

REPORT
Of the Board of Directors of
«AGRICULTURAL BANK OF GREECE S.A.»
To the Ordinary Assembly of Shareholders
Of the 29th of April 2011 (including any reiterative of or pursuant to a
postponement of such meeting) in accordance with articles 4.1.4.1.1 and
4.1.4.1.2 of the ATHEX Regulation and article 9 of Greek law 3016/2002

1. SHARE CAPITAL INCREASE – TERMS OF THE SHARE CAPITAL INCREASE

The Board of Directors of «**AGRICULTURAL BANK OF GREECE S.A.**» (hereinafter, the «**Bank**»), at its 5th of April 2011 meeting, decided to propose to the ordinary General Assembly of the Bank's shareholders the following:

1. The increase of the nominal value of each common registered bearing voting right share of the Bank from €0.72 to €7.20 per share with simultaneous consolidation and decrease of the total number of the Bank's common shares (reverse split) at a ratio of one (1) new share for ten (10) existing shares, i.e. from 905,444,444 common registered shares with nominal value of €0.72 each to 90,544,444 common registered shares with nominal value of €7.20 each and the granting of authorisation to the Bank's Board of Directors for the latter to settle any remaining fractions.
2. The decrease of the share capital of the Bank by €597,593,333.28 by decreasing the nominal value of each common registered bearing voting right share from €7.20 to €0.60, in order to create a special reserve of an equal amount, pursuant to paragraph 4a of article 4 of codified law 2190/1920. It is noted that the above said share capital decrease shall not affect the Bank's shareholders equity, nor shall it entail any adjustment to the price of the common shares of the Bank which are traded on the Athens Exchange.
3. The increase of the Bank's share capital in cash through the issuance of 1,177,077,772 new common registered bearing voting right shares of nominal value of €0.60 and proposed subscription price of €1.07, the

latter permitted to be higher than the market price of the share on the date of cutting off the pre-emption rights, in order to raise proceeds of €1,259.5 million, granting pre-emption rights to the existing shareholders at a ratio of 13 new common shares for each one (1) existing common registered bearing voting right share. The subscription price equals to a discount of 27.3% on the theoretical ex-rights price based on the closing price of the Bank's share on the Athens Exchange on Monday 4th of April 2011 and to a discount of 31.7% on the theoretical ex-rights price based on the weighted average closing price of the last 6 months.

The difference between the subscription price and the nominal price of the Bank's share shall be credited to the share premium account

It is further suggested that authorization is granted to the Bank's Board of Directors so that the latter determines any special terms of the share capital increase and any issues related to the above matters.

Pursuant to a pre-subscription agreement, the guarantors ALPHA BANK, EFG EUROBANK ERGASIAS, NATIONAL BANK OF GREECE, PIRAEUS BANK, MARFIN POPULAR BANK intend to subscribe, under usual terms, for new unsubscribed shares up to the amount of € 115 million. The final subscription agreement will be concluded between the parties before the approval of the Information Memorandum on the share capital increase by the Hellenic Capital Markets Commission.

2. USE OF THE PROCEEDS TO BE RAISED PURSUANT TO THE BANK'S SHARE CAPITAL INCREASE

The funds that are expected to be raised amount in total up to €1,259.5 million before deducting the share capital increase's expenses and shall be used as follows: €675 million to repurchase the Bank's preferred shares currently held by the Greek State within the framework of Greek law 3723/2008 «*Enforcement of liquidity of the economy to deal with the effects of the international financial crisis*» while the remaining net amount, after deducting

the share capital increase expenses, shall be used to enforce the Bank's capital adequacy.

The Bank's Board of Directors notes with respect to the above use of proceeds that, according to Greek law 3723/2008, the repurchase of the preferred shares of the Bank currently held by the Greek State is conditional upon the approval of Bank of Greece.

The successful raising of the suggested funds is estimated to result to a total capital adequacy ratio of the Bank, pro forma as of 31st December 2010, of 12.54% and Tier 1 ratio of 11.17%.

3. REPORT ON THE USE OF PROCEEDS OF THE PREVIOUS SHARE CAPITAL INCREASE OF THE BANK

The previous share capital increase of the Bank by €675 million was performed in accordance with the decision of the Extraordinary General Assembly of Shareholders of 12.01.2009 and was covered in total by the Greek State by the latter providing bonds of equal value by the issue of 937,500,000 new preferred shares of the Bank of nominal value of €0,72 each, in accordance with article 1 of Greek law 3723/2008 «*Enforcement of liquidity of the economy to deal with the effects of the international financial crisis*». The funds that were raised were used solely to enforce the Bank's capital adequacy.

4. ANNOUNCEMENTS OF MAIN SHAREHOLDERS

The Greek State, as a major shareholder of the Bank, according to the provision of article 4.1.4.1.2. par. (1) (e) of the ATHEX Regulation, states that it shall fully exercise, directly and indirectly, its pre-emption rights, by contributing funds of €973,7 million and that it shall further participate in the share capital increase by subscribing for any new unsubscribed shares up to the amount of €170.75 million.

In addition, in accordance with the Athens Exchange Regulation, the Greek State has stated that it reserves its rights regarding the preservation of its

shareholding interest in the Bank's share capital for a period of six (6) months after the start of trading of the Bank's new shares on the Athens Exchange.

The completion of the Bank's share capital increase is conditional upon the approval of the Information Memorandum on the Bank's share capital increase by the Hellenic Capital Market Commission, in accordance with the provisions of Greek law 3401/2005, in which the terms of such increase shall be also described in detail.