interest income	4	234

Notes to the Financial Statements (*continued*)

4. Gains less losses on financial transactions

	2016 €000's	2015 €000's
Realisation of unamortised fees	-	(3)
Total gains less losses on financial transactions	-	(3)

5. Other operating income

	2016 €000's	2015 €000's
Foreign exchange (loss) / gain	(22)	2
Total other operating income	(22)	2

6. General administrative expenses

	2016 €000's	2015 €000's
Staff costs	86	147
Professional fees	64	51
Other expenses	12	15
Total	162	213

These include:

Auditor's remuneration:

Audit of these financial statements pursuant to legislation	18	33
Audit related assurance services	5	3

7. 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 €86,000 (2015: €147,000). Of this amount €53,000 (2015: €100,000) related directly to salaries recharged and €8,000 (2015: €15,000) to pensions which form part of a defined contribution plan. Following the issuer substitution which took place in 2015, the Company experienced a lower level of activity during the period which resulted in a reduction in the staff costs apportioned.

8. Directors' remuneration and transactions

	2016 €000's	2015 €000's
The remuneration of the directors is as follows:		
Directors' emoluments	41	35
Company contributions to a defined contribution scheme	5	5
Total	46	40

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

	2016	2015
Directors' emoluments	13	12
Company contributions to a defined contribution scheme	1	2
Total	14	14

Notes to the Financial Statements (*continued*)

9. Income tax

	2016 €000's	2015 €000's
Current tax		
UK corporation tax at 20% (2015: 20.25%)	-	4
Adjustments in respect of prior periods	-	(23)
Total	-	(19)

Factors affecting the tax charge for the year:

(Loss) / profit on ordinary activities before taxation	(180)	20
Current tax on the above at 20% (2015: 20.25%)	(36)	4
Adjustments in respect of prior periods	-	(23)
Adjustments in respect of current year losses for which no deferred tax asset is recognised	36	
Total	-	(19)

The main rate of corporation tax will reduce to 19% from 1 April 2017.

BALANCE SHEET

10. Share capital

	2016 €000's	2015 €000's
Authorised		
50,000 (2015: 50,000) ordinary shares of £1 each	50	50
Called up and allotted and partly paid		
50,000 (2015: 50,000) ordinary shares of £1 each – 25 pence paid	18	18

The issued share capital represents the amount of £12,500 translated into Euro using the exchange rate ruling at the date of issue.

No dividend was paid in 2016 (2015: a final dividend of nil and an interim dividend of €34,000,000).

11. Retained earnings

	2016 €000's	2015 €000's
<i>At 1 January</i>	1,541	35,502
(Loss) / profit for the year	(180)	39
Dividend paid	-	(34,000)
<i>At 31 December</i>	1,361	1,541

OFF - BALANCE SHEET

12. 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 (2015: nil).

b) Operating leases

The Company has no operating leases (2015: nil).

Notes to the Financial Statements *(continued)*

RISK MANAGEMENT

13. Financial instruments and risk management

Historically the Company's financial instruments comprised borrowings in the form of Euro Medium Term Notes ("EMTNs"), loans to its parent company and various other items that arose directly from its operations. The main purpose of the EMTNs was to raise finance for the parent company. The Company has made the decision to cease issuing EMTNs and is effectively non-trading.

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.

13.1 Credit Risk

The only financial assets remaining are intragroup nostro balances of €1,428,000 (2015: €1,421,000). As such no ratings table has been provided. According to S&P these nostro balances are rated as "CCC+" (2015: "SD").

13.2 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.

13.2.1 Interest rate risk profile of financial assets and financial liabilities

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

13.2.2 Foreign Exchange Position

2016	GBP €000's	EUR €000's	Total €000's
Cash and cash equivalents	173	1,255	1,428
Other assets	-	3	3
Total assets	173	1,258	1,431
Other liabilities	-	52	52
Shareholders' funds	-	1,379	1,379
Total liabilities	-	1,431	1,431
Net on-balance sheet position	173	(173)	-
2015	GBP €000's	EUR €000's	Total €000's
Cash and cash equivalents	13	1,408	1,421
Other assets	-	210	210
Total assets	13	1,618	1,631
Other liabilities	-	72	72
Shareholders' funds	-	1,559	1,559
Total liabilities	-	1,631	1,631
Net on-balance sheet position	13	(13)	-

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.

Notes to the Financial Statements (*continued*)

RISK MANAGEMENT

13. Financial instruments and risk management (*continued*)

13.2.3 Fair values of financial assets and liabilities

As a result of the issuer substitution, there were no financial assets and liabilities remaining as at 31 December 2016 other than intragroup nostro balances of €1,428,000 (2015: €1,421,000).

13.3 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.

13.4 Capital management

Since the repayment of all debt instruments the capital of the Company is matched by a balance placed with Alpha Bank, 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

14. 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:

	2016 €000's	2015 €000's
<u>Assets:</u>		
Current accounts held with Alpha Bank	1,255	1,408
Current accounts held with Alpha Bank London Limited	173	13
<u>Liabilities</u>	-	-
<u>Income:</u>		
Interest received on loans to Alpha Bank	-	13,036
Interest received on derivative financial assets with Alpha Bank	-	8,773
Gains less losses on financial transactions	-	13,287
<u>Expense:</u>		
Interest paid on embedded derivative financial liabilities with Alpha Bank	-	1,116
Personnel charge paid to Alpha Bank London Limited	86	145
<u>Off Balance Sheet</u>	-	-

Lending to Alpha Bank is unsecured. Under the Deed of Guarantee, Alpha Bank irrevocably guarantees the payment of all sums expressed to be payable from time to time by Emporiki Group Finance PLC in respect of the Notes and under the Deed of Covenant. Furthermore, the obligations expressed to be assumed by Alpha Bank shall not be discharged, impaired or otherwise affected by the winding up, liquidation or dissolution of the Emporiki Group Finance PLC.

There are no key management personnel other than the directors whose transactions have been shown in Note 8.

Notes to the Financial Statements *(continued)*

15. Ultimate parent undertaking and 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.

16. Events after the reporting period

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