

**HELLENIC CAPITAL MARKET COMMISSION**

# **ANNUAL REPORT 2013**

**ATHENS 2013**

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## A NOTE FROM THE CHAIRMAN

*The year 2013 was a singular one for Greece's economy and, particularly, capital market. From one end of the year to the other, we passed from twin deficits to a primary surplus and from mistrust to open and sustained investor interest, while the composite share price index of the Athens Exchange fluctuated and stabilized at noticeably higher levels since the beginning of 2014. Although there has been lots of, probably premature, talk about the "beginning of recovery", the year can only be described as the year recovery began – at least on the macroeconomic level. That said, the major challenges of growth, everyday life and reform are still there, and they are still tough – and they will finally decide the quality and duration of macroeconomic improvement.*

*In regard to the capital market, I would point to the following three crucial events: the unprecedented, in terms of magnitude and method, recapitalization of all four Greek systemic banks; the Cypriot financial crisis and the successful effort to overcome it; and the reclassification of Greece to emerging markets by the MSCl index, along with its retention as a developed market by the FTSE index. The first of these events created the necessary conditions for the survival of the Greek banking system, thus greatly dissipating the uncertainty regarding the Greek economy's transition to normality, and testing at the same time the response of both markets and regulators to novel financial instruments, such as warrants. The Cypriot debacle caused political and psychological turmoil, albeit it offered the Greek stock exchange the opportunity to prove it can deal efficiently with marginally unpredictable situations. Moreover, the reclassification of Greece to emerging markets –the only eurozone country in this index– gave rise to new investment opportunities and boosted investor interest – which would remain unabated, despite the relative stagnation of the first months of 2014.*

*On the international level, I would underline precisely this permanent and visible, during visits of the Greek delegations to overseas financial centers, confirmation of investor interest in Greece, which has almost always been accompanied by two crucial qualitative features: a thorough study of, and a profound knowledge about, developments in the Greek economy, and a faith that, from now on, its progress will be uninterrupted. As part of an effort that began soon as the undersigned assumed his duties, the Capital Market Commission continued to participate in, and contribute to, international and, in particular, European developments – an effort that, at the time of writing, has culminated with Greece's assumption of the Presidency of the European Council in the beginning of 2014. I am certain that, no matter who its author will be, the corresponding introduction to the 2014 Report will make extensive mention to the achievements of the HCMC during the Greek Presidency.*

*Within the scope of its jurisdiction, the HCMC continued to supervise investment firms and listed companies, identified and punished cases of market abuse and presented the government with proposals for improving the institutional framework. This effort is reflected on law 4141/2013 on new or reformed financial instruments, as well as our proposals for streamlining the legislation concerning corporate governance, as well as in regard to the Athens Stock Exchange Members' Guarantee Fund and the taxation of stock exchange transactions. We hope that the fruit of our proposals on all these fields will be made evident in 2014.*

*Let me conclude this Report, the third I am signing as the Chairman of the Hellenic Capital Market Commission, on a more personal note. This June, I will be serving for 30-months as Head of the HCMC and during this period I learned a lot and tried hard. At the end of this term, I would like to express my gratitude to this institution, as well as my gratitude for the honour of being able to represent it; but most of all I would like to express my gratitude to the people of the HCMC, with whom I came really close and under very harsh circumstances.*

**Konstantinos Botopoulos**

**Chairman of the Hellenic Capital Market Commission**

## PART ONE

### THE HELLENIC CAPITAL MARKET COMMISSION

#### OBJECTIVES AND TASKS

*The Hellenic Capital Market Commission is responsible for monitoring compliance with capital market law. The Hellenic Capital Market Commission is a public entity, whose exclusive task is to protect the public interest, enjoying operational and administrative independence. The Commission's operations do not burden the state budget, and its resources originate from fees and contributions paid by the supervised entities. The Commission's annual budget is drafted by its Board of Directors and approved by the Minister of Finance. The members of the Board of the Hellenic Capital Market Commission exercise their duties under conditions of total personal and operational independence, are only bound by the law and their conscience, and do not represent the bodies that nominated them. The Hellenic Capital Market Commission submits its annual report to the Speaker of the Hellenic Parliament and the Minister of Finance and is answers for its actions to the competed committee of the Greek Parliament. The objectives of the HCMC are to ensure the integrity of the market, to mitigate systemic risks, and to protect investors by increasing transparency.*

*The capital market entities supervised by the HCMC include brokerage firms, investment firms, mutual fund management firms, portfolio investment companies, real estate investment trusts, and financial intermediation firms. Moreover, the HCMC oversees the compliance of ASE-listed companies with capital market legislation, concerning legitimacy issues related to investor protection. The members of the Boards of Directors and the executive managers of the aforementioned entities must comply with the rules and regulations set by the Commission. Entities and organizations subject to supervision by the HCMC also include regulated markets, clearing houses, and the investor indemnity scheme (the Athens Stock Exchange Members' Guarantee Fund). The Hellenic Capital Market Commission is responsible for approving the content of prospectuses, as far as the need of investors to obtain complete information during public offerings and the listing of securities in organized markets is concerned.*

*The Commission is endowed with the authority to impose administrative sanctions (suspension and revocation of license, trading halts, imposition of fines) on any supervised legal and physical entities that violate capital market law.*

*Being a national regulator, the Commission concludes bilateral and multilateral agreements and memoranda of understanding with other countries' regulatory authorities for the exchange of confidential information, and co-operation on issues that fall under its competence. It is an active member of the European Securities and Markets Authority (ESMA), and the International Organization of Securities Commissions (IOSCO).*

*The current Chairman of the HCMC is also a member of the Management Board of the (European Securities and Markets Authority, ESMA) and the chair of the Market Integrity Standing Committee of ESMA.*

#### BOARD OF DIRECTORS

*The Board of Directors of the Hellenic Capital Market Commission consists of seven members: the Chairman, two Vice-Chairpersons (A and B) and four members, who are appointed by decision of the Minister of Finance. The appointment of the Chairman is subject to the approval of the competent commission of the Greek*

Parliament. Two members of the Board are selected from lists containing three candidates, which are prepared by the Bank of Greece and the Athens Stock Exchange respectively.

At the end of 2013, the Board of the Hellenic Capital Market Commission comprised the following members:

Chairman: Mr. Konstantinos Botopoulos

First Vice-Chairwoman: Ms. Vasiliki Lazarakou

Second Vice-Chairman: Mr. Xenophon Avlonitis

Members: Messrs. Socrates Lazaridis, Ioanna Seliniotaki, George Mouzoulas and Dimitrios Avgitidis

By virtue of ministerial decision no. 53499/B991 (Gazette 565/15.05.2012), Mrs. Ioanna Seliniotaki was appointed Member of the Board of Directors in replacement of Mr. Ioannis Gousios, who resigned.

The Board of Directors of the Hellenic Capital Market Commission is this entity's supreme body, and is mainly entrusted with general policy-making, the introduction of rules and regulations, the granting and revoking of licenses, the imposition of sanctions, drafting the annual budget, the management of the Commission's operations and making decisions on personnel matters. The Board of Directors is convened by its Chairman at least twice a month, and is at quorum if at least four of its members are present.

## **EXECUTIVE COMMITTEE**

The Executive Committee consists of the Chairman and the two Vice-Chairpersons and is entrusted with the execution of the decisions made by the Board of Directors. It is responsible for the Commission's daily management and the supervision of its operations. It is also responsible for the judicial representation of the Hellenic Capital Market Commission in front of Greek and foreign courts.

## **ORGANIZATIONAL STRUCTURE**

The organization chart and the responsibilities of the departments of the HCMC are specified by Presidential Decree 65/2009 (Government Gazette 88/9.6.2009), as illustrated in Figure 1 below. At the end of 2013, the competent government agencies were presented with a draft presidential decree for the reform of the, currently applicable, PD 65/2009.

**FIGURE 1. The Organization Chart of the Hellenic Capital Market Commission (PD 95/2009)**

<b>BOARD OF DIRECTORS</b>			
<b>FIRST VICE-CHAIRWOMAN</b>	<b>CHAIRMAN</b>	<b>SECOND VICE-CHAIRMAN</b>	
<b>MEMBERS</b>			
<i>PRESS OFFICE</i>		<i>INTERNAL AUDIT OFFICE</i>	
<b>GENERAL DIRECTOR</b>			
<b>SPECIAL ANTI-MONEY LAUNDERING UNIT</b>		<b>THESALLONIKI REGIONAL OFFICE</b>	
<b>DIRECTORATE OF CAPITAL MARKET INTERMEDIARIES</b>		<b>DIRECTORATE OF LISTED COMPANIES</b>	
Department of Licensing of Investment Firms	Department of Licensing of Collective Investment Schemes	Public Offerings Department	Department of Continuous Information
Department of Supervision of Investment Firms	Department of Supervision of Collective Investment Schemes	Department of Periodic Information	Department of Supervision of Listed Companies
Department of Markets and Information Systems			
<b>DIRECTORATE OF MARKETS SUPERVISION</b>		<b>DIRECTORATE OF INTERNATIONAL RELATIONS</b>	
Department of Monitoring	Department of Transactions Auditing	Department of International Relations	Department of European Affairs
Department of Citizen Information			
<b>DIRECTORATE OF RESEARCH, CERTIFICATION AND TRAINING</b>		<b>DIRECTORATE OF ADMINISTRATION</b>	
Department of Research	Training Department	Department of Protocol	Department of Information Systems
Human Resources Department			
<b>DIRECTORATE OF ACCOUNTING</b>		<b>DIRECTORATE OF LEGAL SERVICES</b>	
Accounting Department	Procurement Department		



## PART TWO

### MARKET DEVELOPMENTS

#### MACROECONOMIC DEVELOPMENTS

##### *The Greek economy*

*The year 2013 was the sixth consecutive year of recession, but, as shown by the available evidence, it was also a turning point that marked the gradual stabilization of the Greek economy. It is estimated that the conditions for ending the recession within 2014 are finally being established. The main factors that lead to this conclusion is the tendency towards restoring the fiscal and external balances, the tendency towards the stabilization of the banking sector and the deceleration of unemployment growth. More specifically, the data concerning key fundamentals of the Greek economy, are the following:*

*According to (non-seasonally adjusted; annualized; constant prices) ELSTAT data, in the 3rd quarter of 2013, Greece's GDP contracted by 3%, as compared to a 6.7% reduction in 2012. The corresponding reductions in the 1st and 2nd quarters of 2013 were 5.5% and 3.7% respectively. Total domestic consumption decreased by 6.6%, as compared to a 7.9% decrease in 2012. Gross fixed capital formation for the nine-months January-September was reduced by 12.6% year-on-year, demonstrating weak investor interest. Exports were 5.7% higher in the period from January to September, as compared to the same period of the previous year. Export growth was due to an increase, the first since early 2012, in the exports of services (+8.8%), as a result of increased tourist activity. Exports increased by 2.3% in the nine-months from January to September on a year-on-year basis.*

*Unemployment remained high, showing signs of stabilization. The unemployment rate for the 3rd quarter rose to 27%, from 24.8% in the same quarter of 2012. In the 3rd quarter of 2013, total employment stood at 3,635,905, reduced by 2.8% as compared to the 3rd quarter of 2012. Unemployment stood at 1,345,387, increased by 9.3% as compared to the 3rd quarter of 2012. It is expected that, as a result of time-lag effects, unemployment growth will be stabilized in 2014.*

*Price levels continued to decline. The Consumer Price Index (CPI) for November 2013 fell by 2.9% year-on-year, as a result –according to the analysis of the CPI– of a substantial reduction of the index for apparel and footwear (11.5%), other goods and services (4.9%), education (4.2%) and communications (4.2%). In alcohol and tobacco, the index rose by 3.5%. In the 3rd quarter of 2013, the Wages and Salaries index fell by 5.9% year-on-year, as compared to a 10.3% year-on-year decrease in the same period of 2012.*

*The growth of Greece's contribution to money supply (M3) in the euro zone (apart from currency in circulation) increased for the first time in three years, reaching a maximum of 9.4% in June and standing at 5% in November. This development partly reflects the inflow of deposits back into the Greek banking system, mainly because uncertainty, in general, was contained. The enhancement of the financial system's stability, through the completion of the recapitalization of systemic credit institutions and the restructuring of others, was instrumental to this development. In contrast, money supply was adversely affected by the continuous slowdown in economic activity and the drop of nominal deposit rates. In addition, the culmination of the Cypriot financial crisis in March exacerbated uncertainty and caused temporary capital outflows.*

Financing remained limited. The total financing of the Greek economy by domestic financial institutions continued to decline, at a rate of 7.6% in November 2013. The annual contraction of lending to the General Government was greatly exacerbated, reaching 27.1%, as compared to 7.6% in December 2012, while the contraction of lending to the domestic private sector showed signs of stabilization (3.8% in November, compared to an average of 3.96% for the first 11-months). The contraction of lending to the General Government was accelerated, as a result of the further reduction of domestic financial institution placements in Greek government securities and the decline in total banking loans outstanding, as the financing needs of the General Government are mainly covered by loans extended by other euro zone member-states and the International Monetary Fund. The recapitalization of systemic financial institutions, the consolidation of the Greek banking system and the growth of the deposit base helped contain the credit crunch. In contrast, the increase of non-performing loans and the consequent reduction of the bank's available capital had a detrimental effect.

**TABLE 1. Macroeconomic indicators of Greece, 2009-2012**

<b>Indicator/Year</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>GDP and its components</b> (constant prices 2005, % change)				
GDP	-4.9	-7.1	-6.4	-3.0 1
Total consumer expenditure	-6.8	-7.2	-8.2	-6.6 1
Gross fixed capital formation	-8.3	-16.4	-17.6	-12.6 1
Exports of goods & services	5.2	0.3	-2.4	5.7 1
Imports of goods & services	-6.2	-7.3	-13.8	2.3 1
<b>Employment and unemployment</b>				
Employment (% change)	-2.66	-6.79	-8.01	-3.6 2
Unemployment rate (%)	12.5	17.7	24.3	27.1
<b>Prices and wages</b>				
Consumer Price Index (COICOP/HICP; period average, % change)	4.7	3.3	1.5	-0.9
Wages and Salaries index (NACE Rev.2, Eurostat, end-of-period, % change)	-4.6	-4.5	-4.3	-4.4 1
<b>Public Finances</b> (% of GDP)				
General government revenues	40.6	42.4	44.6	...
General government expenditure	51.4	52.0	53.6	...
Primary balance	-4.9	-2.4	-4.0	...
State budget balance	-10.7	-9.5	-9.0	-13.53
Public Debt (end of period)	148.3	170.6	156.9	176.23
<b>Balance of Payments</b> (% of GDP)				
Current account	-10.1	-9.9	-2.4	...
Current and Capital transfers	-9.2	-8.6	-1.2	...
Net international investment position	-98.4	-84.5	-108.8	...
<b>Monetary conditions</b>				
M3 (excluding currency in circulation) (% change, end of period)	-12.5	-16.5	-6.2	2.1
Real trade-weighted exchange rate	-1.2	0.6	-3.9	...

Source: ELSTAT, Ministry of Finance, Bank of Greece

Note. 1. 3rd quarter data.

2. 9-month data.

3. European Commission estimates.

According to the final data available for the execution of the State Budget, on a modified cash basis, in the 12-month period January-December, the state budget's deficit stood at 5,441 million euros, as compared to a

deficit of 15,688 million euros in 2012 and a revised target-deficit of 6,085 million euros. Nonetheless, the primary balance was positive, and amounted to a surplus of 603 million euros, as compared to a primary deficit of 3,464 million euros of 2012 and a revised target-surplus of 15 million euros. Net government revenues stood at 53,018 million euros, 224 million euros below the revised target. Government expenditure stood at 58,459 million euros, 868 million euros below the revised target.

The current account showed a surplus of 2.2 billion euros in the ten-months Jan-Oct, as compared to a deficit of almost 3.4 billion euros in 2012. This is the result of the reduction of the trade deficit by 2.7 billion euros, the increase of the transfers surplus by 2.2 billion euros and the improvement of the services surplus by 1.5 billion euros. In contrast, the income account deficit increased by 783 million euros.

In 2013, the ACEO/ICAP – CEO economic sentiment index stood at 140 points in the final quarter of 2013, regaining the growth of the previous quarters (excluding the 3rd quarter, when it registered a slight drop). This reflects the positive expectations of business leaders regarding the future of the Greek economy. The Economic Sentiment Indicator of Greece (IOVE) rose to 91.1 in the three-months October-December, from an average of 82.7 in 2012. Overall, economic sentiment has improved as compared to 2012, and this improvement led to a stabilization by the end of the year. This stabilization coincides with the gradual attenuation of the recession, which is evident in the macroeconomic data, and reflects the containment of the great pessimism that prevailed in the expectations of households and businesses. However, the improvement of household and business expectations is limited, owing to the high tax burden, persistently high unemployment and continuing drop in consumption. These factors continue to create adverse conditions, which can not be offset by the achievement of a primary surplus and the improvement of revenues from individual sources, such as tourism. Without underestimating their importance, the above developments can only have a permanent positive effect on economic sentiment if economic policy remains consistent and reliable in the medium to long term. Of course, developments in the international and, in particular, the European economy will play a decisive role.

## **The International Economy**

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In 2013, according to the International Monetary Fund (World Economic Outlook Update, October 2013), the growth of the global economy slowed down on a year-on-year basis, creating new challenges for economic policy. Developed economies showed positive growth, but continued to implement restrictive policies designed to stabilize the financial sector and ensure fiscal adjustment. Overall, it is estimated that the global economy grew by 3% in 2013. The total GDP of developed economies is estimated to have grown by 1.3%. Developing economies faced the twin challenges of a growth slowdown and an outflow of funds caused by adverse international financial conditions. The total GDP of developing economies is estimated to have grown by 4.7%.

In 2013, the large economies of the European Union showed signs of overcoming the recession and gradually returning to low, positive growth rates in the near future, mostly as a result of a changing economic climate and not of the implementation of restrictive economic policies. In contrast, the “peripheral” economies of the European Union continued to face fiscal difficulties. Improved competitiveness and the growth of exports are not enough to offset the feebleness of domestic demand. That said, the signs of recovery in the euro zone and the European Union are becoming more evident, after six consecutive quarters of recession and stagnation. Recession in the euro zone is expected to be contained to -0.4%, while the GDP of the European Union as a whole is expected to remain, more or less, unchanged. It is estimated that, in 2014, European economies will show positive growth, both in the euro zone (+1.0%) and the European Union (+1.4%). Nonetheless, uncertainty persists. It is argued that the member states of the EU must make bold decisions in order to ensure the sustainability of public debt of the peripheral economies, and to establish the European Banking Union.

In 2013, domestic demand in the US remained strong, although growth was adversely affected by wide-ranging fiscal adjustment. Widespread disagreement regarding the increase of the US debt ceiling caused uncertainty in regard to the nature and extent of fiscal adjustment. This uncertainty was exacerbated by expectations of a monetary policy shift. The recent estimates of the IMF refer to 1.9% growth for the US economy, which will further improve in 2014. In 2013, the growth of developing economies slowed down, as a result of cyclical factors and a decrease in capacity. Developing economies are faced with twin challenges. First, they have to promote the necessary structural reforms and, second, they have to adapt to the business cycle: high-deficit economies must implement fiscal discipline policies, while high-inflation economists must consistently implement restrictive monetary policies. In 2013, the Chinese economy is estimated to have grown by 7.7%, supported by steady domestic growth, was the main growth driver. However, the rapid credit growth of the past few years increases the possibility of a systemic financial crisis in the Chinese economy. In 2013, the Russian economy's growth rate is estimated to have fallen to 1.5%, from 3.4% in 2012. This substantial slowdown resulted from the reduction of private investment in the energy sector, as well as from the drop in foreign direct investment, owing to increased political and institutional uncertainty.

**TABLE 2. Macroeconomic indicators of Europe, 2009-2011**

Country	Gross Domestic Product (real, % change)			Unemployment rate (%)			Inflation (HICP, %)			General government debt (% of GDP)		
	2013 (Q3)	2012	2011	2013	2012	2011	2013	2012	2011	2013 (Q3)	2012	2011
Austria	0.5	0.9	2.8	.	4.3	4.2	2.1	2.6	3.6	77.1	74.0	72.8
Belgium	0.4	-0.1	1.8	8.4	7.6	7.2	1.2	2.6	3.4	103.7	99.8	98.0
Bulgaria	1.5	0.8	1.8	12.9	12.3	11.3	0.4	2.4	3.4	17.3	18.5	16.3
France	0.5	0.0	2.0	10.8	10.2	9.6	1.0	2.2	2.3	92.7	90.2	85.8
Germany	1.1	0.7	3.3	5.3	5.5	5.9	1.6	2.1	2.5	78.4	81.0	80.0
Denmark	0.5	-0.4	1.1	7.0	7.5	7.6	0.5	2.4	2.7	46.3	45.4	46.4
Greece	-3.0	-6.4	-7.1	...	24.3	17.7	-0.9	1.0	3.1	171.8	156.9	170.3
Estonia	0.7	3.9	9.6	...	10.2	12.5	3.2	4.2	5.1	10.0	9.8	6.1
UK	1.2	0.3	1.1	...	7.9	8.0	2.6	2.8	4.5	89.1	88.7	84.3
Ireland	1.7	0.2	2.2	13.1	14.7	14.7	...	1.9	1.2	124.8	117.4	104.1
Spain	-0.7	-1.6	0.1	26.4	25.0	21.7	1.5	2.4	3.1	93.4	86.0	70.5
Italy	-1.6	-2.5	0.5	.	10.7	8.4	1.3	3.3	2.9	132.9	127.0	120.7
Croatia	-0.6	-2.0	0.0	17.6	15.9	13.5	2.2	3.4	2.3	61.7	55.5	51.6
Cyprus	-5.3	-2.4	0.4	16.0	11.9	7.9	0.4	3.1	3.5	109.6	86.6	71.5
Latvia	4.5	5.2	5.3	.	15.0	16.2	0.0	2.3	4.2	38.0	40.6	41.9
Lithuania	2.2	3.7	6.0	11.8	13.4	15.4	1.2	3.2	4.1	39.6	40.5	38.3
Luxembourg	2.7	-0.2	1.9	5.9	5.1	4.8	1.7	2.9	3.7	27.7	21.7	18.7
Malta	1.9	0.9	1.7	6.5	6.4	6.5	1.0	3.2	2.5	76.6	71.3	69.5
Netherlands	-0.4	-1.2	0.9	6.7	5.3	4.4	2.6	2.8	2.5	73.6	21.7	18.7
Hungary	1.8	-1.7	1.6	.	10.9	10.9	1.7	5.7	3.9	80.2	79.8	82.1
Poland	2.0	1.9	4.5	10.4	10.1	9.7	0.8	3.7	3.9	58.0	55.6	56.2
Portugal	-1.7	-3.2	-1.3	16.5	15.9	12.9	0.4	2.8	3.6	128.7	124.1	108.2
Romania	4.1	0.7	2.2	7.2	7.0	7.4	3.2	3.4	5.8	38.9	37.9	34.7
Slovakia	0.9	1.8	3.0	14.2	14.0	13.7	1.5	3.7	4.1	57.2	52.4	43.4
Slovenia	-0.6	-2.5	0.7	10.2	8.9	8.2	1.9	2.8	2.1	62.6	54.4	47.1
Sweden	0.7	0.9	2.9	8.0	8.0	7.8	0.4	0.9	1.4	40.7	38.2	38.6
Czech Republic	-0.3	-1.0	1.8	7.0	7.0	6.7	1.4	3.5	2.1	46.0	46.2	41.1
Finland	-1.0	-1.0	2.8	8.2	7.7	7.8	2.2	3.2	3.3	54.8	53.6	49.2

Source: Eurostat.

### International Capital Markets

Global developments in the capital market during 2013 were greatly influenced by the economic policy of the United States. The gradual improvement of economic conditions worldwide was partly reversed during the second half of 2013, when the US Federal Reserve took markets by surprise with its September 18 decision to embark on a tapering program, i.e. to wind down large-scale asset purchases, signaling a future rise in interest rates. As the subsequent liquidations of that summer started to subside, market participants witnessed various factors undermining the short-term tightening of monetary policy. These factors were: the low growth of new jobs and new entries to the labor market; inflation, which remained below the target; and the continued adverse effect from fiscal contraction in the US. Moreover, the temporary government shutdown in the US, during the period October 1-16, also had a negative impact. During this episode, maturing US Treasury bills traded at prices reflecting the possibility of a US technical default. Despite this fact, the increase in bond price volatility was less than the increase in stock price volatility. The effects were moderated when, on October 16, the US Congress approved the financing bill and increased the debt ceiling up to February 2014.

The anticipated postponement of the abolition of quantitative easing led to further gains in international bond and stock markets. The yield of the 10-year Treasury bond fell from a 3% high in September to 2.5% at the end of October, followed by bond yields in European markets. These expectations led to the further reduction of the risk premium on US Treasury bonds, which turned negative, from 0% to -0.2%. In the US, the S&P 500 index reached a record-high on November 15, following the public commitment of the new Chair of the Board of Governors of the Federal Reserve System to persist on the same policy. Since the beginning of the year, stock returns in the US exceeded bond returns, based on the expectation of further quantitative easing in the short-term, until strong growth rates are restored. From the beginning of 2013 until the end of November, major stock exchanges gained 10-25%.

In contrast, emerging market capital markets did not recover in full from the impact of that summer's liquidations. Government bond yields and spreads remained high, while stock indices regained only a part of their initial losses. Similarly, emerging market equity and bond mutual funds suffered huge outflows in the period from June to November, with the exception of moderate inflows in September and October. This reflects the cautiousness of market participants regarding bond investments worldwide, as they believed that the tightening of the US monetary policy had only temporarily been postponed. It was, also, consistent with the growth prospects of large emerging markets, which were rather negative in comparison to those of developed economies. Thus, despite the weakness of the dollar during September and October, major emerging market currencies did not fully recover the losses they had sustained during the summer.

On November 07, 2013, the European Central Bank (ECB) lowered its main refinancing rate by 25 basis points to 0.25%, in response to the decrease of inflation to 0.7%, well below the officially set target. The data regarding the GDP and money supply confirmed that the euro zone's economy remains weak, amidst persistently high unemployment and signs of deflation. Taking into account the prevailing economic conditions, the ECB stated that it expects interest rates to remain low for a long time. The ECB also decided to sustain its funding operations for however long it will be necessary, at least until the middle of 2015. With all central banks of the euro zone maintaining quantitative easing programs, capital asset prices continued to reflect expectations of a low-yield environment for the foreseeable future.

*The continuation of a lax monetary policy in the euro zone, intensified the investors' pursuit of high yields. Low interest rates and sustained large-scale asset purchases led to a decrease in the yields of reference bonds, to which investor-grade assets are closely linked. This development boosted demand for higher-risk investments, which promised higher returns. The reduction in spreads contributed to the realization of high returns, while low default rates remained unchanged. It remains to be seen whether the combination of low spreads and low default rates is sustainable.*

*The pursuit of high returns left its mark on indicators that are based on prices and their changes, such as spreads, in large advance economies. During the bond liquidations of that summer, these indicators showed overwhelming increases in the cost of credit and increased differentiation among various debtor classifications. However, this phenomenon turned out to be short-lived. High returns in the foreign exchange markets of the US, the euro zone and the United Kingdom continued to subside since late June. By the end of November, spreads stood at 300-600 basis points lower than their 2012 highs, and 200-300 basis points higher than the pre-crisis lows of the 2006-2007 period.*

*More specifically, international financial developments during 2013 were the following: By the end of the year, the annual dollar rate in the Libor market stood at 0.6%, as compared to 0.25% in the end of 2012, the annual euro rate stood at 0.55% as compared to 1% at the end of 2012, while the annual rates of the pound, the yen and the Swiss franc stood at 0.9%, 0.4% and 0.2% respectively. The nominal yield of the 10-year US Treasury bond rose to 2.9% from 1.8% at the end of 2012,, while the yield of the 10-year German Bund rose to 1.8% from 1.4% at the end of 2012, the yield of the 10-year UK government bond rose to 2.9% from 2.0% at the end of 2012, and the yield of the 10-year Japanese government bond fell to 0.7% from 0.8% at the end of 2012. At the end of 2013, the nominal yield of the 10-year Greek Government Bond stood at 8.66%, as compared to 25.68% in 2012. At the end of the year, the euro:dollar exchange rate stood at 1.378 as compared to 1.298 in 2012.*

*According to data from the Financial Times, the MSCI World (\$) index registered an annual gain of 19.5% in 2013. Moreover, the MSCI Europe (€) index rose by 18.2%, the MSCI Pacific (\$) index by 14.7%, the DJ Euro Stoxx 500 (€) index by 18.0%, and the FTSE Eurotop 300 (€) index, which includes the largest listed European companies, fell by 14.9% year-on-year. More specifically, the FTSE 100 (£) index of the London Stock Exchange rose by 15.0% year-on year, the CAC-40 (€) of the Paris Stock Exchange rose by 18.0% and the Dax Xetra (€) index of the Frankfurt Stock Exchange rose by 25.5%, while the Dow Jones Industrial Average rose by 26.5%, the NASDAQ Comp (\$) rose by 38.4% and the Nikkei 225 Average (¥) rose by 56.7% year-on-year.*

*Stock market indices in emerging markets showed fluctuations, and mostly sustained losses, in contrast to the previous years, as a result of the substantial outflow of funds from developed countries. Chinese company share prices registered substantial year-on-year decreases. The Shanghai Avg index suffered an annual loss of 0.53% in 2013, while the Shenzhen Avg index rose by 2.2% year-on-year, reversing the substantial growth rates of the previous years.*

*The rise of stock market indices during 2013 occurred amidst an environment of persistent stock market volatility. The price volatility ratios of options on the S&P 500 (VIX), DJIA (VXD) and the DAX Xetra (VDAX) stock market indices stood at 13.72, 12.90 and 13.16 respectively, reduced by 2,4% ,2,5% and 1.8% year-on-year respectively. Given that the turmoil in the global financial system was contained, international markets seemed to be moving abruptly towards lower levels, especially in countries related to the sovereign debt crisis. Sustained monitoring and intervention by both central banks and governments with the aim of enhancing liquidity in the economy prevented further upheaval in major markets.*

*In 2013, total activity in international stock markets registered an increase, as a result of the international efforts to overcome the crisis, increased cross-border portfolio restructuring activity, the sustained momentum of efforts to privatize state-owned enterprises and the activity of large private equity funds and hedge fund, as well as the recuperation of corporate issuing activity. According to data from the World Federation of Exchanges (WFE), the total value of equity transactions in the regulated markets of its member-states increased by 11.9% in 2013. Transaction value growth was 39.1% higher in Asia (39.1%).*

*In 2013, listed company capitalization increased across all markets. According to data from the World Federation of Exchanges (WFE), at the end of 2013 total market capitalization, in local currency, increased by 27.4% y-o-y in the NYSE Euronext (US), by 32.8% in the NASDAQ OMX, by 4.2% in the BM&F BOVESPA stock exchange, by 9.6% in the TMX, by 9.6% in the Australian Securities Exchange, by 1.8% in the Bombay Stock Exchange, by 9.5% in the Hong-Kong Stock Exchange, by 3.2% in the Korea Exchange, by 4.7% in the Shanghai Stock Exchange, by 22.7% in the Shenzhen Stock Exchange, and by 58.7% in the Tokyo Stock Exchange. In Europe and the Middle East, total market capitalization, in local currency, increased by 76.1% in the Athens Stock Exchange, by 7.4% in Spain's BME exchange, by 24.6% in the Deutsche Börse, by 49.3% in the Irish Stock Exchange, by 25.2% in the Istanbul Stock Exchange, by 28.2% in the Johannesburg Stock Exchange, by 24.8% in the London Stock Exchange, by 22.0% in the European branch of the NASDAQ OMX Nord market, by 21.1% in the European branch of the NYSE Euronext market, by 19.2% in the Oslo Børs, by 25.2% in the Saudi Stock Exchange, by 21.4% in the SIX Swiss Exchange, by 16.9% in the Tel Aviv Stock Exchange, and by 6.2% in Austria's Wiener Börse.*

*In 2013, trading activity in global stock markets showed fluctuations. The value of stock transactions was significantly increased in most countries and reduced in others, while the total value of transactions to GDP ratio increased significantly almost everywhere. According to data from the World Federation of Exchanges (WFE), the value of stock transactions, in local currency, increased by 1.9% in the NYSE Euronext (US) exchange, decreased by 2% in the NASDAQ OMX exchange and increased in the BM & BOVESPA and the TMX exchanges by 2.7% and 4.5% respectively. In Europe and the Middle East, the value of stock transactions, in local currency, increased by 44.9% in the Athens Stock Exchange, by 1.5% in Spain's BME exchange, by 1.7% in the Deutsche Börse, by 51.9% in the Irish Stock Exchange, by 25.5% in the Istanbul Stock Exchange, by 21.4% in the Johannesburg Stock Exchange, by 1.1% in the London Stock Exchange, by 3.7% in the European branch of the NASDAQ OMX Nord market, by 2.4% in the European branch of the NYSE Euronext market, by 14.4% in the Oslo Børs, by 29.1% in the Saudi Stock Exchange, by 14.9% in the SIX Swiss Exchange, by 1.8% in the Tel Aviv Stock Exchange, and by 7.5% in Austria's Wiener Börse. In Asia, fluctuations were wider: the value of stock transactions increased by 1.8% in the Australian Securities Exchange, by 15.5% in the Bombay stock exchange, by 19.7% in the Hong-Kong Stock Exchange, by 17.2% in the Korea Exchange, by 39.8% in the Shanghai Stock Exchange, by 58.5% in the Shenzhen Stock Exchange, and by 122.7% in the Tokyo Stock Exchange.*

*In 2013, issuing activity in global stock markets also showed fluctuations. According to data from the World Federation of Exchanges (WFE), issuing activity, in regard to new securities, was the following: There were 123 new issues of stock through IPOs and 55 issues without IPOs in the NYSE Euronext (US) exchange, 116 (0) new issues in the NASDAQ OMX exchange, 10 (1) new issues in the BM & FBOVESPA and 96 (18) new issues in the TMX exchange. In Europe and the Middle East, there was 1 (0) new issue in the Athens Stock Exchange and 3 (120) issues in Spain's BME exchange.*

*On the international level, as estimated by Thomson Reuters/Freeman Consulting Co, issuing activity in international stock markets stood at US\$796.8 billion, the highest level since 2010, increased by 27% year-on-year. Issuing activity during the fourth quarter stood at US\$257.2 billion, increased by 73% as compared to the*

previous quarter and registering the strongest quarterly performance since the fourth quarter of 2010. Rights issues worldwide stood at US\$ 526.0 billion, increased by 17% year-on-year. Financial sector rights issues stood at US\$100.8 billion in 2013, representing 19% of total activity. Initial public offerings stood at US\$164.9 billion, increased by 40%, the strongest year-on-year increase worldwide since 2010.

Activity in the IPO market during the fourth quarter of 2013 reached US\$72.5 billion, almost three times the level for the third quarter of that year. Emerging market issuers raised US\$56.9 billion during 2013, accounting for 34% of the total value of IPOs during this period, as compared to 43% in 2012. US issuers raised US\$272.9 billion through international stock markets, registering a 13% increase. Issuers from China and the UK accounted for 10% and 6% of the total equity raised, respectively. There are four industries that account for 57% of total issuing activity worldwide. Led by the financial sector (20%), issuing activity was also concentrated on real estate (13%), energy (13%) and manufacturing (11%). Total fees for the provision of underwriting services increased by 34% year-on-year. It is estimated that Goldman Sachs earned US\$90.5 billion from 411 equity underwriting deals, increasing its market share by 2.3 percentage points in 2013.

In 2013, the total value of equity issues in the US stood at US\$278.5 billion from 1,056 deals, a 14.2% year-on-year increase in value and a 32.8% increase in the number of deals. Underwriting service provision fees stood at US\$ 8.8 billion, increased by 48.9% year-on-year. Equity offers by US-listed corporations accounted for almost 33% of issuing activity worldwide, while China and the UK accounted for 9% and 7% respectively. As far as the issuance of convertible bonds is concerned, the US showed the highest activity since 2008, with 130 deals of a total value of US\$42.6 billion, almost doubled as compared to 2012. Three out of the top-ten deals in the US during the fourth quarter involved the conversion of securities (SanDisk, NVIDIA and Yahoo!). The total value of initial public offerings in the US was the highest since 2008, with 201 deals of a total value of US\$57.1 billion, a 40.5% year-on-year increase in value and a 59.5% increase in the number of deals. Bank of America Merrill Lynch was the most important securities underwriter in the US, followed by Goldman Sachs and J.P. Morgan.

In 2013, the value of equities issued in Europe and the Middle East stood at US\$233.8, increased by 69.6% y-o-y. Estimated underwriter income stood at US\$ 3.1 billion, increased by 44.2% year-on-year. The value of equity public offerings amounted to US\$38.5 billion, from 168 offerings, a 47.4% y-o-y increase in the number of deals and 120.4% in terms of revenue. Estimated underwriter income from IPOs stood at US\$857.6 million, with the top-20 underwriters representing 67.8% of the total market. The value of issues of different types of equities stood at US\$30.5 billion, increased by 56.4% year-on-year, with the top-20 underwriters representing 92.9% of the market. The US\$9.9 billion rights issue by Barclays was the largest deal of 2013.

In 2013, the value of equities issued by means of rights issues and IPOs in Asia stood at US\$93.7 billion and US\$63.3 billion respectively, reduced by 9.9% and 4.9% y-o-y respectively. Equity IPOs in the Hong-Kong stock exchange originated from 97 Asian issuers and amounted to US\$17.2 billion, as compared to US\$7 billion in 2012. Equity issues by the financial services, manufacturing and consumer goods industries represented 62.4% of the total value of issues. Estimated underwriter income amounted to US\$2.4 billion from 1,329 public offerings, reduced by 3.3% year-on-year. The value of convertible securities issued in Asia amounted to US\$22.7 billion, from 63 deals, increased by 129.5% y-o-y.

On the international level, as estimated by Thomson Reuters/Freeman Consulting Co, issuing activity in fixed income markets stood at US\$5.6 trillion, reduced by 2% year-on-year and representing the most tepid performance since 2011. In the fourth quarter, activity in fixed-income security markets fell by 2% as



compared to the third quarter of the year, marking the slowest quarter as far as debt security issues are concerned.

In 2013, the public offerings of investment-grade corporate bonds in the US stood at US\$1 trillion, registering a slight year-on-year increase and an all-time record. US-based companies accounted for 64% of domestic issuing activity, representing an annual increase of 60%. Canada-based companies accounted for 5% of the US corporate debt market, followed by UK and Japanese companies, with 4% and 3% respectively.

In 2013, the total value of high-yield debt worldwide stood at US\$462 billion, registering an annual increase of 19% – this was the strongest annual performance since 1980. High-yield corporate bond issues by US companies represented 56% of global activity, as compared to 72% in the previous year. The value of issues by European companies more-than-doubled as compared to 2012.

Issuing activity in the US financial sector amounted to US\$2.6 trillion, representing 47% of total new issues for the year. The telecommunications and high-technology sectors saw the largest increases in activity, by 65% and 52% respectively.

In 2013, corporate bond issues in emerging markets amounted to US\$297.0 billion, reduced by 6% year-on-year. Almost 49% of total issuing activity in emerging markets originated from Russian, Indian and Mexican issuers.

In 2013, and based on existing estimates, J.P.Morgan was the number one corporate debt underwriter with total revenues of US\$1.8 billion, from the provision of underwriting services worth a total of US\$424.8 billion, accounting for 8.4% of total underwriter fees and suffering an annual market share loss of half a percentage point. Deutsche Bank remained second, with a market share of 6.8%. Estimated fees from the provision of corporate debt underwriting services stood at US\$21.9 billion, reduced by 2% year-on-year. Income from the provision of high-grade corporate bond underwriting services stood at US\$10.2 billion (47% of the total), while income from high-yield corporate debt underwriting stood at US\$6.4 billion (29% of the total), increased by 5% year-on-year. Deutsche Bank was the leader in the European market, with income of 280 million euros from the underwriting of corporate issues.

In 2013, the annual value of investment-grade corporate bonds in the US stood at US\$1.02 trillion, registering a slight year-on-year increase, despite the reduction in the number of deals (by 144), as issuers continued to benefit from low interest rates, in anticipation of their rise: the average coupon rate stood at 3.496%, registering a small annual increase of 0.9 basis points. The largest issue for the year was that of Verizon Communications, which, in September 2013, raised US\$49 billion to finance the US\$130.1 billion acquisition of the remaining 45% in the stock capital of Verizon Wireless Co from its partner, Vodafone – this was the third largest merger and acquisition deal in history. The second largest issue was that of Apple Co, which raised US\$17 billion in April. The third largest issue was that of EDF, which in April raised US\$8.2 billion on the basis of three different currencies.

In 2013, the value of asset-backed securities (ABSs) issued in the US amounted to US\$265.2 billion from 496 deals, registering an annual increase of 6.9% and representing the largest annual value since 2007. This increase is largely the result of the revival of the market for Credit Default Swaps (CDS), which accounted for 31% of the ABS value. High-yield corporate debt issues in the US increased by 2.8% year-on-year, raising US\$335.2 billion from 618 deals.

Issuing activity in the financial sector sustained an annual decrease by 14.7%, while the issuing activity of governments and state organizations remained more or less static, up by a mere 2.1% y-o-y. Issuing activity

increased by 75.4% y-o-y in the telecommunications sector and 55.5% in the high technology sector, while it was reduced by 29.1% in the health sector.

In 2013, the value of high-yield corporate bond issues worldwide stood at US\$462 billion, registering a substantial annual increase of 18.8%. European and Middle Eastern, as well as Asian, issuers dominated the market, as the annual increase in the value of securities issues stood at 122.7% and 23.6% respectively, while the value of issues in the US fell by 8.6%. On the international level, the average coupon on high-yield corporate debt stood to 7.1%, a historic low.

In 2013, the value of high-yield corporate bonds that are denominated in other currencies (except from the US dollar) rose to 83.6 billion euros, which is the highest value ever recorded and represents an annual increase of 107.4%. The euro was the dominant reference currency and the value of issues stood at 64.3 billion euros, registering a large annual increase of 112.2% and capturing a 76.9% share in the total market for high-yield securities denominated in other currencies. The largest issue was that of Anna, which in September 2013 raised a total of US\$6.5 billion and was also the second largest deal in history, following the US\$7.5 billion issue of Energy Future Holdings in 2007. This deal helped invigorate the international market for high-yield corporate securities of the telecoms sector, which registered a market share increase of 81.4%, while manufacturing sector issues also registered a substantial market share increase of 71.2%.

In 2013, the value of corporate bond issues in Asia in all three currencies –US dollar, euro, and yen– amounted to US\$142.8 billion from 285 deals, a record y-o-y increase of 6.5%. China was the top borrower, as it accounted for 28.9% of Asia's bond market share in these three currencies, followed by Hong-Kong and South Korea. The value of corporate bond issues in other local currencies in Asia amounted to US\$463.6 billion from 3,279 deals, marginally reduced on a y-o-y basis. The value of Chinese yuan-denominated corporate bond issues amounted to US\$276.6 billion from 1,543 deals, representing 59.7% of Asia's local currency-denominated bond market. The value of Chinese offshore yuan-denominated issues stood at 186.9 billion yuan, from 414 issues, increased by 24.1% year-on-year. Corporate bond underwriting fees in the Asian bond market, in all three currencies, are estimated at US\$746.2 billion, increased by 21.7% year-on-year.

In 2013, the value of yen-denominated corporate bonds stood at 17.8 trillion yen from 1,064 deals, registering an annual decrease of 6.7%. The value of issues by financial sector companies fell to the lowest level of the past ten years, at 5.1 trillion yen. In contrast, the value of issues by telecommunication sector companies increased by a factor of almost six as compared to the previous year and rose to 1.1 trillion yen, the highest level since 2002. The estimated income from yen-denominated corporate bond underwriting amounted to 63.9 billion yen, registering a small annual increase. Income from Samurai bond issues amounted to US\$1.7 trillion, reduced by 22.3% year-on-year, the lowest level since 2010, despite the increase in the number of deals by 9. Income from the issuance of Samurai bonds by European issuers fell by 12.6% y-o-y, albeit European issuers continue to dominate this market, with a share of almost 60%, followed by US and Asian issuers with market shares of 21.1% and 19.8% respectively.

On the international level, as estimated by Thomson Reuters / Freeman Consulting Co, in 2013, merger and acquisition (M&A) worldwide fell to US\$2.4 trillion reduced by 6% year-on-year and representing the weakest annual performance since 2009. Individual deals of more than US\$5 billion amounted to a total of US\$584.7 billion, representing one fourth of reported activity. This comprised 36,800 deals, reduced by 7% y-o-y and representing the weakest annual performance since 2005.

Cross-border M&A activity stood at US\$737.8 billion, accounting for 31% of total M&A activity and registering an annual decrease of 18%. M&A deals in emerging markets stood at US\$675.2 billion, registering an annual

decrease of 5% and representing 28% of reported M&A activity worldwide. Estimated advisor fees from the completion of mergers and acquisitions stood at US\$22.5 billion, reduced by 12% year-on-year. Advisor fees were the only part of investment banking services that suffered a two-digit percentage drop as compared to 2012.

In 2013, the energy sector showed the greatest activity, accounting for 15% of total M&A activity worldwide and followed by the real estate and telecommunications sectors, which accounted for 14% and 11% of total activity, respectively. The telecommunications and real estate sectors achieved high annual activity growth rates of 122% and 44%, respectively. The financial services and materials sectors saw their activity decrease by 40% and 32% respectively.

In 2013, the value of international M&A deals that were funded by private equity funds amounted to US\$374.3 billion. Private equity deals in the high technology, consumer goods and energy sectors accounted for 47% of total activity, increased by 30% year-on-year. The private equity funds used for M&A financing registered an annual increase of 22% and accounted for 16% of global M&A deals.

Total M&A activity in North America stood at US\$1.4 billions from 14,287 deals, reduced by 2.3% year-on-year. The estimated fees generated from the provision of advice for the completion of M&A deals stood at US\$15.3 billion, reduced by 13.1% year-on-year. Company mergers and acquisitions in the US generated income of US\$1.04 trillion, increased by 11.3% y-o-y. This sudden increase in the value of mergers and acquisitions is accompanied by a small reduction in the number of deals (by 47) and includes specific deals of high-value. Ten out of the fifteen largest M&A deals involve US companies and include the US\$130.1 billion deal concerning Verizon's acquisition of the remaining stake in Verizon Wireless from Vodafone. As a result of this deal, the telecoms sector became the leader in the US market for 2013, with a value of transaction amounting to US\$179.7 billion and representing a market share of 17%. The energy sector came second, with deals worth US\$143 billion and representing a market share of 13.8%. The high technology sector was the most active, with 1,458 deals, while the health sector was the second most active, with 592 fewer deals.

In 2013, the value of reported M&A deals in Europe and the Middle East stood at US\$977.8 billion, reduced by 14.5% y-o-y. The estimated fees generated from the provision of advice for the completion of M&A deals stood at US\$9 billion, reduced by 12.5% year-on-year. The telecoms sector showed the highest value of deals, with 330 deals worth a total of US\$202.2 billion. The increase in telecoms sector activity was largely the result of the Verizon/Vodafone deal. Activity in the energy sector stood at US\$146.2 billion, while in the financial sector stood at US\$111 billion. Despite the overall reduction of M&A activity in Europe and the Middle East, financial backers were more active this year. The financing of M&A bids stood at US\$108.3 billion, the highest level since 2008. The largest deal in this category was the US\$8.6 billion bid made for the acquisition of the Dutch coffee company D.E Master Blenders 1753 in March. The companies that are listed in the Paris-based Euronext exchange were the most aggressive bidders, with deals worth a total of US\$50.1 billion. The largest deal concerned the US\$19.3 billion bid made by Publicis for the acquisition of the US advertising agency Omnicom.

In 2013, the value of reported M&A deals in Asia stood at US\$459.9 billion, increased by 1.6% y-o-y. Energy sector companies was the most targeted, with total deals of US\$71.8 billion, generated by 651 transactions. Activity in the materials sector stood at US\$61.2 billion, while in the financial sector stood at US\$59.7 billion. The estimated fees generated from the provision of advice for the completion of M&A deals stood at US\$2.3 billion, reduced by 3.7% year-on-year. Goldman Sachs was the top underwriter with revenues of US\$169.4 million, followed by J.P.Morgan with US\$117.8 million and Morgan Stanley with US\$117.1 million. Total M&A

activity in China stood at IS\$100.3 billion, increased by 6.3% year-on-year. The energy sector was the leader in outbound M&As, representing 42.3% of the total market.

In 2013, reported M&A activity in Japan decreased by 24.6% to US\$134.9 billion. The number of deals slightly increased to 2,876. The value of outbound mergers and acquisitions was substantially reduced by 15.7% to US\$48.7 billion, compared to a record value of US\$83.3 billion in 2012. Inbound M&A activity decreased by 15.7%, with 609 deals, as compared to 722 deals in 2012. Although inbound activity remained slow during the first half of 2013, at approximately US\$15.2 billion, it picked up in the second half of the year, reaching US\$33.5 billion. US companies were the principal targets of Japanese acquiring firms, with total deals worth US\$99.2 billion, representing a market share of 38.3%. The largest outbound deal reported during the fourth quarter of the year was the US\$1.6 billion acquisition of ThyssenKrupp Steel by a syndicate of companies including Nippon Steel & Sumitomo Metal and ArcelorMittal. Despite the low value of only 109 inbound M&A deals in Japan, the lowest since 2001, the total accumulated value of transactions remained almost unchanged. The estimated fees generated from the provision of advice for the completion of M&A deals stood at US\$1.4 billion, reduced by 22.9% year-on-year.

On the international level, as estimated by Thomson Reuters / Freeman Consulting Co, in 2013, activity in the distressed debt and turnaround investing sector almost collapsed. The value of deals stood at US\$172.7 billion, reduced by 61.5% year-on-year, albeit the number of completed deals rose from 323 to 468 smaller-sized transactions. The largest completed deal was the US\$21.7 billion restructuring of the AMR company. Transactions in the US rose to US\$90.4 billion, increased by 29.4% y-o-y, with 129 completed restructuring deals as compared to 42 deals in 2012. The manufacturing sector accounted for 35% of the US debt restructuring market.

In 2013, the value of debt restructuring and turnaround investing deals in Europe and the Middle East stood at US\$65.8 billion, reduced by 81.9% y-o-y. This substantial drop in activity is the result of the US\$263.1 billion restructuring of Greece's sovereign debt in 2012. Manufacturing firms accounted for 27% of total debt restructuring and turnaround investing activity.

In 2013, the value of debt restructuring and turnaround investing deals in Asia (excluding Japan) stood at US\$24.1 billion, increased by 82.6% y-o-y. Debt restructuring activity in the energy and environment sector accounted for 44% of the total market, followed by the high technology and media sectors, which accounted for 22% and 14% of the market, respectively.

On the international level, as estimated by Thomson Reuters / Freeman Consulting Co, in 2013, the value of syndicated loans stood at US\$4.2 trillion, registering an annual increase of 29% and representing the most dynamic lending performance since 2007. Lending activity in the fourth quarter increased by 14% as compared to the third quarter of the year. Almost 9,500 lending deals were completed during 2013, increased by 10% year-on-year. Syndicated loans in North America accounted for 60% of the world's total, as lending in the region increased 36% year-on-year. In the US, the value of syndicated loans stood at US\$2.3 trillion, representing an annual increase of 40% and 54% of total value. In Europe, the value of syndicated loans represented 20% of the total, as lending activity rose by 26% y-o-y. In Asia, the value of syndicated loans rose by 39% y-o-y, while lending in Japan was reduced by 15%. The largest syndicated loans were those to Verizon Communications in the US, which received US\$61.0 billion for the acquisition of the remaining stake of Verizon Wireless; General Electric Capital Corp, which received US\$22.7 billion for own financing purposes; and Japan's Softbank, which received US\$19.9 billion in September, for own financing purposes. Lending to the energy sector stood at US\$770.5 billion, representing 18% of total loans, as compared to 20% in 2012. The

telecommunications and retail sectors saw the largest increases in lending, with y-o-y increases of 85% and 54% respectively. The energy & environment, manufacturing, financial services and materials together accounted for 55% of the total value of syndicated lending for the year.

The estimated fees generated from the provision of advice for the extension of syndicated loans worldwide stood at US\$17.6 billion, increased by 26% year-on-year. Loan leveraging fees registered an annual increase of 36% and represented 81% of total revenues during 2013. J.P. Morgan remained the market leader with fee income of US\$398.9 billion from 1,360 deals, albeit suffering an annual market share loss of 0.8 basis points. Bank of America Merrill Lynch came second, with income of US\$359.7 billion from 1,421 deals, representing 9.7% of total fee income.

## **The Greek Capital market**

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International developments had the same effect on the course of the Greek capital market, which in 2013 was marked by a substantial rise in stock market indices and increased trading activity in the markets of the Athens Stock Exchange (ATHEX), albeit lackluster issuing activity by new entrants. One of the highlights of the year was the recapitalization of Greek banks.

More specifically, the developments during 2013 were the following: The ATHEX Composite Share Price Index (GD/ATHEX) closed at the year's end at 928.77 units, registering a total annual gain of 23.53%. Prices showed limited volatility. The total annual value of transactions in the ATHEX rose to €21.31 billion from €12.93 billion in 2012 and €20.7 billion in 2011, increased by 64.81% year-on-year, as compared to a 36.07% increase in 2012, a 41.08% reduction in 2011 and a 1% reduction in 2010. At the end of 2013, the total market capitalization of ATHEX-listed companies stood at €6.51 billion as compared to €34.04 billion in 2012 and €26.64 billion in 2011, increased by 95% year-on-year, as compared to a 30.08% decrease in 2012 and a 50.6% decrease in 2011. In 2013, the market capitalization of ATHEX-listed companies was equivalent to 17.2% of Greece's GDP for the year, as compared to 17.3% in 2012, 12.5% in 2011, 8% in 2010, 28.5% in 2009 and 34.7% in 2008. Another important development was the classification of the Greek market in the emerging markets of the MSCI Index.

According to ATHEX data, the development of major market indices during 2013 was the following: In January, the Composite Index of the ATHEX closed at 986.76 units, increased by 8.7% as compared to the closing of December 31, 2012. The value of transactions stood at €1,560.94 million, increased by 61.3% as compared to the previous month, and by 45.2% year-on-year. The daily average value of transactions stood at €70.95 million, increased as compared to the previous month (€53.75 million) and on a year-on-year basis (€51.18 million). In January, the number of Active Shares stood at 41,304, as compared to 30,076 in the previous month and 38,239 in January 2012. In January 2013, 1,607 new investor accounts were created, as compared to 1,045 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €37.26 billion, increased by 8.2% on a monthly basis and by 19.1% year-on-year. The market capitalization of the stocks that comprise the FTSE/ATHEX 20 index rose to €27.79 bn, registering a monthly gain of 8.6%, while that of the FTSE/ATHEX Liquid Mid rose to €2.45 bn, registering a monthly gain of 6.5%. Foreign investors generated inflows of €27.60 million. These inflows originated from institutional investors (€43.71 million) and natural persons (€2.71 million), while the outflows originated from legal entities (€17.87 million), other legal entities (€0.93 million) and other foreign investors (€0.02 million). Greek investors were net sellers, with outflows of €25.13 million. These outflows originated from natural persons (€35.86 million), mutual funds (€11.27 million), financial institutions (€8.42 million), the public sector (€1.30 million), other private non-financial companies (€0.09 million) and other private financial firms (€0.06 million). The

inflows originated from companies (corporations, limited liability companies, general partnerships etc.) (€30.31 million), investment firms (€0.85 million), insurance companies and pension funds (€0.70million). The remaining €2.47 million, which appear as outflows of “other investor” capital, concerned accounts to which the responsible DSS Operators have not registered a tax residence. Foreign investors performed 31.5% of transactions, as compared to 31.9% in the previous month and 34.1% in the same month of the previous year. Greek private investors performed 43.6% of transactions, as compared to 40.7% in the previous month and 38.2% in the same month of the previous year. Greek institutional investors performed 20.1% of transactions, as compared to 24.4% in the previous month and 25.1% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month rose to 50.8% from 49.7% in the same month of the previous year, while that of Greek investors stood at 47.7% at the end of the month.

In February, the Composite Index of the Athens Stock Exchange closed at 1007.99 units, increased by 2.2% as compared to the closing of the previous month. The value of transactions stood at €1,180.35 million, reduced by 24.4% as compared to the previous month and by 29.9% year-on-year. The daily average value of transactions stood at €59.02 million, reduced as compared to the previous month (€70.95 million) and reduced year-on-year (€84.17 million). The number of Active Shares stood at 37,872, as compared to 41,304 in the previous month and 48,198 in the same month of the previous year. There were 1,571 new investor accounts, as compared to 1,607 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €38.18 billion, increased by 2.5% on a monthly basis and by 30.1% year-on-year. The market capitalization of the stocks that comprise the FTSE/ATHEX 20 index rose to €28.80 bn, registering a monthly gain of 3.7%, while that of the FTSE/ATHEX Liquid Mid fell to €2.38 bn (a loss of 2.9%). Foreign investors generated inflows of €42.08 million. These inflows originated from institutional investors (€48.50 million) and foreign natural persons (€1.59 million), while the outflows originated from foreign legal entities (€6.12 million) and other legal entities (€1.89 million). Greek investors were net sellers, with outflows of €43.55 million. These outflows originated from private investors (€31.73 million), financial institutions (€29.08 million), insurance companies and pension funds (€0.74 million), investment firms (€0.74 million), other private financial firms (€0.20 million), and other private non-financial companies (€0.14 million), while the inflows originated from companies (corporations, limited liability companies, general partnerships etc.) (€9.60 million), mutual funds (€6.45 million), and the public sector (€5.15 million). The remaining €4.47 million, which appear as inflows of “other investor” capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. Foreign investors performed 34.6% of transactions, as compared to 31.5% in the previous month and 24.8% in the same month of the previous year. Greek private investors performed 39.1% of transactions, as compared to 43.6% in the previous month and 50.2% in the same month of the previous year. Greek institutional investors performed 23.6% of transactions, as compared to 20.1% in the previous month and 22.7% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX increased on a monthly basis, reaching 51.5%. In the same month of the previous year the foreign investors' participation had stood at 49.7%. Greek investors held 47.1% of total share capitalization in the ATHEX.

In March, the Composite Index of the Athens Stock Exchange closed at 869.19 units, reduced by 13.77% as compared to the closing of the previous month. The value of transactions stood at €1,179.41 million, reduced by 0.1% as compared to the previous month, and increased by 5.9% year-on-year. The daily average value of transactions stood at €65.52 million, increased as compared to the previous month (€59.02 million) and as compared to the same month of the previous year (€50.60 million). The number of Active Shares stood at 35,841, as compared to 37,872 in the previous month and 35,458 in the same month of the previous year.

There were 1,378 new investor accounts, as compared to 1,571 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €33.11 billion, reduced by 13.3% as compared to the previous month, and increased by 15.8% year-on-year. Foreign investors generated inflows of €40.49 million. These inflows originated from foreign legal entities (€32.47 million), foreign institutional investors (€9.80 million), and other foreign investors (€0.01 million), while the outflows originated from foreign natural persons (€0.59 million), and other legal entities (€1.19 million). Greek investors were net sellers, with outflows of €40.08 million. These outflows originated from financial institutions (€34.78 million), mutual funds (€7.88 million), Greek private investors (€1.54 million), the public sector (€0.82 million), investment firms (€0.58 million) and other private non-financial companies (€0.03 million), while the inflows originated from insurance companies and pension funds (€3.90 million), companies (corporations, limited liability companies, general partnerships etc.) (€1.28 million), and other private financial companies (€0.37 million). The remaining €0.41 million, which appear as outflows of "other investor" capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. In March 2013, foreign investors performed 48.8% of transactions (as compared to 34.6% of transactions in the previous month, while in March 2012 they had performed 37.4% of transactions). Greek retail investors performed 29.0% of transactions in March 2013 (in the previous month they had performed 39.1% of transactions, while in the same month of the previous year they had performed 38.3% of transactions). Greek institutional investors (private financial firms) performed 20.6% of transactions in March 2013 (in the previous month they had performed 23.6% of transactions, while in the same month of the previous year they had performed 22.2% of transactions). The foreign investors' participation in the market capitalization of the ATHEX at the end of the month increased as compared to the previous month, reaching 53.2%. In the same month of the previous year the foreign investors' participation had stood at 50.8%. At the end of the month, Greek investors held 45.4% of total share capitalization in the ATHEX.

In April, the Composite Index of the Athens Stock Exchange closed at 974.09 units, increased by 12.07% as compared to the closing of the previous month. The value of transactions stood at €1,322.21 million in April, increased by 12.1% as compared to the trading activity of the previous month, which stood at €1,179.41. As compared to April 2012, when the value of transactions had stood at €486.88 million there was a rise of 171.6%. Similarly, the average daily value of transactions in April 2013 stood at €62.96 million, down from that of the previous month (€62.52 million) and increased as compared to that of the same month of the previous year (€28.64 million). In April 2013, the number of Active Shares stood at 45,120, as compared to 35,841 in the previous month (in April 2012 there were 22,954 Active Shares). 2,537 new investor accounts were created in April 2013, as compared to 1,378 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €37.16 billion. Compared to the capitalization of the previous month, which stood at €33.11 billion, there was a decrease of 12.2%, while as compared to the capitalization of the same month of the previous year, which stood at €27.88 billion, there was an increase of 33.3%. In April 2013, foreign investors generated inflows of €147.47 million. These inflows originated from institutional investors (€150.91 million) and other legal entities (€19.13 million), while the outflows originated from foreign private investors (€4.62 million) and legal entities (€17.95 million). Greek investors were net sellers, with outflows of €141.43 million. These outflows originated from other private financial companies (€0.28 million), the public sector (€2.76 million), insurance companies and pension funds (€3.83 million), financial institutions (€4.48 million), mutual funds (€20.53 million), Greek private investors (€101.03 million), and companies (corporations, limited liability companies, general partnerships etc.) (€8.93 million), while the inflows originated from investment firms (€0.42 million) The remaining €6.04 million, which appear as outflows of "other investor" capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. Foreign investors performed 42.6% of transactions, as compared to 48.8% in the

previous month and 33.6% in the same month of the previous year. Greek private investors performed 38.0% of transactions, as compared to 29.0% in the previous month and 40.2% in the same month of the previous year. Greek institutional investors performed 17.4% of transactions, as compared to 20.6% in the previous month and 23.8% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month rose to 52.3% from 52.0% in the same month of the previous year, while that of Greek investors stood at 46.3% of market capitalization in the ATHEX.

In May, the Composite Index of the Athens Stock Exchange closed at 1,014.53 units, increased by 4.15% as compared to the closing of the previous month. The value of transactions stood at €2,427.63 million, increased by 83.6% as compared to the previous month, and by 128.9% year-on-year. The daily average value of transactions stood at €127.77 million, increased as compared to the previous month (€62.96 million) and as compared to the same month of the previous year (€48.21 million). The number of Active Shares stood at 98,003, as compared to 45,120 in the previous month and 34,547 in the same month of the previous year. There were 5,238 new investor accounts, as compared to 2,537 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €37.08 billion, reduced by 0.2% as compared to the previous month, and increased by 73.0% year-on-year. Foreign investors generated inflows of €4.03 million. These inflows originated from institutional investors (€359.98 million) and other foreign investors (€0.03 million), while the outflows originated from legal entities (€3.21 million), foreign private investors (€5.56 million) and other legal entities (€26.74 million). Greek investors were net sellers, with outflows of €293.35 million. These outflows originated from Greek private investors (€192.56 million), financial institutions (€34.98 million), the public sector (€25.33 million), private non-financial companies (€19.94 million), mutual funds (€13.75 million), and insurance companies and pension funds (€8.89 million), while the inflows originated from investment firms (€1.96 million) and other private financial companies (€0.14 million). The remaining €31.14 million, which appear as outflows of "other investor" capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. In May 2013, foreign investors performed 41.1% of transactions (as compared to 42.6% of transactions in the previous month, while in March 2012 they had performed 56.6% of transactions). Greek private investors performed 42.0% of transactions in May 2013 (in the previous month they had performed 38.0% of transactions, while in the same month of the previous year they had performed 24.5% of transactions). Greek institutional investors performed 13.6% of transactions, as compared to 17.4% in the previous month and 17.4% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month rose to 53.2% from 53.3% in the same month of the previous year, while that of Greek investors stood at 45.5% of market capitalization in the ATHEX.

In June, the Composite Index of the Athens Stock Exchange closed at 847.57 units, reduced by 16.46% as compared to the closing of the previous month. The value of transactions stood at €1,231.10 million, reduced by 49.3% as compared to the previous month, and by 18.3% year-on-year. The daily average value of transactions stood at €64.79 million, reduced as compared to the previous month (€127.77 million) and increased as compared to the same month of the previous year (€52.04 million). The number of Active Shares stood at 84,940, as compared to 98,003 in the previous month and 39,628 in the same month of the previous year. There were 5,891 new investor accounts, as compared to 5,238 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €58.83 billion, increased by 58.7% as compared to the previous month, and by 139.9% year-on-year. Foreign investors generated inflows of €40.25 million. These inflows originated from legal entities (€40.49 million), institutional investors (€4.67 million), and natural persons (€1.59 million), while the outflows originated from other legal entities (€6.49 million), and other foreign investors (€0.01 million). Greek investors were net sellers, with outflows of €32.93



million. These outflows originated from private non-financial companies (€15.63 million), mutual funds (€11.98 million), the public sector (€11.71 million), investment firms (€1.34 million), and natural persons (€0.27 million), while the inflows originated from insurance companies and pension funds (€6.39 million), investment firms (€1.40 million) and other private financial companies (€0.21 million). The remaining €7.31 million, which appear as inflows of “other investor” capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. Foreign investors performed 45.3% of transactions, as compared to 41.1% in the previous month and 37.0% in the same month of the previous year. Greek private investors performed 33.7% of transactions, as compared to 42.0% in the previous month and 38.2% in the same month of the previous year. Greek institutional investors performed 17.3% of transactions, as compared to 13.6% in the previous month and 22.6% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month rose to 34.7% from 48.14% in the same month of the previous year, while that of Greek investors stood at 36.5% of market capitalization in the ATHEX.

In July, the Composite Index of the Athens Stock Exchange closed at 884.60 units, increased by 4.37% as compared to the closing of the previous month. The value of transactions stood at €951.47 million, reduced by 22.7% as compared to the previous month, and increased by 79.3% year-on-year. The daily average value of transactions stood at €41.37 million, reduced as compared to the previous month (€64.79 million) and increased as compared to the same month of the previous year (€24.12 million). The number of Active Shares stood at 27,045, as compared to 84,940 in the previous month and 24,086 in the same month of the previous year. There were 1,422 new investor accounts, as compared to 5,891 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €46.01 billion, reduced by 21.8% as compared to the previous month, and increased by 93.3% year-on-year. Foreign investors generated inflows of €59.63 million. These inflows originated from institutional investors (€45.57 million), other legal entities (€15.84 million) and natural persons (€5.07 million), while the inflows originated from other legal entities (€6.85 million), . Greek investors were net sellers, with outflows of €39.21 million. These outflows originated from natural persons (€19.51 million), other private non-financial companies (€16.89 million), the public sector (€7.09 million), financial institutions (€2.32 million), insurance companies and pension funds (€1.67 million), and other private financial firms (€0.08 million), while the inflows originated from mutual funds (€7.23 million) and investment firms (€1.12 million) . The remaining €20.42 million, which appear as outflows of “other investor” capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. Foreign investors performed 47.5% of transactions, as compared to 45.3% in the previous month and 33.0% in the same month of the previous year. Greek private investors performed 31.0% of transactions, as compared to 33.7% in the previous month and 44.9% in the same month of the previous year. Greek institutional investors performed 17.3% of transactions, the same percentage as in the previous month and as compared to 19.8% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month rose to 28.5% from 51.7% in the same month of the previous year, while that of Greek investors stood at 36.2% of market capitalization in the ATHEX.

In August, the Composite Index of the Athens Stock Exchange closed at 899.92 units, reduced by 1.73% as compared to the closing of the previous month. The value of transactions stood at €946.65 million, reduced by 0.5% as compared to the previous month, and increased by 96.1% year-on-year. The daily average value of transactions stood at €45.08 million, increased as compared to the previous month (€41.37 million) and as compared to the same month of the previous year (€21.94 million). The number of Active Shares stood at 24,951, as compared to 27,045 in the previous month and 20,025 in the same month of the previous year. There were 938 new investor accounts, as compared to 1,422 new investor accounts in the previous month.

The market capitalization of the ATHEX at the end of the month stood at €47.89 billion, increased by 4.1% as compared to the previous month, and by 89.6% year-on-year. Foreign investors generated inflows of €127.98 million. These inflows originated from institutional investors (€90.88 million), legal entities (€26.55 million) and other legal entities (€12.11 million), while the outflows originated from foreign private investors (€1.56 million). Greek investors were net sellers, with outflows of €115.09 million. These outflows originated from Greek private investors (€63.98 million), private non-financial companies (€22.77 million), financial institutions (€17.01 million), mutual funds (€5.11 million), the public sector (€4.92 million), investment firms (€1.50 million) and other private financial firms (€0.52 million), while the inflows originated from insurance companies and pension funds (€0.72 million). The remaining €12.89 million, which appear as outflows of “other investor” capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. Foreign investors performed 47.2% of transactions, as compared to 47.5% in the previous month and 35.2% in the same month of the previous year. Greek private investors performed 31.7% of transactions, as compared to 31.0% in the previous month and 34.8% in the same month of the previous year. Greek institutional investors performed 17.4% of transactions, as compared to 17.3% in the previous month and 23.7% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month rose to 27.7% from 51.5% in the same month of the previous year, while that of Greek investors stood at 34.2% of market capitalization in the ATHEX.

In September, the Composite Index of the Athens Stock Exchange closed at 1014.06 units, increased by 121.68% as compared to the closing of the previous month. The value of transactions stood at €1,323.67 million, increased by 39.8% as compared to the previous month, and increased by 4.6% year-on-year. The daily average value of transactions stood at €63.03 million, increased as compared to the previous month (€45.08 million) and marginally reduced as compared to the same month of the previous year (€63.30 million). The number of Active Shares stood at 29,044, as compared to 24,951 in the previous month and 35,999 in the same month of the previous year. There were 1,070 new investor accounts, as compared to 938 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €51.94 billion, increased by 8.5% as compared to the previous month, and by 83.4% year-on-year. Foreign investors generated inflows of €186.29 million. These inflows originated from institutional investors (€210.59 million) and other legal entities (€19.40 million), while the outflows originated from legal entities (€43.35 million) and foreign private investors (€0.35 million). Greek investors were net sellers, with outflows of €176.77 million. These outflows originated from Greek private investors (€113.86 million), financial institutions (€20.54 million), private non-financial companies (€19.41 million), mutual funds (€17.21 million), insurance companies and pension funds (€3.96 million), investment firms (€0.79 million), the public sector (€0.78 million), and other private financial companies (€0.22 million). The remaining €9.52 million, which appear as outflows of “other investor” capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. Foreign investors performed 48.0% of transactions, as compared to 47.2% in the previous month and 30.0% in the same month of the previous year. Greek private investors performed 30.7% of transactions, as compared to 31.7% in the previous month and 45.2% in the same month of the previous year. Greek institutional investors performed 19.0% of transactions, as compared to 17.4% in the previous month and 22.0% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month fell to 28.8% from 49.7% in the same month of the previous year, while that of Greek investors stood at 34.7% of market capitalization in the ATHEX.

In October, the Composite Index of the Athens Stock Exchange closed at 1188.17 units, increased by 17.17% as compared to the closing of the previous month. The value of transactions stood at €3,965.67 million, increased by 199.6% as compared to the previous month, and by 118.3% year-on-year. The daily average value of

transactions stood at €180.27 million, increased as compared to the previous month (€63.03 million) and as compared to the same month of the previous year (€78.99 million). The number of Active Shares stood at 40,633, as compared to 29,044 in the previous month and 42,932 in the same month of the previous year. There were 1,314 new investor accounts, as compared to 1,070 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €63.04 billion, increased by 21.4% as compared to the previous month, and by 105.9% year-on-year. Foreign investors generated inflows of €926.29 million. These inflows originated from foreign natural persons (€659.28 million) and institutional investors (€316.61 million), while the outflows originated from other legal entities (€47.77 million) and foreign private investors (€1.83 million). Greek investors were net sellers, with outflows of €883.26 million. These outflows originated from the public sector (€622.29 million), Greek private investors (€134.10 million), private non-financial companies (€80.92 million), financial institutions (€27.75 million), mutual funds (€16.47 million), and insurance companies and pension funds (€4.76 million), while the inflows originated from investment firms (€2.51 million) and other private financial companies (€0.52 million). The remaining €43.03 million, which appear as outflows of “other investor” capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. Foreign investors performed 60.0% of transactions, as compared to 48.0% in the previous month and 26.6% in the same month of the previous year. Greek private investors performed 19.1% of transactions, as compared to 30.7% in the previous month and 48.2% in the same month of the previous year. Greek institutional investors performed 10.5% of transactions, as compared to 19.0% in the previous month and 22.5% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month fell to 48.0% from 50.6% in the same month of the previous year, while that of Greek investors stood at 31.5% of market capitalization in the ATHEX.

In November, the Composite Index of the Athens Stock Exchange closed at 1195.68 units, increased by 0.63% as compared to the closing of the previous month. The value of transactions stood at €3.058,34 million, reduced by 22.9% as compared to the previous month, and increased by 118.2% year-on-year. The daily average value of transactions stood at €145.64 million, reduced as compared to the previous month (€180.27 million) and increased as compared to the same month of the previous year (€63.72 million). The number of Active Shares stood at 32,084 as compared to 40,633 in the previous month and 37,587 in the same month of the previous year. There were 1,206 new investor accounts, as compared to 1,314 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €63.67 billion, increased by 1.0% as compared to the previous month, and by 106.9% year-on-year. Foreign investors generated inflows of €232.36 million. These inflows originated from institutional investors (€367.80 million), while the outflows originated from legal entities (€86.99 million), other legal entities (€48.39 million) and private foreign investors (€0.07 million). Greek investors were net sellers, with outflows of €218.47 million. These outflows originated from Greek private investors (€84.40 million), mutual funds (€63.81 million), private non-financial companies (€52.02 million), financial institutions (€7.10 million), insurance companies and pension funds (€5.62 million), the public sector (€3.45 million), investment firms (€1.48 million), and other private financial companies (€0.59 million). The remaining €13.89 million, which appear as outflows of “other investor” capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. Foreign investors performed 68.1% of transactions, as compared to 60.0% in the previous month and 25.2% in the same month of the previous year. Greek private investors performed 17.9% of transactions, as compared to 19.1% in the previous month and 49.0% in the same month of the previous year. Greek institutional investors performed 11.9% of transactions, as compared to 10.5% in the previous month and 23.1% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month rose to 29.4% from 51.4% in the same month of the previous year, while that of Greek investors stood at 30.0% of market capitalization in the ATHEX.

*In December, the Composite Index of the Athens Stock Exchange closed at 1162.68 units, reduced by 2.76% as compared to the closing of the previous month. The value of transactions stood at €2.161,92 million, reduced by 29.3% as compared to the previous month, and increased by 123.5% year-on-year. The daily average value of transactions stood at €113.79 million, reduced as compared to the previous month (€145.64 million) and increased as compared to the same month of the previous year (€53.75 million). The number of Active Shares stood at 39,268, as compared to 32,084 in the previous month and 30,076 in the same month of the previous year. There were 1,195 new investor accounts, as compared to 1,206 new investor accounts in the previous month. The market capitalization of the ATHEX at the end of the month stood at €60.07 billion, reduced by 5.6% as compared to the previous month, albeit increased by 74.5% year-on-year. Foreign investors generated inflows of €176.95 million. These inflows originated from institutional investors (€145.21 million), legal entities (€25.62 million), other legal entities (€4.25 million) and private foreign investors (€1.87 million). Greek investors were net sellers, with outflows of €167.12 million. These outflows originated from Greek private investors (€173.16 million), insurance companies and pension funds (€5.66 million), the public sector (€4.08 million), investment firms (€1.01 million), and other private financial companies (€0.01 million), while the inflows originated from mutual funds (€8.32 million), financial institutions (€4.47 million) and private non-financial companies (€4.01 million). The remaining €9.83 million, which appear as inflows of “other investor” capital, concerned accounts to which the responsible DSS Operators have not registered a specific tax residence. Foreign investors performed 52.2% of transactions, as compared to 68.1% in the previous month and 31.9% in the same month of the previous year. Greek private investors performed 31.7% of transactions, as compared to 17.9% in the previous month and 40.7% in the same month of the previous year. Greek institutional investors performed 12.7% of transactions, as compared to 11.9% in the previous month and 24.4% in the same month of the previous year. The foreign investors' participation in the market capitalization of the ATHEX at the end of the month stood at 31.0% (including the participation of the HSFS and 49.06% excluding the participation of the HSFS) as compared to 50.1% in the same month of the previous year, while that of Greek investors stood at 30.2% of stock market capitalization (including the participation of the HSFS and 48.4% excluding the participation of the HSFS)*

*In 2014, the Greek capital market is expected to be affected by the unfolding of the fiscal crisis that has been hitting the country, the impact from the completion of the Greek banks' recapitalization programme, the efforts to restructure the capital of ATHEX-listed companies and its effects on investment fund flows.*

### ***The Institutional Framework and Supervision of the Capital Market***

*In 2013, both the supervisory authorities and the State reinforced the regulatory framework and the infrastructure for the supervision of the capital market, with new measures that protected the market from systemic risks, and phenomena of extreme behavior. The measures included improvements and extensions of the existing regulatory framework, on the basis of the new demands of the market and the substantial experience thus far accumulated. Investor protection and the quality of investment services were enhanced through prudential supervision measures, such as the enhancement of capital adequacy and company solvency regulations, the improvement of mutual fund classification and the maintenance of certification requirements for individuals involved in the distribution of mutual fund units, the granting of a license for the operation of a securities' and derivatives' clearing system and the approval of its rulebook. Transparency in the capital market was enhanced through measures aimed at improving the financial information provided by listed companies and the dissemination of trading information. The smooth operation and security of the capital market were enhanced by measures that rationalized the short-selling regime (through the cessation of short sales throughout the largest part of the year) in order to reduce uncertainty in markets through the*

containment of stock price fluctuations, and improved the operation of the dematerialized securities system. Market infrastructures and the security of transactions were reinforced through continuous improvements in the rulebook of ASE markets and the regulation for the clearing and settlement of transactions on securities and derivatives, as well as the dematerialized securities system, in a manner that enables the implementation of the provisions on Markets in Financial Instruments. A major development for the year was the enactment of Law 4141/2013 on new investment tools and the improvement of the lending system. Moreover, having obtained the consent of ESMA, the HCMC lifted the prohibition on short selling. The prohibition was gradual and had been imposed by the HCMC with the aim of maintaining market stability.

In 2013, the main priority of the HCMC was to keep on enforcing the law on markets in financial instruments, emphasizing on the prevention of market abuse practices. More specifically, the Hellenic Capital Market Commission continued to supervise the listed companies' compliance with transparency requirements through continuous interventions aimed at making companies provide timely, appropriate and sufficient information to investors thus avoiding situations of asymmetric information, which disrupt the smooth operation of the market. In the same vein, controls regarding the disclosure of financial data and information in the financial statements published by listed companies were continued with the aim of providing investors with complete information.

In 2013, the Hellenic Capital Market Commission continued the supervision of firms intermediating in the provision of investment services and mutual fund management firms. More specifically, the HCMC is closely monitoring licensed companies and performs regular on-the-spot and remote audits. It also performs ad hoc, sample risk-based audits. Special importance is attached to compliance with investor protection regulations and the monitoring of capital adequacy of supervised firms through monthly regular and ad hoc audits. Moreover, the Hellenic Capital Market Commission is monitoring compliance with the natural and legal person eligibility and transparency criteria for the provision of operating licenses to financial intermediaries.

The Hellenic Capital Market Commission monitors transactions executed in the Athens Stock Exchange and performs cross-checks and audits for preventing market abuse practices. The use of IT systems for monitoring and analyzing transactions in the ATHEX continued during 2013. Moreover, the Capital Market Commission is utilizing for supervisory purposes a multitude of data and information that are disclosed or made available to it. The supervisory action of the HCMC although not always manifest, especially when it is of a prudential, instead of suppressive, character, is decisively helping ensure the smooth operation of the market in a highly volatile environment.

### **International activities of the Hellenic Capital Market Commission**

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Being a national regulator, the Hellenic Capital Market Commission is endowed with the authority to conclude bilateral and multilateral agreements in the form of memoranda of understanding with other countries' regulatory authorities for the exchange of confidential information, and co-operation on issues related to the safeguarding of market stability. In the context of international relations development, members of the Commission's staff participated in numerous international conferences. In 2013, there was further supervisory co-operation with other countries' regulators, and the coordinating bodies continued their work for the improvement of co-operation between stock exchanges, clearing houses and regulators. The staff of the Hellenic Capital Market Commission had a great contribution to the discussions and the preparation of European Commission Directives related to the capital market, as well as similar initiatives of the European Securities and Markets Authority (ESMA), in the context of various working groups, whose results are decisive for pursuing market regulation and supervision policies at the domestic level. In addition, the Hellenic Capital

Market Commissions participates in the work of the International Organization of Securities Commissions (IOSCO), where regulation and supervision standards for security markets are established.

## THE EVOLUTION OF THE GREEK CAPITAL MARKET

### The stock market

#### The Composite Index of the Athens Stock Exchange

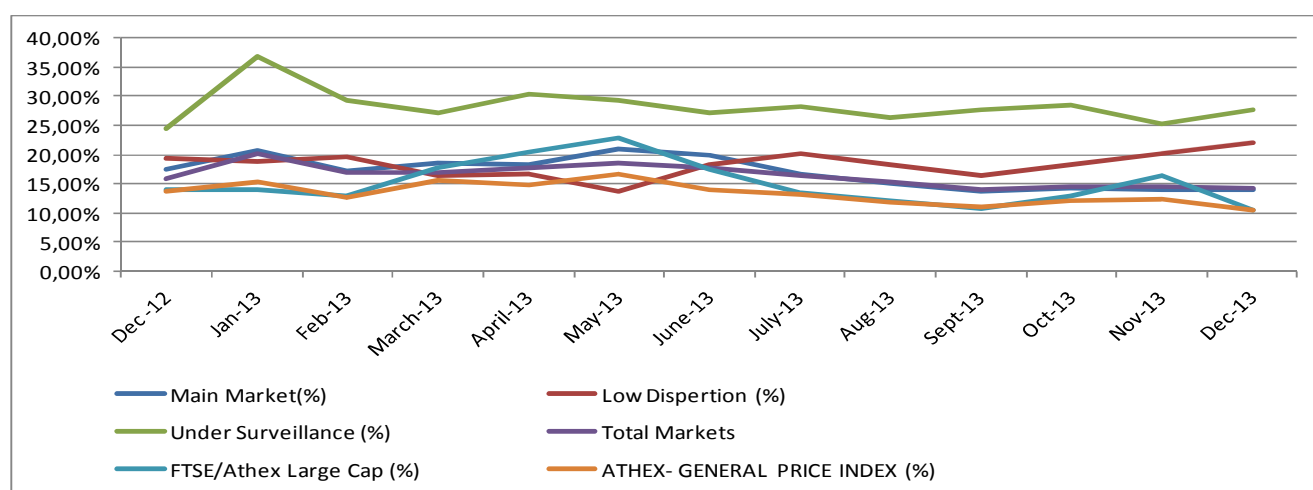
In 2013, the ATHEX Composite Share Price Index (GD/ATHEX) rose to levels higher than those of the previous year, showing signs of stabilization. At the end of the year, it closed at 1,162.68 units, registering a total annual gain of 28.06%. In September 2013, the GD broke the 1,000 unit barrier and reached 1,014.06 units, while its highest value for the year was 1,232.43 units and its lowest value was 788.81 units. Transactions in the Athens Stock Exchange increased substantially during the final quarter of the year. The annual return on investment, on the basis of the GD for the period 2006-2013 is shown on Table 3. Monthly volatility in the Athens Stock Exchange during 2013 is presented in Figure 2. The bid-ask spread and the time execution spread in relation to the value of transactions are shown in Figure 3.

**TABLE 3. Average Annual Change (%) of the ATHEX GD, 2006-2013**

	Placement Year								
	2006	2007	2008	2009	2010	2011	2012	2013	
Return Year	2007	17.9							
2008	-36.2	-65.5							
2009	-20.6	-34.9	22.9						
2010	-24.7	-35.1	-11	-35.6					
2011	-31.1	-39.8	-27.5	-44.3	-51.9				
2012	-79.3	-82.5	-49.2	-58.7	-35.8	33.4			
2013	-73.54	-77.54	-34.9	-47.05	-17.77	70.87	28.06		

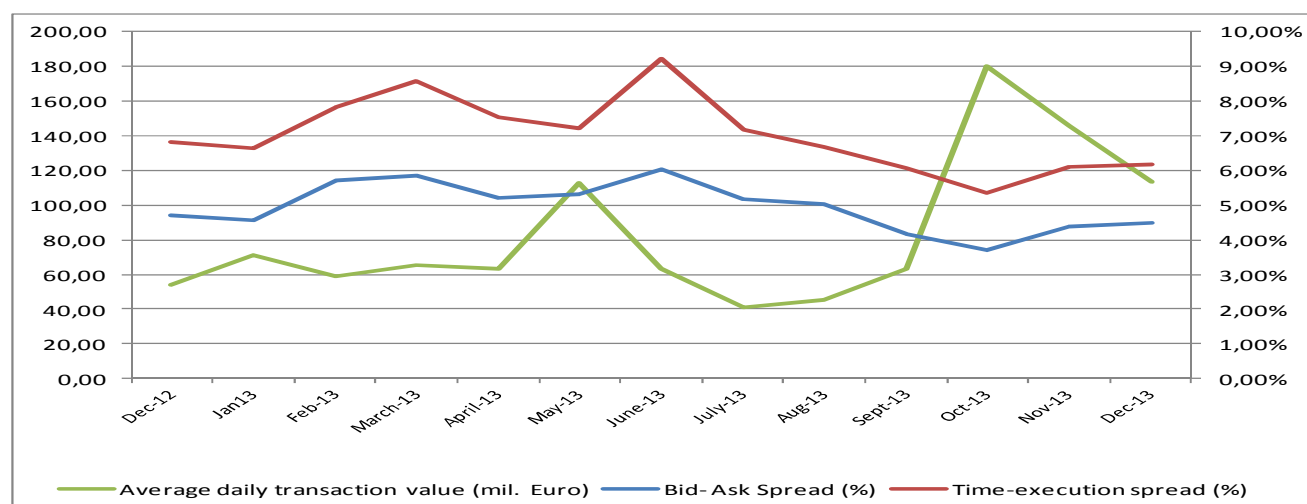
Note: The results are based on the following formula:  $AAY = (X_t / X_0)^{(1/t)} - 1$ , where AAY is the average annual yield and  $X_0$  and  $X_t$  represent the closing values of the ATHEX Composite Share Price Index at the year-base 0 and at the year t, respectively.

**FIGURE 2. Monthly volatility in the Athens Stock Exchange ,2013**



Source: ATHEX

**FIGURE 3. Bid-ask spread, time execution spread and daily value of transactions, 2013.**



Source: ATHEX

### Stock Exchange Indices

In 2013, the main stock market indices rose, excluding the FTSE/Athex-CSE Banking index. Year-end price comparisons point to a reduction in the values of the Banks, Industrial Goods and Health Care indices by -25.79%, -0.2% and -20% respectively, and an increase in the value of the indices for the Financial Services (+34%), Retail (+80%), Construction & Materials (+46%), Utilities (+65.8), Real Estate (+48%), Media (+113.27%), Telecommunications (+89.61%) and Travel & Leisure (+66.43) sectors. There is a marked shift of investor interest from traditionally dynamic to new sectors.

**TABLE 4. The Main Indices of the ATHEX Stock Market, 2013**

ASE indices	Closing price 31.12.2013	Annual change (%)
Composite Share Price Index	1,162.68	28%
FTSE/Athex Large Cap	384.84	24.27%
FTSE/Athex MID cap	1,166.81	2.97%
FTSE/Athex-CSE Banking	136.14	-19.38
Hellenic Mid & Small Cap Index	1,113.79	-
FTSE/ATHEX Global Traders Index Plus	1,550.85	24.33
FTSE/Athex Mid & Small Cap Factor-Weighted	1,279.09	3.23
FTSE/Athex Market index	923.79	25.27

Source: ATHEX

**TABLE 5. Sectoral price indices in the Athens Stock Exchange, FTSE/ATHEX, 2013**

Month	CSP Index / ATHEX	Banks	Fin. Services	Ind. Goods	Retail	Constr. & materials	U tilities	Real Estate	Health Care
Jan.	986.76	205.55	1,497.84	3,723.81	1,940.57	1,835.15	2,597.86	1,838.52	292.79
Feb.	1,007.93	171.89	1,415.29	3,737.57	1,883.2	1,942.21	2,775.09	1,826.84	305.32
Mar.	869.19	126.21	993.77	2,967.41	1,873.12	1,640.23	2,079.02	1,708.63	242.31
Apr.	974.09	139.77	1,263.78	3,671.01	2,245.62	1,882.24	2,727.61	1,872.72	252.06
May	1,014.53	236.15	1,329.12	3,427.49	2,372.84	1,838.53	2,818.58	1,898.30	254.14
Jun.	847.57	135.48	1,315.20	3,384.52	2,223.8	1,856.42	2,567.3	1,945.96	212.24
Jul.	884.6	124.61	1,346.2	3,437.20	2,497.63	1,886.98	2,814.32	1,890.31	213.37
Aug.	899.92	142.36	1,248.02	3,215.35	2,406.63	1,896.01	2,629.89	1,784.93	233.35
Sep.	1,014.06	149.58	1,497.81	3,703.19	2,714.22	2,319.53	3,155.01	2,022.74	240.91

Oct.	1,188.17	189.84	1,841.94	4,705.89	3,095.43	2,700.39	3,873.65	2,465.35	270.3
Nov.	1,195.68	198.71	1,830.58	3,452.59	3,243.34	2,865.27	3,833.84	2,268.65	254.94
Dec.	1,162.68	179.88	1,768.51	3,244.72	3,298.78	2,681.66	3,792.71	2,216.68	223.01
Max	1,195.68	205.55	1,841.94	4,705.89	3,298.78	2,865.27	3,873.65	2,465.35	305.32
Min.	847.57	124.61	993.77	2,967.41	1,873.12	1,640.23	2,079.02	1,708.63	212.24

Source: ATHEX

Note: The closing price refers to the last trading day of each month.

## Transaction Value

In 2013, the total value of transactions in the ATHEX stood at 21.31 billion euros, substantially increased by 53.7% year-on-year. Investor interest increased, assisted by improving international developments and the gradual reduction of uncertainty in the Greek capital market. The value of transactions was rather high in April-May and the three last months of the year. The average daily value of transactions on all stocks stood at 96.34 billion euros, of which 2.77% were executed by market makers and 28.6 million euros concerned transactions on options for the entire year.

**TABLE 6. Value of Transactions in the ATHEX (€ mn), 2013**

Month	Main market	Low Dispersion	Under Probation	To be de-listed	Exchange Traded Funds	Suspension	Warrants	Grand total
Jan.	1,553.68	2.9	2.61	0.01	1.39			1,560.59
Feb.	1,175.49	2.87	1.17	0.03	0.51			1,180.07
Mar.	1,175.52	1.56	0.56	0.01	1.7			1,179.35
April	1,297.58	22.07	0.84	0.02	1.56	0.12		1,322.19
May	2,378.81	46.87	1.36	0.02	0.54			2,427.60
Jun.	1,101.75	7.31	1.09	0.00	0.31		120.44	1,230.90
Jul.	824.71	0.87	4.56	0.00	0.19		121.12	951.45
Aug.	840.66	0.98	1.16	0.00	0.40		103.34	946.54
Sep.	1,225.26	0.96	0.77	0.00	0.92		95.73	1,323.64
Oct.	3,528.9	2.85	0.74	0.00	1.84		431.5	3,965.83
Nov.	2,876.02	2.29	1.82	0.00	0.34		177.46	3,057.93
Dec.	1,819.00	4.84	13.02	0.00	0.69		324.28	2,161.83
Total	19,797.37	96.36	29.69	0.10	10.4	0.12	1,373.88	21,307.92

Source: ATHEX

**TABLE 7. Monthly average turnover velocity, 2013**

Month	Main market	Low Dispersion	Probation	Total markets
Jan.	0.19	0.007	0.0273	0.17
Feb.	0.16	0.039	0.0151	0.14
Mar.	0.18	0.004	0.0094	0.16
April	0.21	0.048	0.0117	0.15
May	0.28	0.022	0.0177	0.22
Jun.	0.10	0.003	0.0118	0.08
Jul.	0.07	0.002	0.0090	0.07
Aug.	0.07	0.002	0.0047	0.07
Sep.	0.09	0.002	0.0111	0.09
Oct.	0.16	0.006	0.0109	0.16
Nov.	0.18	0.004	0.0112	0.17
Dec.	0.13	0.012	0.0108	0.13

Source: ATHEX

Note: The average monthly turnover velocity is calculated as the average daily value of transactions divided by the average market capitalization of each month.



The largest value of transactions, at years' end, concerned the following ten ATHEX-listed companies: HELLENIC TELECOM ORG, ALPHA BANK (CR & W), PIRAEUS BANK, PPC, NATIONAL BANK, JUMBO, FOLLI-FOLLIE, MYTILINEOS HOLDINGS. Moreover, the 10 stocks with the largest tradability by the end of 2013 were those of FORTHNET, EUROPEAN RELIANCE, NATIONAL BANK, ALPHA BANK, MLS MULTIMEDIA, DIONIC, FOURLIS, HELLENIC EXCHANGES, QUALITY & RELIABILITY and INFORM LYKOS.

### Market Capitalization of Listed Companies

By the end of 2013, the total market capitalization of ATHEX-listed shares stood at 66,514.89 million euros, almost double than the corresponding value at the end of 2012, i.e. 33,739.32 million euros (excluding exchange traded funds). This increase in total market capitalization in 2013 was mainly the result of the spectacular rise in stock prices, given that very few new companies were listed in the stock exchange. In December 2013, the market capitalization of main market stocks amounted to 64,127.57 million euros, as compared to 31,561.3 million in 2012, accounting for 96.41% of the total market capitalization of ATHEX-listed stocks. The market capitalization of the low dispersion and under probation category fell to 1,928.55 million euros at the end of 2013 from 2,170.9 million euros at the end of 2012, and accounted for 2.9% of total market capitalization, as compared to 5.2% in 2012. The ratio of the total market capitalization to Greece's GDP stood at 36.6 at the end of 2013, as compared to 17.31 in 2012 and 14.1 in 2011

The ten largest companies of the Athens Stock Exchange, based on their market capitalization at the end of 2013, were the following: National Bank of Greece (13.68%), Piraeus Bank (11.51%), Coca Cola HBC AG (11.41%), Alpha Bank (10.22%), Hellenic Telecommunication Organization (7%), Greek Organization of Football Prognostics (4.57%), Eurobank Ergasias (4.48%), Public Power Corporation (3.72%), Hellenic Petroleum (3.44%) and Titan Cement Company (2.36%). These top-ten shares in terms of market capitalization as at 31.12.2012 accounted for 72.42% of total market capitalization, as compared to 57.09% at the end of 2012 and 58.11% at the end of 2011, and their value stood at 48.8 billion euros at the end of 2013, as compared to 19.3 billion euros in 2012 and 15.6 billion euros at the end of 2011.

**TABLE 8. Market Capitalization of ATHEX-Listed Companies (€ mn), 2013.**

Month	Main market	Low Dispersion	Probation	To be de-listed	Grand total
Jan.	34,230.73	1,857.24	418.28	6.20	36,512.46
Feb.	35,127.86	1,960.02	360.54	6.45	37,454.88
Mar.	29,778.06	1,894.44	298.09	6.47	31,977.06
April	32,992.9	9,131.38	349.38	6.33	42,480.02
May	51,681.34	9,903.28	364.73	1.67	61,951.01
Jun.	53,819.87	2,093.52	338.79	3.86	56,256.05
Jul.	49,681.43	1,880.93	332.9	3.23	51,898.49
Aug.	51,882.72	1,902.29	318.94	2.43	54,106.39
Sep.	56,322.30	1,963.58	331.47	2.45	58,619.8
Oct.	66,890.65	2,346.89	306.62	2.47	69,546.63
Nov.	67,031.11	2,414.86	348.26	2.49	69,796.72
Dec.	64,127.57	1,928.55	456.34	2.44	66,514.89

Source: ATHEX.

Note : The market capitalization of ATHEX-listed shares refers to the last trading day of each month.

**TABLE 9. ATHEX cumulative data, Dec. 2013.**

Year	Market Capitalization of ATHEX-listed shares (€ million)	ATHEX Composite Share Price Index	Number of ATHEX-listed companies	ATHEX market capitalization (% of GDP)	EU market capitalization (% of GDP)
2013	66,514.89	1162.68	251	36.6	-
2012	33,766.01	907.90	265	17.3	60.9
2011	26,783.43	680.42	242	14.1	56.9
2010	53,958.39	1413.94	258	21.9	70.7
2009	83,447.43	2196.16	270	33.4	66.1
2008	68,121.25	1786.51	280	27.3	46.3
2007	195,502.47	5178.83	295	79.8	89.2
2006	157,928.71	4394.13	303	72.0	91.2

Source: ATHEX

### Net profits and Dividends of ASE-Listed Companies

The financial results of ATHEX-listed companies reflect the impact of the recession that has hit the Greek economy, along with reduced demand and scarce liquidity. At the end of 2013, the weighted price to after tax earnings ratio (P/E) for the entire market stood at 23.3 as compared to 17.5 in 2012, 14.7 in 2011 and 21.4 in 2010 (Table 10). The weighted dividend yield of all ATHEX-listed companies stood at 2.4 as compared to 6.3 in 2012, 9.2 in 2011 and 5.4 in 2010. As far as Banks, a sector which was severely hit by the recapitalization exercise, is concerned, the weighted after-tax P/E ratio stood at very low levels, as compared to almost 17.5 in 2012, 14.7 in 2011 and 12.9 in 2010, while the weighted dividend yield of the sector stood at 3.6, as compared to 5 in 2012, 16.2 in 2011 and 5.6 in 2010.

**TABLE 10. Price to Earnings (P/E) ratio and listed company returns, 2002-13**

End of year	Weighted P/E (after taxes)	Weighted Profit Distribution Rate
2013	23.3	2.4
2012	17.5	6.3
2011	14.7	9.2
2010	21.4	5.4
2009	21.7	5.4
2008	12.5	7.3
2007	27.7	2.9
2006	30.5	2.4
2005	29.4	3.6
2004	26.7	4.0
2003	28.0	4.8
2002	22.6	6.3

Source: ATHEX.

### The Fixed-income securities market

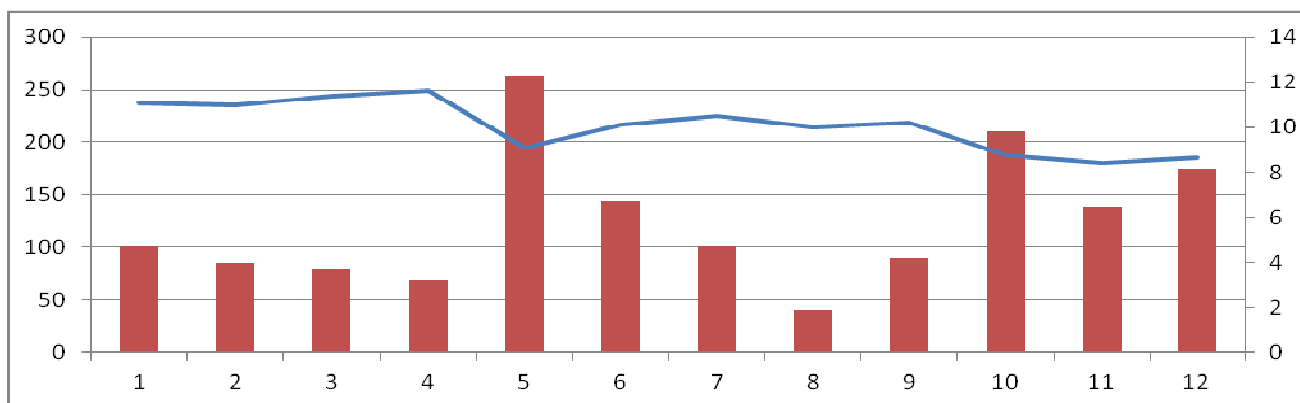
The year 2013 was another year of limited trading activity in the Greek government securities market, as compared to the trading data concerning the period before the fiscal crisis, while the issuance of new Greek government bonds remained nil. The value of transactions in the Electronic Secondary Government Bonds Market (IDAT) amounted to 1.497 as compared to 680 million euros in 2012, and 5,175 million euros in 2011. The highest value of transactions was observed in May (18% of the total). Transactions in IDAT were

concentrated by 53% on securities with maturities of 15-30 years, and 31% concentrated on maturities of 10-15 years, while the remainder concerned Greek Treasury Bills and shorter-term securities (Q3 2013 data).

Trading activity in the IDAT reflects the general developments regarding the public debt. Central Government debt rose to 321.8 billion euros at the end of September 2013 from 305.5 billion euros at the end of 2012 and its makeup reflects the increase of the ratio of non-marketable (loans) to marketable debt (bonds and short-term securities). The ratio of non-marketable debt rose to 71.7% at the end of September from 65.7% at the end of the previous year, reflecting the increase of borrowing from the Support Mechanism, which, at the end of September 2013, amounted to 213.8 billion euros, accounting for 66.5% of the total outstanding debt of the Central Government. New borrowing during the first nine months of 2013 originated by 50% from issues of Greek Treasury Bills, while the remainder consists by 10.7% of loans extended by the International Monetary Fund and by 39.8% of loans extended through the European Financial Stability Fund. These changes in the composition of the debt were combined with the elongation of its average-weighted duration. It is worth noting that in 2011 this duration stood at only 2.36 years, in 2012 it was extended to 16.53 years, while in 2013 it increased even further. Figure 4 below, presents the yield on the 10-year reference bond, which, although remaining at high levels, showed a marginal decrease during 2013.

Finally, the corporate bond market of the ATHEX suffered a substantial drop in trading activity during 2013. The value of trades on corporate bonds in the ATHEX stood to a mere 0.52 million euros, as compared to 7.76 million euros in 2012.

**FIGURE 4. 10-year Greek Government Bond yield and Value of transaction in IDAT (€ mn), 2013.**



Source: Bank of Greece

## The Derivatives Market

In 2013, the derivatives market of the ATHEX saw a drop in trading activity, a decrease in the market share of stock futures as compared to the other derivative products and a decrease in the participation of private clients versus that of market makers.

The average daily volume of trading in stock and index futures and options stood at 37,419 contracts, as compared to 59,585 contracts in 2012 and 41,558 contracts in 2011, reduced by 37.20% year-on-year, as compared to a 43.38% increase in 2012. There was also a drop in the average daily volume of trading in stock futures (48.27%), options on the FTSE/ATHEX Large Cap index (11.93%) and stock options (47.92%). In contrast, there was a 53.60% increase in the average daily volume of trading in futures on the FTSE/ATHEX Large Cap index, as compared to a 37.86% decrease in 2012. Following these developments, the share of stock futures in the average daily volume of trading in all derivative products stood at 72.42% (as compared to

87.94% in 2012 and 72.41% in 2011), while the share of futures on the FTSE/ATHEX Large Cap index stood at 25.25% (as compared to 10.31% in 2012). The largest average daily trading volume was that of the stock futures for the National Bank of Greece (5,226 contracts), while the largest percentage increase of average daily trading volume was that of stock futures for VIOHALKO (280%).

The average daily volume of trading in Stock Repos continued to fall, and was reduced to 1,901 contracts from 2,027 contracts in 2012, while in the case of Stock Reverse Repos it fell to 1,390 contracts from 2,196 contracts in 2012. In contrast, the average daily volume of trading in Repurchase Agreements rose to 860 contracts from 547 contracts in 2012.

The number of end investor-client accounts fell to 34,406, reduced by almost 20% year-on-year (from 42,939 at the end of 2012)(Table 11). Moreover, the average monthly number of accounts that actually traded in 2013 fell at a lower pace, and was reduced to 2,565 from 2,658 in 2012, increasing the relevant ratio on the total number of investor-client accounts to 7.4% from 6.19 in 2012 and 7.69% in 2011. The ratio of market maker to client transaction value for all the products traded in the derivatives market was 47:53, as compared to 44:56 in 2012, and 47:53 in 2011. Private client participation in the derivatives market during 2013 was larger in the case of stock futures, where the relevant ratio was 36:64 as compared to 35:65 in 2012 and 43:57 in 2011 (Table 12).

**TABLE 11. Intermediation Agencies in the derivatives market, 2009-2013**

	Dec. 2013	Dec. 2012	Dec. 2011	Dec. 2010	Dec. 2009
Trading Members	38	41	43	47	50
New members per year		2	0	0	0
Member mergers and deletions	-1	-4	-4	-3	-4
Clearing Members	22	26	29	32	31
New members per year		0	0	2	0
Member mergers and deletions	-1	-3	-3	-1	-3
- Direct Clearing Members	13	15	17	20	19
- General Clearing Members	9	11	12	12	12
Transaction terminals	250	259	273	292	295
API use agreements	29	31	34	35	35
Client Accounts	34,406	42,939	42,156	40,780	39,237
Products	30	40	34	33	32

Source: ATHEX.

**TABLE 12. Distribution of Contracts in the Derivatives market, 2011-2013**

Derivative financial products	Distribution of Contracts					
	Average 2013		Average 2012		Average 2011	
	MM	Clients	MM	Clients	MM	Clients
FTSE/ATHEX LARGE CAP futures <sup>1</sup>	41.38%	58.62%	43.41%	56.59%	45.62%	54.38%
FTSE/ATHEX-CSE futures	50%	50%	50%	50%	49%	51%
FTSE/ATHEX LARGE CAP options <sup>1</sup>	48.43%	51.57%	45.28%	54.72%	47.23%	52.77%
Stock futures	35.87%	64.13%	35.46%	64.54%	43.48%	56.52%
Stock options	57.29%	42.71%	49.98%	50.02%	49.22%	50.78%
TOTAL PRODUCTS	46.59%	53.41%	43.54%	56.46%	46.91%	53.09%

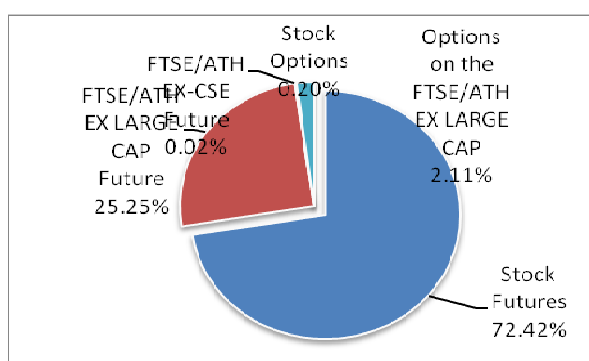
Source: ATHEX

Note 1: The FTSE/ATHEX 20 index was renamed to FTSE/ATHEX LARGE CAP after the close of the trading session on the last Friday of November 2012 and the number of stocks it comprises rose from 20 to 25.

The ratio of the value of transactions in the derivatives market to the value of transactions in the underlying transferable securities market of the ATHEX showed signs of reversing its year-on-year decline, which were combined with intense monthly fluctuations. More specifically, the average value of the ratio of the total value of derivative products to the underlying stocks fell to 26.5% in 2013 from 28% in 2012 and 59% in 2011. The average ratio of the value of transactions on futures and options on the FTSE/ATHEX Large Cap index to the total value of trading in stocks stood at approximately 28%, as compared to 20% in 2012 and 40% in 2011, while the average ratio of transactions on stock futures and options fell back to 2010 levels (10%), following a rise in 2012 (16%) and 2011 (12%) (Table 13).

The call:put ratio concerning trading in options on the FTSE/ATHEX Large Cap index, was in favor of call options, with the exception of November. The ratio showed intense monthly fluctuations (maximum value: 2.59 in February; minimum value: 0.96 in November) with an average value of 1.86 as compared to 2.53 in 2012 and 1.78 in 2011. The annual value of the ratio (total volume of call options to total volume of put options for 2013) fell to 1.74 from 2.35 in 2012 and 1.79 in 2011.

**FIGURE 5. Distribution of the Volume of Transactions in the derivatives market per product, 2013**



**TABLE 13. Value of transactions in the derivatives market and the underlying securities market, 2013**

Month / Year	Value of transactions on index futures to value of transactions on stocks (%)	Value of transactions on derivative products to value of transactions on stocks (%)	FTSE/ATHEX LARGE CAP: value of transactions on futures and options to the value of transactions on stocks (%)	Value of transactions on stock futures and options to value of transactions on stocks (%)
Jan. 2013	81	33	17	15
Feb. 2013	82	34	23	16
Mar. 2013	79	25	33	19
April 2013	85	3	18	10
May 2013	94	3	15	5
Jun. 2013	85	24	50	12
Jul. 2013	83	40	42	7
Aug. 2013	85	43	43	7
Sep. 2013	86	42	36	11
Oct. 2013	86	18	16	5
Nov. 2013	91	22	18	5
Dec. 2013	79	31	28	9
Avg. 2013	85	27	28	10
Average 2012	93	28	20	16
Average 2011	90	59	40	12
Average 2010	90	82	50	10

Source: ATHEX.

## CORPORATE SECURITY ISSUES

In 2013, issuing activity was substantially increased, mainly due to the issues of corporate securities by banks, as part of the restructuring and stabilization of the financial system. More specifically, there were 21 share capital increases by companies listed in the Athens Stock Exchange as compared to 5 in 2012, as well as 4 public offerings of securities that were not-listed for trading in the ATHEX. In addition, there were 4 issues of convertible bonds. Total funds raised through the public offering of stock, with, or without listing in the ATHEX, stood at 30.02 billion euros, as compared to 105.5 million in 2012. The funds raised through the issue of convertible bonds amounted to 832.74 million euros, of which 764 million euros concerned the banking sector.

### Share issues

In 2013, there were 21 share capital increases by companies listed in the ATHEX, through the public offering of stock, five of which concerned the recapitalization of the four systemic banks, with the Hellenic Financial Stability Fund being the beneficiary/co-beneficiary. The funds raised amounted to 30 billion euros, of which 28.9 billion euros concerned the share capital increases of the systemic banks. There were also four public offerings of shares that were not-listed for trading in the ASE. These offerings were made by the Cooperative Banks of Ipiros, Evia, Peloponnesus and Serres. The funds raised amounted to 16.8 million euros. Finally, no company proceeded to the initial public offering of stock for trading in the ATHEX.

**TABLE 14. Funds raised through stock issues, 2013**

No	Company	Trading category	Funds raised (€)
1	DOL SA	Probation	7,003,125.00
2	PEGASUS PUBLISHING SA	Probation	9,375,000.00
3	ALPHA TRUST ANDROMEDA	Main market	3,583,200.00
4	ALPHA BANK	Main market	4,571,000,000.00
5	NATIONAL BANK OF GREECE	Main market	9,755,999,999.46
6	ATTIKA BANK	Main market	199,406,822.10
7	PIRAEUS BANK	Main market	8,428,999,999.80
8	EFG EUROBANK	Main market	5,839,000,000.00
9	VARVARESSOS SA	Probation	1,823,504.70
10	MIG REAL ESTATE REIC	Main market	5,202,000.00
11	EFG EUROBANK	Main market	317,126,627.19
12	TELETYPOS SA	Probation	15,118,950.00
13	MINOAN LINES	Low Dispersion	50,534,775.00
14	LOULIS MILLS SA	Main market	7,777,781.05
15	EFG EUROBANK	Main market	681,000,000.00
16	DIONIC SA	Main market	1,899,151.20
17	FORTHNET SA	Probation	29,143,372.50
18	SATO SA	Probation	19,752,967.50
19	EUROCONSULTANTS SA	Main market	795,990.00
20	GEK TERNA SA	Main market	21,449,200.00
21	ATHENA SA	Low Dispersion	33,400,000.00
22	COOPERATIVE BANK OF EVIA	W/O LISTING IN THE ATHEX	166,560.00
23	COOPERATIVE BANK OF IPIROS	W/O LISTING IN THE ATHEX	4,095,840.00
24	COOPERATIVE BANK OF PELOPONNESUS	W/O LISTING IN THE ATHEX	10,733,005.00
25	COOPERATIVE BANK OF SERRES	W/O LISTING IN THE ATHEX	1,818,284.40
	GRAND TOTAL		30,016,206,154.90

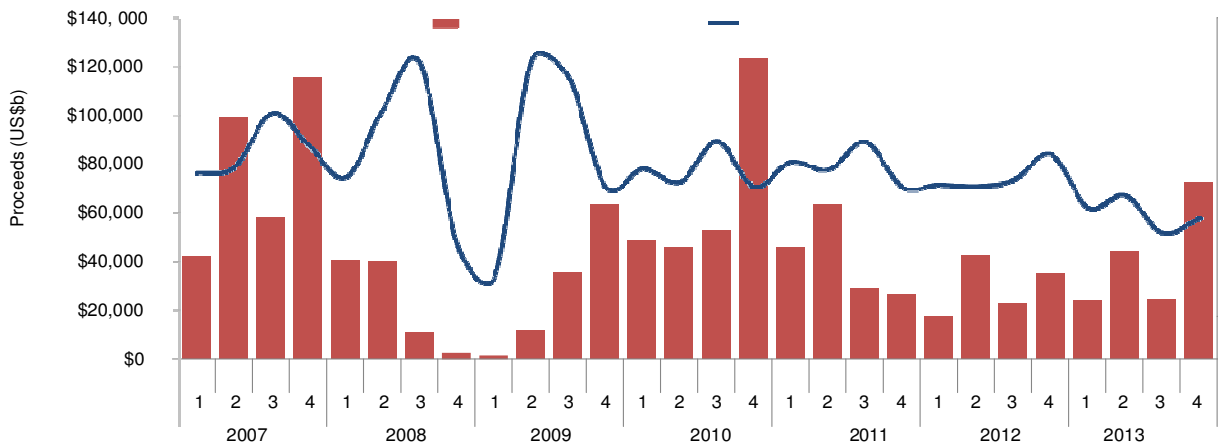
Source: HCMC

**TABLE 15. Share issues through initial public offerings 2002-2013**

Year	IPOs		
	Number	Amount (€ mn)	% of total
2013	0	-	-
2012	0	-	-
2011	0	-	-
2010	0	-	-
2009	1	10	0.1
2008	0	0	-
2007	4	500.73	100
2006	2	725.25	100
2005	7	81.9	6
2004	10	95.4	100
2003	14	118.4	8.1
2002	18	92.5	9.6

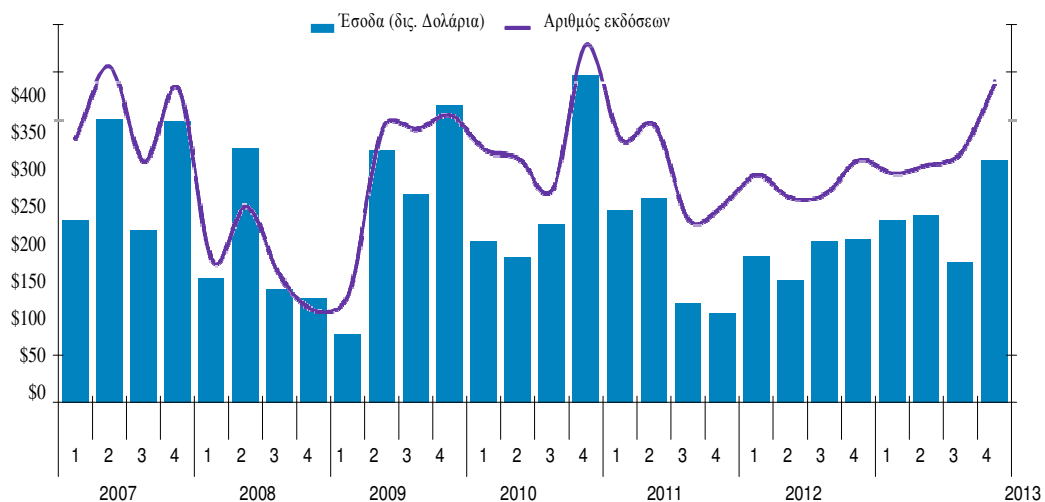
Source: HCMC

**TABLE 16. Value and number of initial public offerings worldwide, 2007-2013**



Source: Thomson Reuters

**FIGURE 6. Value and number of public offerings of stock worldwide, 2007-2013**

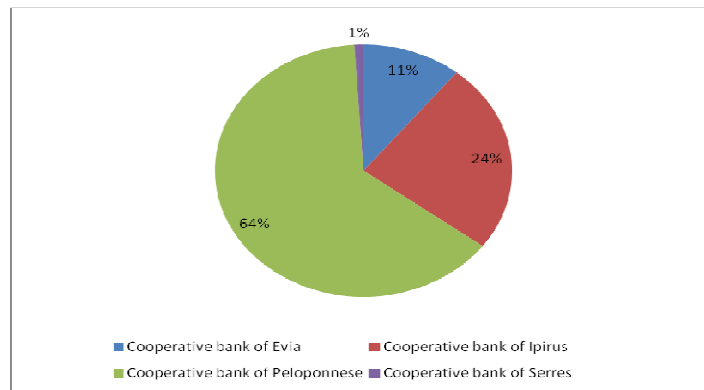


**TABLE 17. Share Capital Increases by ATHEX-listed companies, 2009-2013.**

Year	Number of Share Capital Increases	Total Funds Raised (€ mn)
2013	21	29,999.39
2012	5	38.20
2011	14	2,984.00
2010	17	2,417.00
2009	21	4,664.00

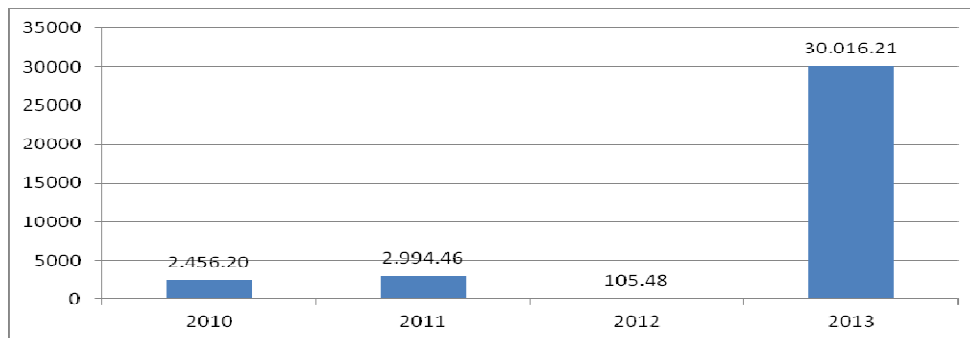
Source: HCMC

**FIGURE 7. Public offering of shares without listing, 2013 (€)**

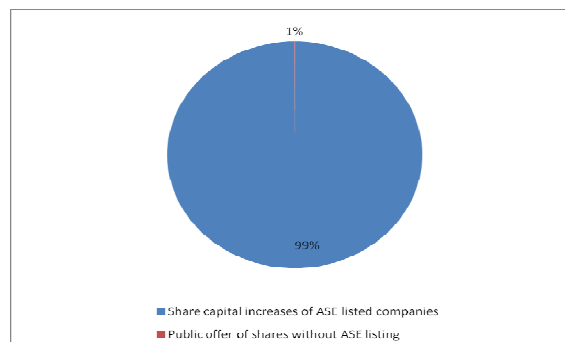


Source: HCMC

**FIGURE 8. Total funds raised through stock issues, 2010-2013, (€ mn)**



**FIGURE 9. Funds raised through stock issues with or without listing in the ATHEX, 2013 (€)**



Source: HCMC



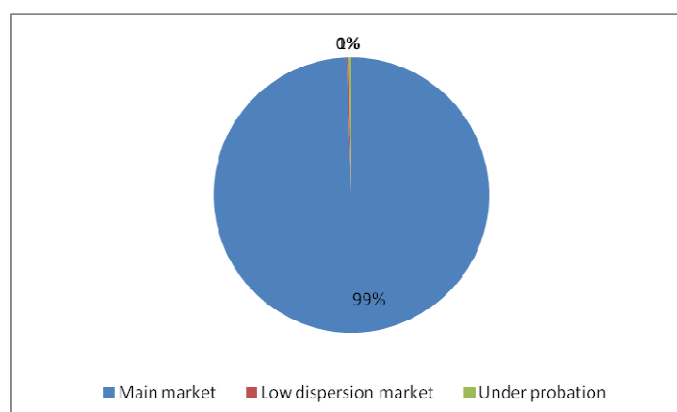
The quarterly distribution of share capital increases by ATHEX-listed companies in the period 2011-2013 is presented in the following table, based on the date of their approval by the HCMC. Whenever the approval was given in dates belonging to two different quarters, the reference period is that of the first approval. Moreover, wherever the approval of a Prospectus by the Hellenic Capital Market Commission is not required, the date used is the date of listing in the ATHEX.

**TABLE 18. Quarterly distribution of share capital Increases by ATHEX Listed Companies, 2011-2013**

Q.	Number of issues			Total Funds Raised (€ mn)		
	2011	2012	2013	2011	2012	2013
1st	3	1	3	843.61	9.59	19.96
2nd	3	1	7	1,126.35	17.39	28,801.43
3rd	5	1	2	161.68	10.08	332.25
4th	4	2	9	863.86	1.34	845.75
Total	15	5	21	2,995.5	38.20	29,999.39

Source: HCMC

**FIGURE 10. Funds raised through share capital increases per trading category, 2013 (€)**



## Bond Issues

In 2013, there were 4 issues of convertible corporate bonds (CCBs). These issues were made by GENIKI BANK, which raised 350,029,997.66 euros, ATTIKA BANK, which raised 199,406,822.10 euros, GEK TERNA SA, which raised 68,300,000 euros and MARFIN INVESTMENT GROUP, which raised 215,006,102 euros. Total funds raised through bond issues stood at 832,742,921.76 euros and accounted for 2,7% of the funds raised by ATHEX-listed companies.

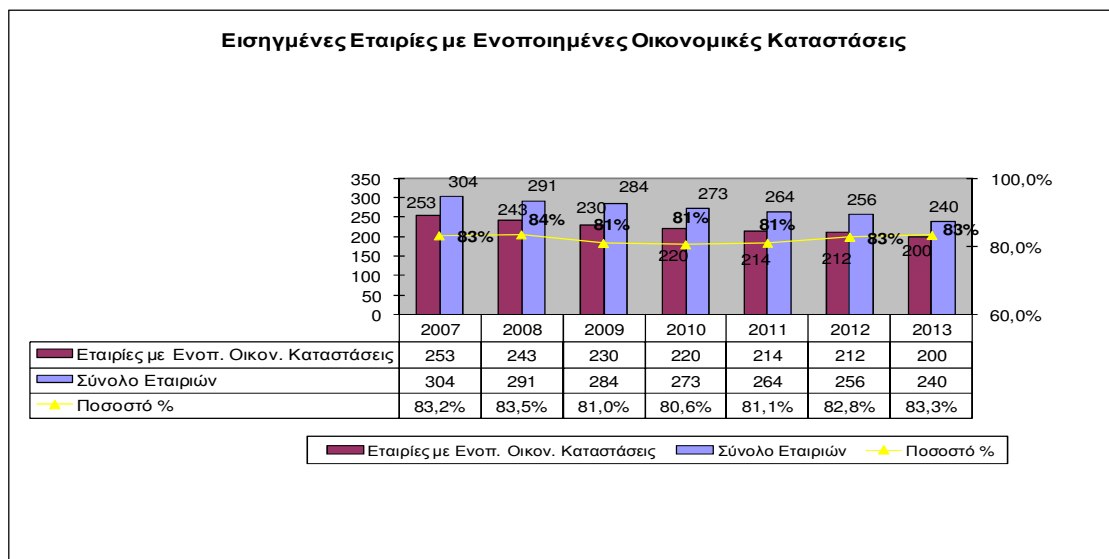
## Corporate restructuring in the capital market

In 2013, the corporate restructuring of ATHEX-listed companies through mergers was increased as compared to 2012. The mergers among listed and non-listed companies were increased in 2013 as compared to 2012, as in 2013 13 listed companies absorbed 19 non-listed companies (Table 19A), while in 2012 10 listed companies had absorbed 16 non-listed companies. Of the acquirer listed companies, three came from the Banks sector, and the rest from various sectors (Specialty Retailers, Heavy construction, Durable Household Products, Clothing & Accessories, Containers & Packaging, Building Materials & Fixtures, Farming & Fishing, Telecoms Equipment, Investment Services). In one case, a listed company from the Diversified Industrials sector was absorbed by a non-listed company, and as a result it was de-listed by the ATHEX.

In 2013, there was a decrease in corporate restructuring through spin-offs and acquisitions of business sectors. More specifically, in 2013, two (2) business sectors were spun-off from ATHEX-listed companies and were acquired by 2 non-listed companies (TABLE 19B), as compared to 5 spin-offs in 2012. The spin-offs that took place in 2013 concerned one company from each of the Specialty Retailers and Investment Services sectors.

In 2013, one listed company was merged by absorption by another listed company, as compared to also one such instance in 2012. On 31.12.2013, out of a total of 240 companies listed in the ATHEX, 203 companies (84.6%) comprised groups, as compared to 212 group members out of a total of 256 companies on 31.12.2012.

**FIGURE 11. Listed companies with consolidated Financial Statements, 2013**



Source: HCMC

**TABLE 19A. Company mergers & acquisitions in the capital market, 2013**

<b>A. Mergers among ATHEX-listed and non-listed companies, 2013</b>			
<b>No</b>	<b>ACQUIRER</b>	<b>SECTOR</b>	<b>TARGET COMPANY</b>
1	SFAKIANAKIS SA	Specialty Retailers	PERSONAL BEST SA
2	I. KLOUKINAS - I. LAPPAS S.A. CONSTRUCTION AND COMMERCIAL COMPANY	Heavy construction	-COMPTON HOUSE (HELLAS) -I. KLOUKINAS - I. LAPPAS S.A. ENERGY, TECHNICAL, TRADING, CONSTRUCTION AND INDUSTRIAL COMPANY
3	F.G. EUROPE SA	Durable Household products	-FEIDAKIS SERVICE SA -FEIDAKIS LOGISTICS SA
4	ELVE SA	Clothing & Accessories	ECOJOULE SOLAR SA
5	M.J. MAILLIS SA	Containers & Packaging	STRAPTECH SA
6	F.H.L. I. KYRIAKIDIS MARBLES - GRANITES S.A.	Building Materials & Fixtures	-LATOMIKI K. NOUKARIS SA -EXORYKTIKI SA -HELLENIC-CHINESE QUARRIES SA
7	HELLENIC FISHFARMING SA	Farming & Fishing	-OCEANIS SA AQUACULTURE -AGEAN SEA PARK SA
8	SPACE HELLAS SA	Telecoms Equipment	SPACE TECHNICAL-CONSTRUCTION SA
9	HELLENIC EXCHANGES SA	Investment Services	ATHENS STOCK EXCHANGE

10	EUROBANK ERGASIAS	Banks	-NEW PROTON BANK SA -NEW HELLENIC POSTBANK SA
11	PIRAEUS BANK	Banks	MILLENIUM BANK SA
12	ALPHA BANK SA	Banks	COMMERCIAL BANK OF GREECE SA
13	VIOHALCO SA	Diversified Industrials	VIOHALKO COPPER AND ALUMINUM SA (Listed)
<b>B. Listed company business sector spin-offs and acquisitions by non-listed companies, 2013</b>			
<u>No</u>	<u>LISTED COMPANY</u>	<u>SECTOR</u>	<u>COMPANY TO WHICH THE BRANCH IS TRANSFERRED</u>
1	FOLLI-FOLLIE SA	Specialty Retailers	DUTY FREE SHOPS SA (travel retailers)
2	HELLENIC EXCHANGES SA	Investment Services	THESSALONICA STOCK EXCHANGE CENTRE SA now Hellenic Central Securities Depository SA (sector of the Central Securities Depository, offering register and settlement services, DSS management)

Source: HCMC

In 2013, the acquisitions by listed companies were significantly reduced as compared to 2012, as shown by their official corporate announcements in the ASE Daily Bulletin and the press releases posted on the ATHEX website. These acquisitions included the purchase of the sound assets of seven (7) banking institutions by three (3) Greek banks. More specifically, 10 listed companies acquired 15 non-listed companies, while in 2012, 12 listed companies had acquired 16 listed and 15 non-listed companies. Most acquisitions were made by listed companies from the Banking general sector (9) followed by listed companies from the general sectors of Technology (1), Construction and Materials (1), Travel & Leisure (1), Raw Materials (1), Health (1) and Personal & Household Goods (1).

**TABLE 19B. Acquisitions of companies by ATHEX-listed companies, per sector, 2013**

Acquirer Listed Companies		Target Companies		
Number	Sector	Total	Listed	Non-listed
4	Banks	9		9
1	Airlines	1		1
1	Furniture	1		1
1	Health Care Providers	1		1
1	General Mining	1		1
1	Industrial Suppliers	1		1
1	Computer Services	1		1
10	TOTAL	15		15

Source: HCMC

## PART THREE

### CAPITAL MARKET INTERMEDIARIES

#### INVESTMENT FIRMS

##### General Overview

In 2013, sixty six investment firms were operating in the Greek capital market. During the year, the Hellenic Capital Market Commission granted license expansion to four (4) investment firms, revoked the operating license of four (4) investment firms, and recalled the operating license in regard to specific investment services for five (5) investment firms. Furthermore, the HCMC approved the acquisition of qualifying holdings in Investment Firms in nine cases, and the offering of qualifying holdings in Investment Firms in five cases. Finally, the Hellenic Capital Market Commission approved the eligibility of new investment firm board members in twenty-six cases and the eligibility of an investment firm manager in nine cases. On 31.12.2013, the Athens Stock Exchange Members' Common Guarantee fund stood at 55,334,346 euros.

##### Trading activity

In 2013, trading activity in the ATHEX increased, and the total value of transactions of all companies-members of the ATHEX (Investment Firms, Credit Institutions and remote members) amounted to 42.61 bn euros, as compared to 25.83 bn euros in 2012, 41.37 bn euros in 2011 and 70.23 bn euros in 2010, increased by 60.61% year-on-year, as compared to a 37.56% decrease in 2012, a 41.07% decrease in 2011 and a 30.93% decrease in 2010. The share of the five investment firms-ATHEX members with the largest value of transactions as a percentage of the total value of transactions was 54.66% as compared to 51.82% in 2012, 52.47% in 2011 and 52.09% in 2010, while the top ten firms-ATHEX members executed 74.82% of the total value of transactions as compared to 67.31% in 2012, 70.65% in 2011 and 70.84% in 2010.

**TABLE 20. Transactions by firms ATHEX-members, 2010-2013**

Transactions by ATHEX members (€ mn)	2013	2012	2011	2010
Value of Securities Trading	42,618.14	25,834.67	41,370.04	70,238.32
Value of Bond Transactions	10.43	15.52	30.92	31.28
Total Transaction Value	42,619.19	25,850.19	41,400.96	70,269.60
Share (%) of top-5 ATHEX members	54.66	51.82	52.47	52.09
Share (%) of top-10 ATHEX members	74.82	67.31	70.65	70.84

Source: ATHEX

**TABLE 21. Transactions in securities markets, 2013-2012**

Transaction Data	2013	2012
Average daily value of transactions (€ thousand)	86,617.51	51,873.31
Change in the average value of transactions	66.98%	-37.05%
Average daily volume of transactions	53,513.84	49,448.25
Change in the average volume of transactions	8.22%	47.92%
Average daily number of transactions	29,666	24,809
Change in the average number of transactions	19.58%	-3.89%

Source: ATHEX

## Provision of credit by Investment Firms-ATHEX members

Table 22 presents the development of margin account trading for the year 2013, according to data submitted by investment firms-ATHEX members to the Hellenic Capital Market Commission on the last trading day of each month. Out of the investment firms-ATHEX members that submitted the relevant notification to the Hellenic Capital Market Commission, an average of 42 firms became active in this field. The average number of active open-end contracts increased marginally to 10,853 from 10,839 in 2012, while it had stood at 15,137 in 2011 and 15,374 in 2010. Total average debit balances in margin accounts marginally fell from 140.1 million euros in 2010, 6 million euros in 2011 and 50.5 million euros in 2012 to 50.4 million euros in 2013, while the average value of security portfolios rose to 410.9 million euros from 410.9 million euros in 2012, while it had stood at 664.3 million euros in 2011 and 834.8 million euros in 2010.

**TABLE 22. Margin Account Trading, 2013**

Month 2013	Announcement of Investment Firms-ATHEX members for the provision of credit	Number of Investment Firms-ATHEX Members actually providing credit	Number of active open-end credit agreements	Number of active short term credit agreements <sup>2</sup>	Debit Balances	Security Portfolio Valuation
Jan.	44	41	10,667	56,699	59,087,327.41	495,872,669.11
Feb.	43	40	10,698	56,729	54,869,468.94	438,846,426.11
Mar.	43	40	10,709	57,041	48,668,809.93	368,435,360.60
April	41	39	10,731	56,758	39,299,683.28	372,100,836.39
May	42	39	10,862	57,529	50,951,686.67	386,811,928.49
Jun.	42	39	10,943	57,964	45,500,219.73	368,940,318.75
Jul.	41	39	10,948	58,041	43,723,551.14	365,390,544.74
Aug.	42	39	10,959	58,221	41,333,902.79	346,442,843.63
Sep.	42	39	10,525	58,485	45,631,660.04	399,855,803.28
Oct.	42	39	10,548	58,970	62,053,708.34	498,794,613.50
Nov.	41	38	11,331	60,077	55,163,985.35	440,890,013.05
Dec.	40	37	11,315	60,362	59,341,523.63	448,444,792.77
A.V.	42	39	10,853	58,073	50,468,793.94	410,902,179.20

Source: HCMC

## COLLECTIVE INVESTMENT MANAGEMENT FIRMS

### Developments in the Greek mutual fund market

In 2013, the Greek parliament ratified law 4141/2013 "Investment Tools for Development, Financing and other provisions" (Gazette A 81/5.4.2013), as well as law 4209/2013 "Transposition into Greek law of Directive 2011/61/EC on Alternative Investment Fund Managers and Directive 2011/89/EC regarding the supplementary supervision of financial entities in a financial conglomerate, measures for the implementation of Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories" (Gazette A 253/21.11.2013)

In 2013, the HCMC issued the following Rules: a) HCMC Rule 12/638/11.2.2013 "Key Investor Information: Structure and content – Synthetic risk and reward indicator – Calculation of current charges – Return scenarios for structured UCITS" (Gazette B 356/19.2.2013); b) HCMC Rule 17/638/11.2.2013 "Approval of the training program for individuals involved in the distribution of mutual fund units" (Gazette B 356/19.2.2013); c) HCMC Rule 2/641/26.3.2013 "Suspension of the redemption of UCITS shares" (Gazette 732/29.3.2013); d) HCMC Rule

7/644/22.4.2013 “Suspension of the redemption of UCITS shares” (Gazette B 982/23.4.2013); and e) HCMC Rule 3/645/30.4.2013 “Risk measurement and calculation of the global exposure and counterparty risk for UCITS and PICs” (Gazette B 1667/3.7.2012).

In 2013, the total number of Mutual Fund Management Firms (MFMFs) fell to 19, as compared to 20 in 2012 and 22 in the previous five-years, while the total number of mutual funds under management stood at 279 as compared to 283 in 2012, 310 in 2011 and 303 in 2010. At the end of the year, the total net assets of mutual funds amounted to 6.2 billion euros, as compared to 5.9 billion euros in 2012, 5.2 billion euros in 2011, and 8.0 billion euros in 2010. According to the classification of mutual funds, MFMFs managed 89 equity mutual funds, 51 bond mutual funds, 33 balanced mutual funds, 7 short-term money market funds, 21 money market funds, 27 equity funds of funds, 14 balanced funds of funds, 5 bond funds of funds, and 32 Specialist mutual funds. The three largest mutual fund management firms had funds under management of 3.71 billion euros, which accounted for 59.40% of total mutual fund assets, as compared to assets of 3.58 billion euros and a corresponding market share of 60.22% in 2012, 3.16 billion euros and a market share of 60.44% in 2011, 4.64 billion euros and 57.92% in 2010. In addition, the five largest MFMFs had funds under management of 4.91 billion euros that accounted for 78.53% of total mutual fund assets, as compared to 75.67% in 2012, 74,42% in 2011 and 72.24% in 2010.

**TABLE 23. Net assets and Number of Mutual Funds, 2013-2010.**

MF Classification	31.12.2013		31.12.2012		31.12.2011		31.12.2010	
	Value (€ mn)	No. of M/F	Value (€ mn)	No of M/F	Value (€ mn)	No. of M/F	Value (€ mn)	No. of M/F
Money market	911.10	28	1,061.29	26	814.88	27	1,206.28	22
Bond	1,277.57	51	1,293.19	48	1,204.71	53	2,466.23	72
Equity	1,604.35	89	1,344.39	93	1,122.57	103	1,932.06	103
Balanced	1,166.36	33	871.37	35	719.53	44	1,181.26	47
Funds of Funds	525.85	46	504.99	45	519.25	45	781.19	38
Specialist Foreign Mkt	767.33	32	872.47	36	848.13	38	448.59	21
<b>Total</b>	<b>6,252.59</b>	<b>279</b>	<b>5,947.70</b>	<b>283</b>	<b>5,229.07</b>	<b>310</b>	<b>8,015.63</b>	<b>303</b>

Source: Hellenic Fund & Asset Management Association

**TABLE 24. Net Mutual Funds Assets and macroeconomic aggregates, 2013-2008**

Date	Resident deposits and repurchase agreements of non MFIs to other MFIs in Greece (€ mn) <sup>1</sup>	ASE Capitalization (Fixed Income Securities and Shares) (€ mn)	Net Mutual Funds Assets (€ mn)
Dec. 2013	-	124,468.8	6,252.5
Sep. 2013	191,923	116,718.8	5,813.56
Dec. 2012	191,198	91,930.3	5,947.7
Dec. 2011	202,193	256,563.9	5,229.1
Dec. 2010	247,188	299,628.5	8,015.6
Dec. 2009	279,543	279,891.7	10,680.5
Dec. 2008	280,388	269,980.4	10,420.3

Source: Bank of Greece, ATHEX, Hellenic Fund & Asset Management Association

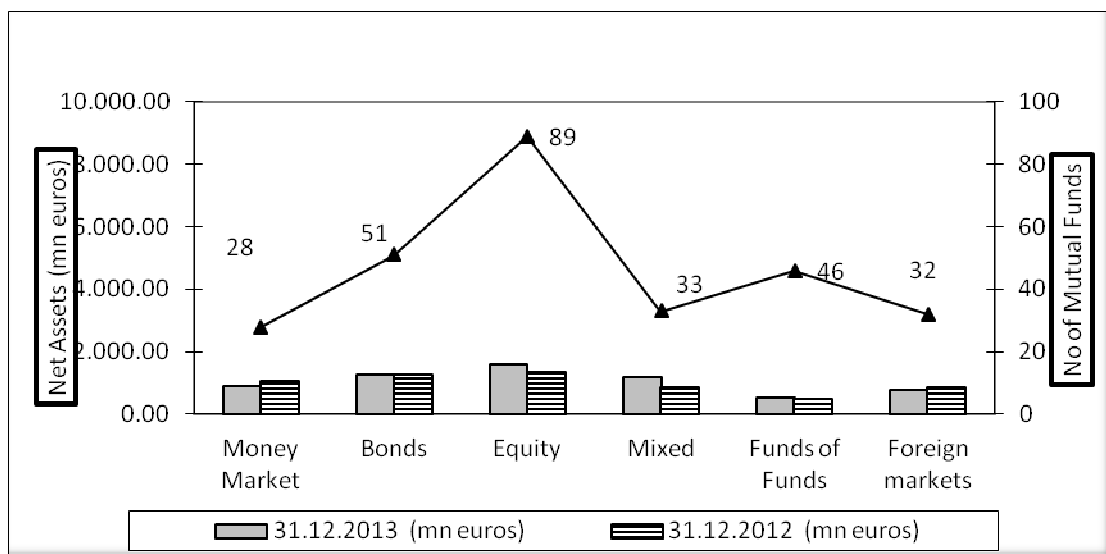
Note 1. Securitization obligations are not included.

The restructuring in the net assets of each mutual fund category continued in 2013, reflecting the overall development in the collective investment market.

The net assets of short term money market mutual funds were reduced by 29.02% year-on-year, while their annual returns were positive at 0.93%, as compared to an annual increase of 66.89% and a positive return of 1.29% in 2012. In the same year, the net assets of money market mutual funds showed a negative change of 10.57% year-on-year, while their annual returns were positive at 2.86%, as compared to a positive change of 23.69% and a positive annual return of 3.70% in 2012. The total market share of the overall money market category as per 31.12.2013 accounted for 14.57% of the total mutual fund market, as compared to 17.84% in 2012 and 15.58% in 2011. The net assets of bond mutual funds decreased by 1.22% year-on-year, and their market share fell to 20.43% of the total mutual fund market, from 21.74% in 2012, 23.04% in 2011 and 30.77% in 2010, while their annual returns were positive, at 12.99%. The net assets of equity funds increased by 19.32% year-on-year, mainly as a result of an increase in equity portfolio valuations, while their annual returns were positive, at 18.50%, and their market share as per 31.12.2013 stood at 24.86%, as compared to 21.93% in 2012, 20.74% in 2011 and 24.10% in 2010. It should be noted that the ATHEX Composite Share Price Index gained 28.06% y-o-y, the FTSE/ATHEX Large Cap Index gained 24.27%, the FTSE/ATHEX Custom Capped Index gained 19.25%, the FTSE/ATHEX Mid Cap Index gained 2.97% and the FTSE/ATHEX Market Index gained 25.27%. The net assets of balanced mutual funds increased by 33.85% year-on-year, while their market share as per 31.12.2013 stood at 18.65%, as compared to 14.65% in 2012, 13.76% in 2011 and 14.74% in 2010, while their annual returns were positive, at 22.80%.

Funds of funds accounted for 8.41% of the total mutual fund market as per 31.12.2013, as compared to a market share of 8.49% in 2012, 9.93% in 2011 and 9.75% in 2010. Equity funds of funds saw their net assets decrease by 12.68%, while their annual returns were positive at 6.40%, as compared to -4.99% and 9.24% respectively in 2012 and -35.02% and -9.28% respectively in 2011. Balanced funds of funds saw their net assets increase by 28.13%, while their annual returns were positive at 8.01%, as compared to -1.86% and 11.31% respectively in 2012 and -32.28% and -6.95% respectively in 2011. Bond funds of funds saw their net assets increase by 70.77%, while their annual returns stood at 0.88%, as compared to 51.56% and 7.83% respectively in 2012 and 13.39% and 1.10% respectively in 2011.

**FIGURE 12. Net assets and Number of Mutual Funds per MF classification, 2013-12**

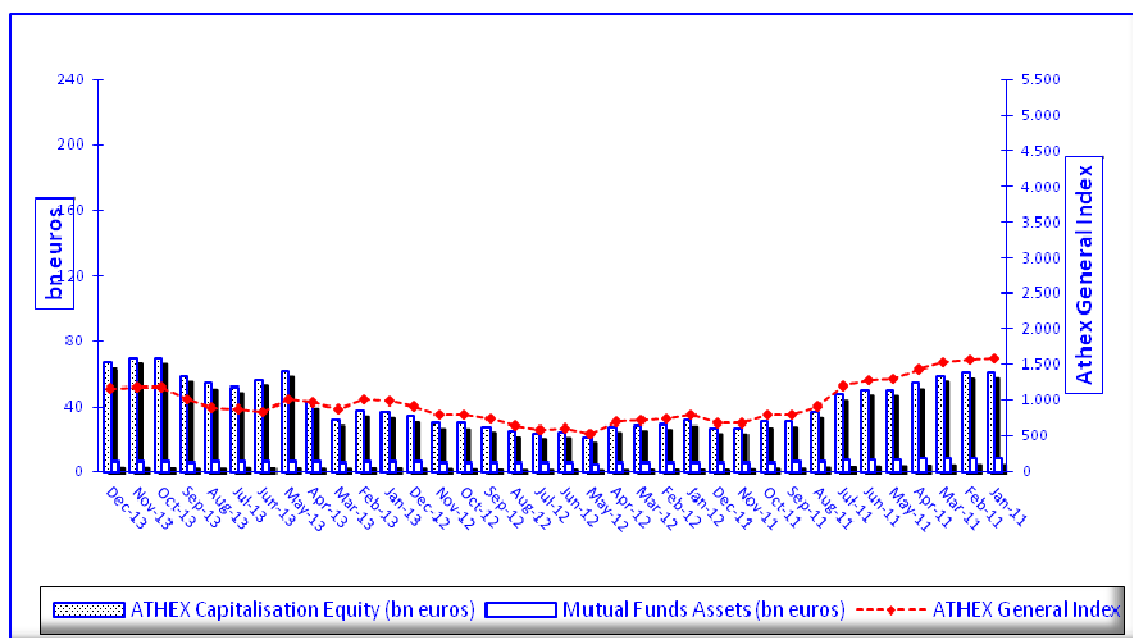


**TABLE 25. Net Assets and Units of Mutual Funds, 31.12.2013**

MF Classification	Asset value 31.12.2013 (€)	Change y-o-y (%)	No. of shares 31.12.2013	Change y-o-y (%)
Money market	764,766,018.28	-10.57	243,835,002.48	-6.16
Short term Money Market	146,335,864.32	-29.02	32,057,585.66	18.50
Bond	1,277,576,042.69	-1.22	261,027,236.24	-10.68
Equity	1,604,359,734.80	19.32	422,368,393.32	-7
Balanced	1,166,369,926.82	33.85	234,463,678.68	-0.27
Bond Funds of Funds	31,288,760.88	70.77	3,647,377.87	9.56
Equity Funds of Funds	281,055,681.79	-12.68	115,141,687.51	-23.55
Balanced Funds of Funds	213,507,665.67	28.13	64,783,820.45	-4.48
Specialist	767,333,296.84	-14.43	123,928,798.55	-2.36

Source: Hellenic Fund & Asset Management Association

**FIGURE 13. ATHEX Market Capitalization- mutual fund assets and the ATHEX Composite Index, 2013-2011**



In 2013, the HCMC approved the modification of the charter of MFMFs in eleven (11) cases, the amendment of MFMF share capitals in five (5) cases, the transfer of shares in three (3) cases, the eligibility of new shareholders in three (3) cases and the new composition of the board of directors of MFMFs in twenty (20) cases, and revoked the operating license of a MFMF in one (1) case.

Moreover, the Hellenic Capital Market Commission approved the formation and operation of two (2) new mutual funds, the amendment of internal regulations for seventy five (75) mutual funds and the merger of seven (7) mutual funds. Finally, in 2013, one (1) foreign Undertaking for Collective Investments in Transferable Securities (UCITS), notified the HCMC about its intention to sell mutual fund units in the Greek market, while the Commission approved the sale of shares from one hundred and fifteen (115) new mutual funds of foreign UCITS.



**TABLE 26. Authorized foreign Undertakings for Collective Investments, 2003-2013**

Year	UCITS (covered by Directive 85/611/EEC)		UCITS (not covered by Directive 85/611/EEC)	
	Number of UCITS	Number of Funds	Number of UCIs	Number of Funds
2013	1	115	0	0
2012	2	75	0	0
2011	4	121	0	0
2010	10	98	0	0
2009	10	168	0	0
2008	9	369	0	0
2007	9	206	0	0
2006	6	328	0	0
2005	5	159	0	0
2004	12	92	0	0
2003	4	115	2	2

Source: HCMC

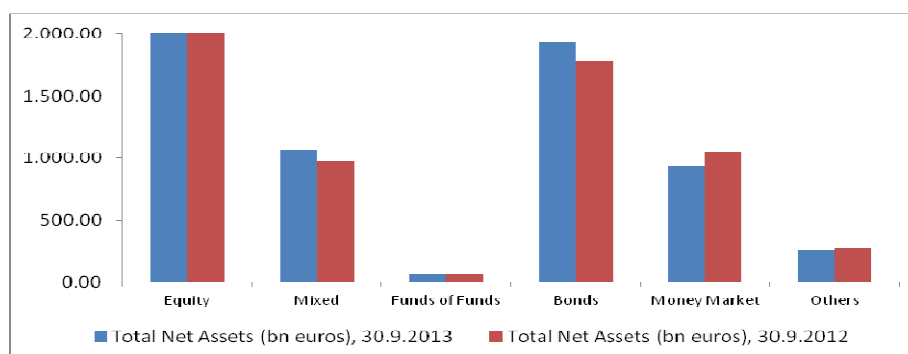
### Developments in the European fund market

According to statistical data by the European Fund and Asset Management Association (EFAMA), in the first nine-months of 2013 the total net assets of UCITS decreased by 6.3%, because of the decrease in the total assets of equity UCITS by 14.3%, balanced UCITS by 7.2%, money market UCITS by -7.9%, bond UCITS by 4.6%, funds of funds UCITS by 15.5% (excluding the funds of funds from France, Luxembourg, Italy and Germany, which are included in the next category of other UCITS) and other UCITS by 2.9%.

More specifically, in the first nine-months of 2013 the net assets of UCITS increased by 394.9 billion euros, and in particular, the net assets of bond UCITS increased by 85 bn euros, the net assets of equity UCITS increased by 300 bn euros, the net assets of mixed UCITS increased by 72 bn euros, the net assets of funds of funds UCITS increased by 9 bn euros and those of other UCITS increased by 8 bn euros. On 30.9.2013, France and Luxembourg dominated the European UCITS market, with a combined market share of 48.3%, followed by Ireland, the United Kingdom and Switzerland with market shares of 15.3%, 12.4% and 4.3% respectively.

In the first nine months of 2013, European UCITS increased their net assets as compared to the end of 2012. The largest increases during this period were registered by the UCITS mutual funds of Bulgaria (39.3%), Hungary (28.9%) and Romania (27.7%, while the largest decreases during this period were suffered by the UCITS mutual funds of Malta (-25.4%), Turkey (-10.4%) and Poland (-2.9%). Finally, on 30.9.2013, total net assets of non-UCITS reached 2.84 billion euros, increased by 7.2% in nine-months, with special/institutional funds controlling the largest part of the market (66.0%), followed by real estate funds with 10.0%.

**FIGURE 14. Net Assets of UCITS, 30.9.2013 - 30.9.2012**



**TABLE 27. Net Assets of UCITS, 30.9.2013 - 30.9.2012**

M/F Classification	30.09.2013		30.9.2012	
	Net assets (bn €)	% of Total	Net assets (bn €)	% of Total
Equity	2,399	36.0	2,034	33.0
Balanced	1,067	16.0	970	16.0
Funds of Funds	67	1.0	62	1.0
Bond	1,935	29.0	1,777	29.0
Money market	935	14.0	1,054	17.0
Other	268	4.0	277	4.0
Total	6,690	100.0	6,174	100.0

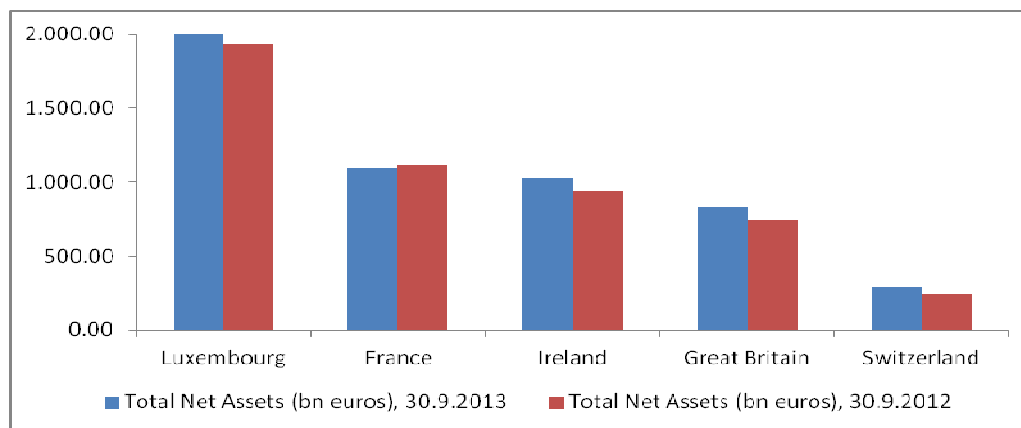
Source: European Fund and Asset Management Association (EFAMA)

**TABLE 28. Net assets of UCITS from the top-five (5) EU member-states, 2013-2012**

Countries	30.09.2013		30.09.2012	
	Net assets (€ billion)	% of the total in the EU market	Net assets (€ billion)	% of the total in the EU market
Luxembourg	2,126.58	31.8	1,941.22	31.4
France	1,103.73	16.5	1,113.67	18.0
Ireland	1,026.66	15.3	940.96	15.2
Un. Kingdom	830.82	12.4	744.85	12.1
Switzerland	287.85	4.3	240.14	3.9
Total	5,375.64	80.3	4,980.84	80.6
Total Europe	6,690.19	100.0	6,173.61	100.0

Source: European Fund and Asset Management Association (EFAMA)

**FIGURE 15. Net assets of UCITS from the top-five (5) EU member-states, 30.09.2013-30.9.2012**



### **Developments in the Portfolio and Real Estate Investment Company sector**

At the end of 2013, there two (2) active Portfolio Investment Companies (PICs), whose shares are traded in the Athens Stock Exchange, with net assets of 28,365,394.96 euros. In 2013, the HCMC approved the new composition of the board of directors of PICs in two (2) cases, the amendment of PIC share capitals in two (2) cases, and the amendment of charters in two (2) cases. Moreover, there were five (5) active Real Estate Investment Companies (REICs), three (3) of which are listed and their shares are traded in the Athens Stock Exchange. During the same year, the HCMC approved the new composition of the board of directors of REICs in two (2) cases, the amendment of REIC share capitals in three (3) cases, the amendment of REIC charters in four (4) cases and the eligibility of shareholders in one (1) case.

## CLEARING AND SETTLEMENT OF TRANSACTIONS

In accordance with law 3606/2007 (MiFID), central counterparty, clearing and settlement facilities that operate in Greece, as well as their managers, are licensed and supervised by the HCMC, excluding the System for Monitoring Transactions in Book-entry Securities (BOGS) set out by Law 2198/1994, and the Bank of Greece, as the Manager of this System. Such supervision is without prejudice to the competencies of the Bank of Greece as overseer of settlement and payment systems, in accordance with Law 2789/2000.

In 2013, 25,367 new accounts were opened in the Dematerialized Securities System, as compared to 21,184 accounts opened in 2012, 28,401 in 2011 and 38,711 in 2010, representing a 19.74% year-on-year increase. The number of accounts deactivated in 2013 stood at 25,025, with the with the largest monthly number of deactivations occurring in October (23,246 accounts), while 1,544 accounts had been deactivated in 2012, 357,796 in 2012 and 1960 in 2010. The number of active accounts in December 2013 stood at 39,268, as compared to 30,076 and 24,675 in December 2012 and 2011 respectively, with the average number of active accounts for 2013 increased to 44,675 from 34,144 accounts in 2012. In 2013, domestic investor participation to the ATHEX market capitalization was reduced and stood at 30.22%, as compared to 48.27% in 2012 and 47.89% in 2011. The participation of domestic investors accounted for 12.51% of total market capitalization in the ATHEX in 2013, as compared to 21.20% in 2012 and 21.11% in 2011, while the participation of foreign investors accounted for 30.97% in 2013, as compared to 50.14% in 2012 and 50.92% in 2011.

In December 2013, foreign investors showed inflows of 176.95 million euros, as compared to outflows of 83.85 million euros in 2012 and 262.26 million euros in 2011, while domestic investors were net sellers, with outflows of 167.12 million euros, as compared to inflows of 100.83 million euros in 2012 and 233.09 in 2011. In December 2013, foreign investors performed 52.2% of transactions as compared to 31.9% in December 2012, while Greek private investors performed 31.7% of transactions, as compared to 40.7% in December 2012, and Greek institutional investors performed 12.7% of transactions, as compared to 24.4% in December 2012. Finally, the foreign investors' participation in the market capitalization of the ATHEX fell to 30.97% from 50.1% in 2012, while the participation of Greek investors fell to 30.22% (excluding the participation of the Hellenic Financial Stability Fund) from 48.27% in 2012.

**TABLE 29. Number of new Accounts in the DSS by month, 2006-2013.**

Month / Year	2013	2012	2011	2010	2009	2008	2007	2006
January	1,607	1,925	3,497	2,861	4,101	3,052	4,013	3,223
February	1,571	2,248	3,071	5,027	4,018	2,522	2,297	2,564
March	1,378	3,251	2,415	3,062	4,450	1,858	3,685	3,229
April	2,537	1,232	1,881	5,646	3,542	2,304	2,974	3,260
May	5,238	1,825	2,371	3,043	3,644	2,073	2,122	9,892
June	5,891	2,521	2,296	2,373	3,231	1,710	9,153	14,662
July	1,422	1,245	1,764	3,393	3,144	2,621	3,605	5,027
August	938	1,038	2,467	1,467	2,348	1,488	3,331	2208
September	107	1,416	2,423	3,460	2,599	1,873	1,939	2869
October	1,314	1,892	2,318	3,697	2,932	6,505	3,031	4709
November	1,206	1,546	2,456	2,810	2,674	6,465	2,847	2982
December	1,195	1,045	1,442	1,872	2,922	3,022	2,221	2042
Total new investor shares	25,367	21,184	28,401	38,711	39,605	35,493	41,218	56,667
Share deactivations	25,025	1,544	357,796	1,960	2,879	2,880	3,929	331,366

Source: Hellenic Exchanges

**TABLE 30. Distribution of investor shares in the Athens Stock Exchange, 31.12.2013**

	Investor Shares with balances		Capitalization (incl. the HFSF)	
	Number	Percentage (%)	Value (€ mn)	Percentage (%)
<i>I. Domestic Investors</i>	843,979	96.69	18,150.27	30.22
• <i>Private domestic</i>	840,392	96.28	7,515.80	12.51
• <i>Private financial</i> <sup>1</sup>	381	0.04	3,343.43	5.57
• <i>Private non-financial</i>	2,611	0.30	2,432.65	4.05
• <i>Public Sector</i>	594	0.07	4,858.37	8.09
• <i>Other domestic investors</i>	2	0.00	0.02	0.00
<i>II. Foreign Investors</i>	15,111	1.73	18,605.36	30.97
• <i>Private-foreign</i>	11,363	1.30	104.91	0.17
• <i>Legal Entities</i>	1,149	0.13	8,108.94	13.50
• <i>Institutional Investors</i>	2,225	0.25	8,804.80	14.66
• <i>Other legal entities</i>	368	0.04	1,586.63	2.64
• <i>Other foreign investors</i>	6	0.00	0.07	0.00
<i>III. Other Investors</i> <sup>2</sup>	13,811	1.58	729.15	1.21
<i>IV. Hellenic Financial Stability Fund</i>	1	0.00	22,584.68	37.60
<b>Total I +II + III + IV</b>	<b>872,902</b>	<b>100.00</b>	<b>60,069.46</b>	<b>100.00</b>

Source: Hellenic Exchanges

Note: 1. Insurance companies, pension funds, UCITS, Investment Firms, credit institutions, factoring, leasing, venture capital companies, Financial Intermediation Firms etc.

2. Investors with no registered tax residence. From joint ownerships, those whose members include both Greeks and foreigners.

## PART FOUR

### ACTIVITIES OF THE HELLENIC CAPITAL MARKET COMMISSION

#### RULES AND REGULATIONS

In 2013, the Board of Directors of the Hellenic Capital Market Commission, having obtained the necessary authorization, issued many rules and regulations. These rules and regulations were directed towards the enhancement of service quality and investor protection, the safeguarding of the normal operation of the market, the protection of the trading and clearing system, market transparency and the assurance of the smooth functioning of the market. The following rules and regulations were issued:

#### Quality of services and investor protection enhancement

- HCMC Rule 12/638/31.12.2013 (Gazette B 356/19.2.2013) on Key Investor Information: Structure and content – Synthetic risk and reward indicator – Calculation of current charges – Return scenarios for structured UCITS
- HCMC Rule 17/638/11.2.2013 (Gazette B/356/19.2.2013) concerning the approval of the training programme for individuals involved in the distribution of mutual fund units
- HCMC Rule 2/641/26.3.2013 (Gazette B/732/29.3.2013) concerning the suspension of the redemption of UCITS shares on March 29th 2013, April 1st 2013 and December 24th 2013.
- HCMC Rule 7/644/22.4.2013 (Gazette B/982/23.4.2013) concerning the suspension of the redemption of UCITS shares on May 1st, 2013.
- HCMC Rule 1/637/28.1.2013 (Gazette B/165/31.1.2013) concerning the prohibition of short selling on stocks comprising the FTSE/Athex Banking Index from February 01, 2013 to April 30, 2013.
- HCMC Rule 1/645/30.4.2013 (Gazette B.1106/8.5.2013) concerning the prohibition of short selling on stocks listed in the Athens Stock Exchange that comprise the banking sector.
- HCMC Rule 1/645/30.4.2013 (Gazette B.1106/8.5.2013) concerning the prohibition of short selling on stocks listed in the Athens Stock Exchange that comprise the banking sector.
- HCMC Rule 2/652/11.7.2013, concerning the lifting on the existing prohibition of short selling, which had been imposed pursuant to HCMC Rule 1/645/30.4.2013, on stocks listed in the Athens Stock Exchange that comprise the banking sector.

#### Enhancement of transparency

- HCMC Rule 1/644/22.4.2013 (Gazette B/ 982/23.4.2013) concerning the execution of squeeze-out rights following the submission of a takeover bid, in accordance with article 27 of Law 3461/2006
- HCMC Rule 3/645/30.4.2013 (Gazette B/1667/3.7.2013), concerning the risk measurement and calculation of the global exposure and counterparty risk for UCITS and PICs.

## **Improvement of company solvency, transaction security and infrastructure efficiency**

- *HCMC Rule 1/643/15.4.2013 (Gazette B/982/23.4.2013) concerning the amendment of HCMC Rule 3/304/10.06.2004 concerning the approval of the Rulebook of the Dematerialized Securities System of Hellenic Exchanges SA.*
- *HCMC Rule 2/645/30.4.2013 (Gazette B/1194/16.5.2013), concerning the approval of the amendment to the Rulebook of the Athens Stock Exchange, as decided at meeting No. 7 of the Board of Directors of the Athens Stock Exchange, on 25.4.2013.*
- *HCMC Rule 1/647/22.5.2013 (Gazette B/1297/29.5.2013), concerning the approval of the amendment to the Rulebook of the Athens Stock Exchange, as decided at meeting No. 8 of the Board of Directors of the Athens Stock Exchange, on 9.5.2013.*
- *HCMC Rule 3/649/3.6.2013 (Gazette B/1385/6.6.2013), concerning the approval of the amendments to the “Regulation for the Clearing and Settlement of Transactions on Derivatives”, as decided at meeting No. 84 of the Board of the “Athens Exchange Clearing House SA” of 29.4.2013 (Subject 1).*
- *HCMC Rule 2/649/3.6.2013 (Gazette B/1385/6.6.2013), concerning the approval of the amendments to the “Regulation for the Clearing and Settlement of Transactions on Derivatives”, as decided at meeting No. 84 of the Board of the “Athens Exchange Clearing House SA” of 29.4.2013 (Subject 1).*
- *HCMC Rule 5/657/10.9.2013 (Gazette B/2690/22.10.2013), concerning the approval of amendments to the Rulebook of the Athens Stock Exchange, as decided at meeting No. 15 of the Board of Directors of the Athens Stock Exchange, on 25.7.2013.*
- *HCMC Rule 3/663/11.11.2013 (Gazette B 2971/22.11.2013) concerning the approval of the amendment to HCMC Rule 3/304/10.6.2004 “Rulebook of the Dematerialized Securities System”.*
- *HCMC Rule 667/9.12.2013 (Gazette B/3307/23.12.2013) concerning the approval of the transfer from “HELLENIC EXCHANGES SA” of all responsibilities concerning the operation of the Dematerialized Securities System that it currently performs as manager of the Central Securities Depository to the new company “HELLENIC CENTRAL SECURITIES DEPOSITORY SA” ex “Thessalonica Stock Exchange Centre” and the Register and Settlement services, as well as the administration of the Dematerialized Securities System, as well as approval of the decision on the amendment of the article of its Charter concerning its share capital, and the revocation of the Settlement System Administrator authorization that had been granted to “HELLENIC EXCHANGES SA” pursuant to HCMC Rule 2/507/28.4.2009 (Gazette B/998/27.5.2009).*

## **LICENSING**

*The work of the Hellenic Capital Market Commission in the field of licensing during 2012 includes the following:*

### **Investment Firms**

- *Authorized the extension of Investment Firm operations in four (4) cases.*
- *Authorized the operation of Investment Firms in four (4) cases.*

- *Revoked the operating licenses of Investment Firms in regard to specific investment services in five (5) cases.*
- *Evaluated the eligibility of new Investment Firm board members in twenty-six (26) cases.*
- *Evaluated the eligibility of nine (9) Investment Firm managers.*
- *Approved the acquisition of qualifying holdings in Investment Firms in nine (9) cases.*
- *Approved the sale of qualifying holdings in Investment Firms in five (5) cases.*

### **Financial Intermediation Firms**

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- *Revoked the operating licenses of Financial Intermediation Firms in sixteen (16) cases.*
- *Approved the merger through absorption of a financial intermediation firm by another financial intermediation firm in one (1) case.*
- *Evaluated the eligibility of new board members of FIFs in seventeen (17) cases.*
- *Evaluated the eligibility of the actual managers of Financial Intermediation firms in nine (9) cases.*
- *Evaluated a shareholder who acquired a qualified holding in a FIF in three (3) cases.*
- *Approved the sale of qualified holdings in FIFs in two (2) cases.*

### **Mutual Fund Management Firms**

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- *Number of operating MFMFs (31.12.2013): Nineteen (19).*
- *Total number of mutual funds under management by MFMFs: 279.*
- *Revoked the operating licenses of MFMFs in one (1) case.*
- *Approved the regulations and the formation of mutual funds in two (2) cases.*
- *Approved of the modification of mutual fund internal regulations in seventy-five (75) cases.*
- *Granted licenses for mergers between mutual funds in seven (7) cases.*
- *Granted a license for the transfer of stock in three (3) cases.*
- *Approved the eligibility of shareholders in three (3) cases.*
- *Approved the modification of the charter of eleven (11) MFMFs.*
- *Approved of share capital changes in five (5) cases.*
- *Approved the new composition of the board of directors of MFMFs in twenty (20) cases*

### **Portfolio Investment Companies**

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- *Number of operating PICs (31.12.2013): Two (2).*

- *Approved the new composition of the board of directors of PICs in two (2) cases*
- *Approved of share capital changes and charter amendments in two (2) cases.*

### **Real Estate Investment Companies**

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- *Number of operating REICs (31.12.2013): Five (5).*
- *Approved the new composition of the board of directors of REICs in two (2) cases*
- *Approved of share capital changes in three (3) cases.*
- *Approved the modification of REIC charters in four (4) cases.*
- *Approved the eligibility of shareholders in one (1) case.*

### **Foreign UCITS**

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- *Receipt of notification concerning the sale of share of foreign UCITS in one (1) case.*
- *Receipt of notification concerning the sale of new funds by foreign UCITS in one hundred and fifteen (115) cases.*

### **Approval of prospectuses for the public offering of transferable securities**

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#### **Listed company prospectuses for public offerings.**

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- *Approved the prospectuses of seven (7) companies, concerning the public offering of shares aimed at share capital increases by payment of cash, and their listing in the securities market of the ATHEX.*
- *Approved the prospectuses of six (6) companies, concerning the public offering of their stock for trading in the securities markets of the ATHEX.*
- *Approved the prospectuses of three (3) Banks, concerning: a) the public offering of shares aimed at share capital increases by payment of cash, and their listing in the securities market of the ATHEX; b) the listing in the securities market of the ATHEX of warrants issued by the Hellenic Financial Stability Fund (HFSF) to private sector investors that participated in the Bank's share capital increases.*
- *Approved the Prospectus of one (1) company concerning the public offering of bonds and their listing in the securities markets of the Athens Stock Exchange.*
- *Approved the supplementary Prospectus of one (1) company concerning the public offering of bonds and their listing in the securities markets of the Athens Stock Exchange.*
- *Approved the supplementary Prospectuses of eight (8) companies, concerning share capital increases through the public offering of their shares in the securities market of the Athens Stock Exchange.*
- *Granted authorization to (1) company, concerning share capital increases through the public offering of stock and the listing of this stock in the securities market of the ATHEX.*



### **Prospectuses for the public offering of transferable securities without listing.**

- *Approved the prospectuses of seven (7) cooperative banks, concerning the public offering of shares aimed at cooperative capital increases by payment of cash, without the listing of these shares in the securities market of the ATHEX.*
- *Approved the supplementary Prospectuses of two (2) cooperative banks, concerning the public offering of shares aimed at cooperative capital increases by payment of cash, without the listing of these shares in the securities market of the ATHEX.*

### **Corporate transactions of listed companies (article 4, Law 3401/2005)**

- *Briefing of the Board of the Hellenic Capital Market Commission on the contents of the document provided for by article 4, Law 3401/2005 in the case of one (1) company, for the public offering of new shares as part of the share exchange bid, and the listing of the new shares in the securities market of the Athens Stock Exchange.*
- *Notification to the HCMC of eight (8) forms provided for by article 4 of Law 3401/2005 concerning share capital increases through the conversion to shares of stock options offered to company employees.*
- *Notification to the HCMC of two (2) forms provided for by article 4 of Law 3401/2005 concerning a share capital increase through the distribution of free shares to existing shareholders.*

### **Cross-border public offerings (articles 17 & 18, Law 3401/2005)**

- *Notification to the HCMC of nine (9) prospectuses, in implementation of the community framework regarding cross-border public offerings, in accordance with articles 17 and 18 of Law 3401/2005, concerning the approval certificates issued by the competent authorities of the home member-state.*
- *Notification to the HCMC of sixty nine (69) addendums to prospectuses, in implementation of the community framework regarding cross-border public offerings, in accordance with articles 17 and 18 of Law 3401/2005, concerning the approval certificates issued by the competent authorities of the home member-state.*

## **ENFORCEMENT AND COMPLIANCE**

*In 2013, the Commission continued its enforcement in all areas. The audits performed covered all capital market entities. There were multiple audits on investment firms, mutual fund management firms, financial intermediation firms, listed companies, and exchange transactions. The audits detected violations of capital market regulations, which led the Commission to the imposition of the following administrative sanctions:*

### **Revocation of License**

- *Revoked the licenses of eight (8) Financial Intermediation Firms in implementation of article 21 of Law 2690/1999.*
- *Revoked the license of one (1) Financial Intermediation Firm in implementation of article 39 of Law 3606/2007.*

## **Fines**

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### **Investment Firms**

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- *A fine was levied on one (1) Investment Firm for violating the provisions of P.D. 51/1992 on the information that must be disclosed upon the acquisition and sale of major shareholdings in ATHEX-listed companies.*
- *Fines were levied on two (2) Investment Firms for violating HCMC Rule 1/506/08.04.2009 on money laundering and terrorist financing.*
- *Fines were levied on three (3) Investment firms for violating article 7 of Law 3340/2005 that prohibits market manipulation.*
- *A fine was levied on one (1) Investment firm for violating article 17 of Law 3340/2005 concerning the obligation of persons professionally arranging transactions in financial instruments to notify the Hellenic Capital Market Commission whenever they reasonably suspect that a transaction might constitute market abuse.*
- *A fine was levied on one (1) Investment firm for violating article 18 of Law 3340/2005, concerning the obligation of persons professionally arranging transactions in financial instruments to record and file all orders received by their clients in a manner that ensures the reliability and completeness of the recorded data.*
- *A fine was levied on one (1) Investment firm for violating article 5 of Law 2843/2000 concerning the rules that must be adhered to upon concluding margin account agreements.*
- *A fine was levied on one (1) Investment firm for violating article 29 of Law 3606/2007 concerning the obligation of tied agents to act on behalf of only one Investment Firm.*
- *Fines were levied on five (5) listed companies for violating other legal provisions.*

### **Financial Intermediation Firms**

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- *Fines were levied on two (2) Financial Intermediation Firms for violating article 39 of Law 3606/2007 on the organizational requirements for the protection of their clients' financial instruments and funds.*
- *A fine was levied on one (1) Financial Intermediation firm for violating article 18 of Law 3340/2005 on market abuse.*
- *A fine was levied on one (1) Financial Intermediation firm for violating other legal provisions.*

### **Mutual Fund Management Firms and Portfolio Investment Companies**

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- *Fines were levied on two (2) MFMFs for violating art. 22, of Law 3283/2004 regarding the activities of UCITS.*

### **Listed Companies**

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- *Fines were levied on twenty three (23) listed companies for violating article 4 of Law 3556/2007 on the issuers' obligation to publish annual financial reports.*
- *Fines were levied on nineteen (19) listed companies for violating article 5 of Law 3556/2007 on the issuers' obligation to publish semi-annual financial reports.*
- *Fines were levied on twenty eight (28) listed companies for violating article 6 of Law 3556/2007 on the issuers' obligation to publish quarterly financial reports.*
- *Fines were levied on seventeen (17) listed companies for violating article 21 of Law 3556/2007 regarding issuer access to regulated information.*
- *Fines were levied on ten (10) listed companies for violating article 19 of Law 3556/2007 regarding the submission of information about the listing of transferable securities.*
- *Fines were levied on two (2) listed companies for violating article 14 of Law 3556/2007 on the obligation to provide information about the acquisition or sale of major holdings or the exercise of major voting right percentages.*
- *Fines were levied on six (6) listed companies for violating article 10 of Law 3340/2005 on the obligation of issuers to disclose, without any culpable tardiness, any privileged information directly related to them.*
- *Fines were levied on three (3) listed companies for violating article 6 of Law 3340/2005 regarding the conditions for characterizing certain information as "insider" information.*
- *A fine was levied on one (1) listed company for violating article 17 of Law 3340/2005 concerning the obligation of persons professionally arranging transactions in financial instruments to notify the HCMC whenever they reasonably suspect that a transaction might constitute market abuse.*
- *Fines were levied on two (2) listed companies for violating article 7 of Law 3340/2005 that prohibits market manipulation.*
- *Fines were levied on two (2) listed companies for violating article 76 of Law 1969/1991 that prohibits the dissemination of false information.*
- *A fine was levied on one (1) listed company for violating article 2 of Law 2843/2000 that prohibits the extension of credit for any purpose other than the settlement of share acquisitions in the stock exchange.*
- *A fine was levied on one (1) listed company for violating article 5 of Law 2843/2000 concerning the rules that must be adhered to upon concluding margin account agreements.*
- *A fine was levied on one (1) listed company for violating article 3 of Law 3401/2005 on the obligation to publish a prospectus prior to the public offering of transferable securities.*
- *A fine was levied on one (1) listed company for violating article 16 of Law 3401/2005 concerning the approval of supplements to a prospectus the latest within seven working days since its submission and the publication of the original prospectus on the Media.*
- *A fine was levied on one (1) listed company for violating Law 3461/2006 on takeover bids.*

- *Fines were levied on four (11) listed companies for violating HCMC Rule 4/507/28.4.2009 on the timing of disclosure of data and information resulting from quarterly and semi-annual financial statements.*
- *A fine was levied on one (1) listed company for violating article 25 of Law 3606/2007 on professional conduct upon the provision of investment services.*
- *Fines were levied on eleven (11) listed companies for violating other legal provisions.*

### **Other entities (Foreign)**

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- *Fines were levied on two (2) foreign entities for violating the provisions of P.D. 51/1992 on the information that must be disclosed upon the acquisition and sale of major shareholdings in ASE-listed companies.*
- *Fines were levied on two (2) foreign entities for violating article 14 of Law 3340/2005 concerning the persons that prepare, or make available to the public, analyses on financial instruments or issuers, which recommend or suggest certain investment strategies.*
- *A fine was levied on one (1) foreign entity for violating article 3 of Law 3340/2005 that prohibits insider trading.*
- *Fines were levied on forty (40) foreign entities for violating articles 9, 10, 14 & 19 of Law 3556/2007 on the obligation to provide information about the acquisition or sale of major holdings or the exercise of major voting right percentages, the content of the this information, the provision of information to the HCMC, as well as the denial or obstruction of the provision of information to the HCMC.*

### **Individuals**

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- *Fines were levied on eleven (11) individuals for violating article 8 of Law 3016/2002 concerning the obligation of the Internal Audit Department to report to the company's board of directors all cases of conflict between the interests of the company's directors or managers with those of the company, which are identified upon fulfilling its duties.*
- *A fine was levied on one (1) individual for violating PD 348/1985 concerning the terms of the preparation, audit and dissemination of the prospectuses that must be published for the listing of transferable securities (shares, bonds) in the ATHEX.*
- *Fines were levied on two (2) individuals for violating article 72 of Law 1969/1991 that prohibits the dissemination of false information.*
- *Fines were levied on two (2) individuals for violating article 5 of Law 2843/2000 concerning the rules that must be adhered to upon concluding margin account agreements.*
- *Fines were levied on three (3) individuals for violating article 3 of Law 3340/2005 that prohibits insider trading.*
- *Fines were levied on five (5) individuals for violating article 7 of Law 3340/2005 that prohibits market manipulation.*
- *A fine was levied on one (1) individual for violating article 4 of Law 3340/2005 concerning the prohibition of disclosing privileged information to other persons unless the persons subject to the prohibition are*

acting as part of their usual activities or duties, as well as the prohibition of encouraging other persons, through the use of privileged information, to acquire or sell, either on his or her own or through a third party, the financial instruments this information pertains to.

- A fine was levied on one (1) individual for violating article 5 of Law 3340/2005 concerning the prohibition of the disclosure of privileged information by any person that is aware, or should be aware, that this constitutes “privileged information”.
- A fine was levied on one (1) individual for violating article 18 of Law 3340/2005, concerning the obligation of persons professionally arranging transactions in financial instruments to record and file all orders received by their clients in a manner that ensures the reliability and completeness of the recorded data.
- Fines were levied on two (2) individuals for violating article 8 of Law 3606/2007 on the provision of investment services and the carrying out of investment activities.
- A fine was levied on one (1) individual for violating article 12 of Law 3606/2007 concerning the obligation of investment firms, when holding financial instruments belonging to clients, make adequate arrangements so as to safeguard clients' ownership rights, especially in the event of the investment firm's insolvency, and to prevent the use of a client's instruments on own account except with the client's express consent.
- Fines were levied on forty (40) individuals for violating articles 9, 10, 14 & 19 of Law 3556/2007 on the obligation to provide information about the acquisition or sale of major holdings or the exercise of major voting right percentages, the content of the this information, the provision of information to the HCMC, as well as the denial or obstruction of the provision of information to the HCMC.
- Fines were levied on four (4) individuals for violating other legal provisions.

During 2013, the Hellenic Capital Market Commission levied fines of a total worth of 4,241,000 euros. The allocation of fines among market entities is presented in Table 31.

**TABLE 31. Number and value of fines, 2013.**

<b>Number of cases</b>	<b>Entity</b>	<b>Fines (€)</b>
16	Investment Firms	233,500
2	MFMF	6,000
123	Listed Companies	1,589,000
53	Individuals	1,981,000
20	Foreign entities	431,500
<b>Total: 214</b>		<b>Total: €4,241,000</b>

### **Supervision & Monitoring of the behaviour of listed companies**

In accordance with article 10 of Law 3340/2005 (MAD), the issuers of shares listed in the ATHEX must disclose, without any culpable tardiness, any privileged information related to them. A main prerequisite for the application of the provisions of article 10 is that such information should be of “privileged” nature, as specified by HCMC Rule 3/347/2005. Pursuant to its duties concerning the supervision of company compliance with the provisions of the aforementioned law, in 2013 the competent department of the HCMC sent 26 letters to supervised companies, requiring them: (i) to immediately disclose all information deemed as “privileged” and

concerning the said companies, without waiting for the finalization of the situation, or event, to which this “privileged information” refers to, and (ii) in the case of already disclosed information, to disclose at least those items of information that are necessary for the provision of investors with accurate, adequate, and clear information, in order to preclude any ambiguous or unclear interpretation.

According to the provisions of article 2, paragraph 1 of HCMC Rule 5/204/14.11.2000, all companies whose shares are listed in the ASE must immediately confirm, or deny, any unverified information that might materially affect the price of their shares, clarifying at the same time the current stage of the events to which the relevant information refers to. Pursuant to its duties concerning the supervision of listed company compliance with HCMC Rule 5/204/14.11.2000, in 2013 the competent department of the HCMC sent 24 letters to companies, requiring them to confirm, or deny, unverified information, in accordance with the aforementioned provisions. The review of announcements and the investigation of unverified rumours or information, which is performed daily due to both their everyday flow and their immediate nature, showed that a large number of listed companies has complied, without any interference from the HCMC, with the aforementioned regulations. In case no timely or reliable information has been provided, the appropriate investigations are carried out.

In regard to the aforementioned regulations, in 2013 the HCMC levied fines worth a total of 55,000 euros, for the delayed and insufficient disclosure of privileged information. Disclosure obligations are designed to protect investors and guarantee their confidence in the accuracy and objectivity of stock market information. Moreover, these provisions are designed to inform investors and protect them from any consequences on the financial position, and financial data of the company, which may be caused by events such as changes in business activity, or the omission to deny or confirm unverified information, or rumors, or the leakage of information about impending developments pertaining to the company’s business activity, which might affect the prices of its share.

Furthermore, as part of supervising compliance with the provisions of law 3340/2005 by the issuers of transferable securities in regard to their financial data, the HCMC audits issues related to the compliance of companies with the rules that prohibit market abuse and insider trading through the dissemination, over the Media or any other means of communication, of information that imparts, or may possibly impart, false or misleading indications regarding the financial instruments, or rumors, or misleading information. In regard to the aforementioned regulations, in 2013 the HCMC levied fines worth a total of 40,000 euros, for violations related to the prohibition of market manipulation.

Pursuant to the provisions of article 17 para. 1, of Law 3371/2005 the HCMC, focused on protecting investors and the smooth operation of the market, in cases of insufficient provision of material information requested the placement of the stock of 2 companies under suspension of trading, until the appropriate information is provided to investors.

Pursuant to articles 4 to 8 of Law 3556/2007, listed companies are obliged to publish annual and semi-annual financial reports, as well as quarterly financial statements (for the 1st and 3rd quarter of each fiscal year) in accordance with the International Financial Reporting Standards (IFRS). Moreover, listed companies are obliged to publish selected data and information emanating from the relevant financial statements, the structure and contents of which are determined by specific rules of the HCMC. As part of the supervision of company compliance with the provisions of the above law, which include the audit of the companies' compliance with the IFRS as presented in their financial statements, in 2012 the competent department of the Hellenic Capital Market Commission sent 109 letters to supervised companies, requiring them to: a) correct

detected errors; b) make additional disclosures and c) provide explanations regarding the accounting treatment they employed. In regard to the aforementioned regulations, in 2012 the HCMC levied fines of a total value of 267,000 euros in ten (10) cases, for the non-compliance of financial statements with the IFRS. In addition, in 2012 the HCMC levied fines of a total value of 54,000 euros in 8 cases for the non-timely disclosure of financial reports/financial statements and the data and information stemming from them.

Moreover, in 12 cases of non-compliant preparation of financial statements in accordance with the IFRS and 21 cases of non-timely disclosure of the financial report/financial statements, focusing on investor protection and the smooth operation of the market, the HCMC requested to place the stock of these companies under suspension.

Furthermore, as part of supervising compliance with the provisions of law 3340/2005 by the issuers of transferable securities in regard to their financial data, the HCMC audits issues related to the compliance of companies with the rules that prohibit market abuse and insider trading through the issuers' financial statements and other financial data, including forecasts of results and deviations from such forecasts. As part of the above, the competent department of the Hellenic Capital Market Commission sends letters to supervised companies, requiring them to immediately disclose all information concerning the existence of overdue obligations or claims, the disclosure of tax audit results, major court cases and other major post balance sheet events. In addition, the Hellenic Capital Market Commission levied fines of a total value of 177,000 euros on 7 listed companies for failing to inform investors about major changes in published financial forecasts.

The competent unit of the HCMC is monitoring developments regarding IFRS implementation on the European and international levels, actively participating in ESMA committees, more specifically: (a) the Corporate Reporting Standing Committee (CRSC), which comprises staff members from national regulators-ESMA members, and is responsible for supervising and ensuring the implementation of rules concerning the transparency of the financial information provided by listed companies; (b) the European Enforcers Coordination Sessions (EECS) sub-committee, which deals with technical issues and comprises both members and non-members of the ESMA, responsible for supervising the implementation of, and compliance with, the IFRS, investigating specific cases of accounting treatment by listed companies. In the same context, the HCMC was actively involved in the publication of the ESMA report on accounting practices and disclosures regarding the impairment loss recorded on the value of Greek Government Bonds in the annual financial statements of European financial institutions for the year 2011.

In the context of the provisions of Law 3556/2007 on the obligations concerning the announcement and disclosure of major holdings, shareholders and other responsible persons submitted approximately 630 announcements. As far as compliance of the supervised persons with the provisions of the aforementioned law is concerned, the Hellenic Capital Market Commission imposed total fines of almost 180,000 euros on individuals or legal entities.

The competent department performed company audits, which led to the detection of punishable violation, and in 10 cases the HCMC imposed total fines of €160,000. Of these cases, 9 (€150,000) resulted from the secondary audit of the use of funds raised through share capital increases, the timetable and the commitments made in regard to the information provided to investors, while one case (€10,000) resulted from an ad hoc audit on a company.

## **Supervision & Monitoring of takeover bids**

*In 2013, six (6) requests regarding takeover bids for securities traded in the ATHEX were submitted to the Hellenic Capital Market Commission in accordance with law 3461/2006 (Table 32), while three (3) requests that had been submitted in 2012 were approved. As part of the supervision of the supervised persons' compliance with the provisions of the above law, in 2013 the HCMC imposed a fine of €5,000 for the violation of the the provisions of the above law.*

*Moreover, the Hellenic Capital Market Commission received four (4) requests for the execution of squeeze-out rights, i.e. the right of the Acquirer that, after the end of the bid, possesses transferable securities representing at least ninety percent (90%) of the Target Company's voting rights to demand the acquisition of all the remaining transferable securities of the Target Company. More specifically, in 2013 the following requests were submitted to, and approved by, the Board of the Hellenic Capital Market Commission: (i) a request by "P&P Water Holdings (Greece) SA" for the execution of its squeeze-out right on the shares of EURODRIP SA (approved on 22.5.2013); (ii) a request by "COCA-COLA HBC AG" for the execution of its squeeze-out right on the shares of "COCA COLA HELLENIC BOTTLING COMPANY SA" (approved on 22.5.2013); (iii) a request by DELPHI LUXEMBOURG HOLDING SARL for the execution of its squeeze-out right on the shares of the "S&B INDUSTRIAL MINERALS SA" (approved on 3.6.2013); and (iv) a request by Mr. Stavros Psicharis for the execution of its squeeze-out right on the shares of the "LAMBRAKIS PRESS ORGANISATION" (approved on 11.7.2013).*

*Moreover, in conjunction with Law 3371/2005, but also after requests of the companies themselves for the de-listing of their shares, the Board of the HCMC decided to de-list the shares of six (6) companies. More specifically, the following companies submitted requests to the HCMC, concerning the de-listing of their shares from the Athens Stock Exchange in accordance with art. 17, paragraph 5, of Law 5 of Law 3371/2005 as currently in force, which were approved by the Board of the Hellenic Capital Market Commission: (i) "OLYMPIC CATERING SA" Approved on 11.2.2013, (ii) "HIPPO TOUR SA" Approved on 11.2.2013, (iii) "S&B INDUSTRIAL MINERALS SA" Approved on 11.7.2013, (iv) "EURODRIP SA" Approved on 11.7.2013, (v) "COCA COLA HELLENIC BOTTLING COMPANY SA" Approved on 11.7.2013 and (vi) "LAMBRAKIS PRESS ORGANISATION" Approved on 23.12.2013.*

*Finally, the HCMC participates, through the European Securities and Markets Authority (ESMA), in the meetings of the Takeover Bids Network between staff members from the ESMA-member regulators responsible for the monitoring and supervision of takeover bids. The purpose of the meetings conducted in this context is the exchange of information/experience among the member states of the European Union concerning takeover bids, with the aim of promoting a common regulatory policy on this issue. At the 13th meeting of the relevant policy groups, which was held in 2013, there was an exchange of views on various issues, mostly dominated by the discussion on the draft guidelines regarding the actions of shareholders that lead to "acting in concert". Later, in October ESMA issued a "Public Statement: Information on shareholder cooperation and acting in concert under the Takeover Bids Directive". This text includes a list of actions, which aims at helping listed company shareholders cooperate with each other, without such cooperation being regarded as acting in concert, in the context of Directive 2004/25/EC of the European Parliament and of the Council of April 21 2004 on takeover bids. The HCMC is in constant communication with the other ESMA members, exchanging views on issues emerging from the practical implementation of the aforementioned directive in the member states.*



**TABLE 32. Take-over bids in the capital market, 2013**

No	Date of submission	Type of bid	Bidder	Target company	Date of Approval	Acceptance period	% of shares prior to the bid	% of shares after the bid
1	5/10/2012	OPTIONAL	National Bank of Greece S.A.	EFG EUROBANK ERGASIAS	10/1/2013	11/1/2013 – 15/2/2013	0.42%	84.38%
2	10/10/2012	OPTIONAL	Coca-Cola HBC AG	COCA COLA HELLENIC BOTTLING COMPANY SA	13/3/2013	19/3/2013 - 19/4/2013	23.30%	96.85%
3	17/12/2012	COMPULSORY	Piraeus Bank SA	GENIKI BANK	28/2/2013	5/3/2013 - 2/4/2013	99.08%	99.91%
4	30/1/2013	COMPULSORY	Delphi Luxembourg Holding Sarl	S&B INDUSTRIAL MINERALS SA	8/4/2013	11/4/2013 - 9/5/2013	61.26%	97.49%
5	18/2/2013	COMPULSORY	P&P Water Holdings (Greece) SA	EURODRIP SA	8/4/2013	11/4/2013 - 10/5/2013	74.90%	98.21%
6	8/4/2013	OPTIONAL	Stavros Psicharis	LAMBRAKIS PRESS ORGANISATION	30/4/2013	8/5/2013 – 4/6/2013	92.09%	93.17%
7	8/8/2013	OPTIONAL	Georgios Apostolopoulos Holdings SA	MEDICAL CENTER OF ATHENS SA	19/9/2013	24/9/2013 – 25/10/2013	33.30%	38.88%
8	29/10/2013	COMPULSORY	Fairfax Financial Holdings Ltd	EUROBANK PROPERTIES REIC	25/11/2013	27/11/2013 – 27/12/2013	75.09%	75.35%
9	10/12/2013	OPTIONAL	Lykos A.G.	INFORM P. LYCOS SA	31/1/2014	5/2/2014 – 7/3/2014	PENDING	PENDING

Source: HCMC

## Sales of listed company shares

### Forced sale of shares

The granting of licenses for forced sales and the appointment of ATHEX-members for the forced sale of pledged or seized shares, continued in 2013. These responsibilities were transferred to the Hellenic Capital Market Commission pursuant to Law 3152/2003 (article 13 §§ 1 and 2). The total volume of stock for sale reached 23,577,970 shares in 2013 as compared to 13,975,750 in 2012, 238,173 in 2011 and 955,512 in 2010, while the total volume of stock finally sold reached 2,181,867 shares, as compared to 6,666 in 2012, 41,300 in 2011 and 337,378 in 2010. The total value of shares sold amounted to 1,423,694.84 euros, as compared to 20,064.66 in 2012, 110,387.85 euros in 2011, and 65,015.60 euros in 2010. In 2013, 11 requests were submitted for the execution of 9 sales, as compared to 9 requests and 3 sales in 2012, 3 requests and 3 sales in 2011 and 8 requests and 2 sales in 2010. Since the transfer of competence concerning the forced sale of shares, and till the end of 2013, the HCMC received 170 requests for the auction of pledged or seized shares.

### Forced sale of non-dematerialized shares

The granting of licenses for forced sales and the appointment of ATHEX-members for the forced sale of tangible registered shares, which have not been submitted for dematerialization, continued in 2013. In accordance with article 44, paragraphs 2 and 3 of Law 2396/1996, the shares that are subject to forced sale are sold under the care of the issuing company, free from any right or encumbrance, while article 44a, para. 2, of Law 2396/1996 as supplemented by article 53 para. 2, of Law 3371/2005 all tangible registered shares that have not been presented to the issuer for dematerialization are sold through the Athens Stock Exchange twelve months after the said law came into force. Pursuant to the aforementioned provisions and on the basis of an authorization, the Hellenic Capital Market Commission issued HCMC Rule "Sale of tangible registered shares that have not been submitted for dematerialization", which specifies the procedure for the forced sale of listed tangible bearer shares that were not submitted to the issuer company or the operators authorized by it, the obligations of the issuer company to adhere to publicity requirements regarding the forced sale of

shares and every other pertinent detail. In 2013, the HCMC authorized the forced sale of 145,979 tangible registered shares that had not been submitted for dematerialization, without, nonetheless, any transaction actually occurring.

## **Tackling money laundering**

The Special Anti-Money Laundering and Terrorist Financing Unit, which operates pursuant to art. 6, paragraph 6, of Law 3691/2008, aims at monitoring the compliance of supervised entities with their obligations regarding the prevention and suppression of money laundering and terrorist financing. In this context, the Special Unit performs audits on the supervised entities and, at the same time, submits reports to the Anti-Money Laundering, Counter-Terrorist Financing and Source of Funds Investigation Authority in regard to any suspicious transactions detected.

In 2012, the Special Unit continued its work, performing audits on thirty one (31) supervised companies, of which twenty four (24) were performed on Financial Intermediation Firms. The evaluation of the audits' findings revealed omissions in compliance with procedures in at least half of the audited companies. Following the commendations made to some of these companies and the imposition of corrective measures on the others, the companies finally implemented adequate procedures. Only in one case did the Board of the Hellenic Capital Market Commission impose a fine of €30,000, because one Investment Firm did not comply in full with the corrective measures imposed on it.

In December 2013, two members of the Special Unit attended a three-day seminar for the exchange of best practices regarding money laundering. This seminar had been especially organized for the government agencies responsibly for tackling money laundering, with the aim of ensuring the exchange of expertise and further improving cooperation among these agencies, for the more efficient tackling of money laundering.

As far as the provision of information to the supervised companies is concerned, the HCMC did not organize any relevant conferences, since there were no major developments on the issue of money laundering during 2013; however, information about developments concerning country compliance or non-compliance with EU legislation, directives for the implementation of due diligence, FATF recommendations, as well as information about new money laundering methods and practices that have been identified, continued to be provided to the companies via the relevant web page of the Hellenic Capital Market Commission.

## **PROFESSIONAL CERTIFICATION OF CAPITAL MARKET AGENTS**

The current regime for the professional certification of capital market agents is regulated by means of HCMC Rule 3/505/3.4.2009 (Gazette B 873/11.5.2009), in implementation of article 4 of Law 2836/2000 (Gazette A 168), as amended by article 49(2) of Law which was later replaced by article 14 of Law 3606/2007 (Gazette A 175). This regime provides for the obligation of Investment Firms, Financial Intermediation Firms, Mutual Fund Management Firms, and Portfolio Investment Companies, which have been licensed, and are supervised, by the Hellenic Capital Market Commission, to employ for the provision of investment services only holders of Professional Adequacy Certificates. The Rule determines the maximum number of trainees that may be employed by each Firm, as well as the maximum time period during which firms may employ trainees, prior to their successful participation in the Certification Exams or the Certification Seminar (a1).

The Professional Adequacy Certificate refers to five specific types of investment services: (a1): Receipt, transmission and execution, on behalf of third parties, of orders on transferable securities, shares in collective

investment undertakings, and money market instruments; (a2): Receipt, transmission and execution, on behalf of third parties, of orders on derivative products; (b): Provision of investment advice concerning transferable securities, shares in collective investment undertakings, and money market instruments, derivative products, and structured financial products; (b1): Provision of investment advice concerning transferable securities, shares in collective investment undertakings, and money market instruments; (c): Client asset management; and (d): Preparation of analyses on financial instruments or issuers.

The Certificate is bestowed by the HCMC if the applicant has successfully sat in certification exams or attended certification seminars, or is the holder of a CFA (Series 3) or CIIA (Final) degree, or equivalent professional adequacy certificates issued by the competent authorities, or agencies, recognized by the competent authorities of EEA member-states, the US, Canada and Australia, and have successfully sat in the exams on the "Institutional framework of the capital market". Apart from sitting at the exams, certification is also conditional to the fulfillment of additional eligibility criteria, such as: the fulfillment of minimum personal reliability requirements, the fulfillment, according to case, of minimum qualifications and the payment of a €100 Certification fee to the HCMC. Moreover, HCMC Rule 3/505/3.4.2009 introduces the option to organize certification seminars addressed to applicants wishing to receive Certificate (a1) and working as trainees in the receipt and transmission of orders. A similar certification requirement has been established for credit institution executives, under similar terms and conditions, which are specified by the joint Decision 4/505/3.4.2009 of the HCMC and the Bank of Greece, whose implementation lies with the Bank of Greece.

In implementation of the above, 346 applications for participation in the exams or the seminars that were organized during the year (March-May, October-December) were submitted in 2013, and 192 professional adequacy certificates were granted. More specifically, 51 certificates were granted in specialty (a1), 54 certificates in specialty (a2), 19 certificates in specialty (b1), 37 certificates in specialty (b), 18 certificates in specialty (c) and 13 certificates in specialty (d). Furthermore, in implementation of the applicable provisions, in 2013 the HCMC granted, following the relevant requests, 7 professional adequacy certificates without participation in the exams (2 following requests for exception due to equivalence and 5 following requests for implementation of transitional provisions): more specifically, 5 certificates in specialty (a2), 1 certificate in specialty (b), and 1 certificate in specialty (c).

## **ACTIVITIES OF THE DIRECTORATE OF LEGAL SERVICES**

In 2013, the Directorate of Legal Services of the Hellenic Capital Market Commission handled many legal cases, offered legal advice and opinions to the competent departments of the HCMC, and was actively involved in the legislative and regulatory work of the HCMC, both on the national and EU levels.

More specifically, its activities included the following: 295 cases were heard in the competent courts, with the attendance of HCMC attorneys. More specifically, DLS attorneys were present at the administrative courts (Council of State, Administrative Appellate Court of Athens and Administrative Courts of First Instance) during the hearings of 287 HCMC cases, at civil courts for the hearing of 1 HCMC case and at penal courts for the hearing of 7 HCMC cases. Moreover, 16 applications for the suspension of sentences were heard and rebutted at administrative courts. Opinions or memoranda to administrative courts were prepared and submitted in another 57 cases, which were, however, not heard during 2013, due to adjournment or due to other reasons. Moreover, 30 cases were prepared, which were heard or shall be heard by the competent courts, without the attendance of DLS attorneys or with the attendance of associate attorneys, as well as 26 penal cases, heard by investigating authorities.

HCMC attorneys submitted the Executive Committee with proposals regarding the submission or non-submission of 8 appeals and 24 rescissions of court decisions, prepared and submitted judicial remedies in 28 cases, and provided legal assistance to the competent departments of the HCMC in 198 cases. HCMC participated in the Commission's legislative and regulatory work, and more specifically in the preparation of draft laws, amendments and regulations, as well as in EU work groups for the drafting of new Directives or amendment of existing ones. Moreover, out of court settlements were achieved during the year in 45 cases, pursuant to the provisions of article 41, para. 3, of Law 3943/2010, following a discount of 20% on the fines imposed.

During the year, 205 court rulings were delivered to the HCMC. Of these, 142 rulings were in favor of the Hellenic Capital Market Commission, rejecting appeals, caveats or actions against it or approving requests for rescission, appeal or motions submitted by the HCMC, 44 were against the HCMC, approving appeals, caveats or actions against it or rejecting requests for rescission, appeal or motions submitted by the HCMC, 13 were partly in favor of the HCMC, partly approving appeals and caveats against it, mainly by reducing the fines imposed, and 6 decisions led to the postponement or the recommittal or the annulment of the trial.

The most important court rulings were the following: The Council of the State issued rulings 109/2013, 110/2013, 111/2013, 936/2013, 938/2013, 937/2013 and 462/2013. These rulings stated, by interpreting article 72, para. 2, of Law 1969/91, that the dissemination of inaccurate and misleading information as per the above article can also be achieved by means of transactions. Moreover, they judged that article 72, para. 2 of Law 1969/1991 is not contrary to article 7 of the ECHR.

The Council of the State issued rulings 939/2013 and 941/2013. These are interpretations of article 72, para. 2 of Law 1969/1991. Firms for the Reception and Transmission of Orders (AELDE) can be held liable, as professionally engaged in intermediation as per article 72 para. 2, of Law 1969/1991 passage b, for the transmission of orders for the execution of trades (see also CoS 497/2010, 7-member). It is irrelevant if the orders for the execution of transactions are disclosed or not.

The Council of the State issued ruling 3557/2013. This is an interpretation of article 72, para. 2 of Law 1969/1991. The dissemination of inaccurate and misleading information as per the above article can also be achieved by means of transactions – responsibility of the authorized clerks, i.e. the persons that are employees of the agency that is professionally engaged in intermediation.

The Council of the State issued ruling 3984/2013. This decision rejects the rescission of the levying of a fine on a company, pursuant to article 72 of Law 1969/1991 (financial statements), on the grounds that the non-presentation of the actual situation of the group's profits is tantamount to the dissemination of inaccurate information capable of affecting the price of, and trading on, the Group's stock. The possibility of causing the risk of misleading investors is enough. There is no effect from the culpability of the person who committed the violation and, therefore, there is no effect from the possible acquittal of the persons responsible for preparing, signing and approving the financial statements by the penal courts for the offense provided for by article 72 para 1 law 1969/1991 Circumscribed powers of the HCMC to levy a fine is a violation is ascertained.

The Appellate Court of Athens issued rulings 204/2013, 205/2013, 206/2013, 240/2013, 1008/2013, 2599/2013, 1960/2013, 1959/2013 and 2600/2013. These rulings are interpretations of article 7 of Law 3340/2005 on stock manipulation.

The Appellate Court of Athens issued rulings 608/2013 and 839/2013. According to these rulings, article 72, para. 2 of Law 1969/1991 is not contrary to article 7 of the ECHR. Moreover, financing the transactions of

relatives, company employees and third persons (by means of deposits made in the brokerage accounts by the principal shareholder of a company, as well as the deposit of the proceeds from the sale of stock by these persons in the shareholders bank account) constitutes a violation of article 72, para 2 of Law 1969/1991.

The Appellate Court of Athens issued rulings 1302/2013, 2456/2013 and 2457/2013. These are interpretations of article 17, of Law 3340/2005

The Appellate Court of Athens issued ruling 3103/2013. This ruling rejects an appeal against a ruling rejecting an action against the HCMC and the Greek state, on the grounds that the court of first instance correctly and legally ruled that acquittal by penal courts does not constitute a subsequent reason regarding the imposition of a fine, which establishes the obligation to rescind the imposition of the fine and refund all paid monies (invocation of ruling of the plenary assembly of the Council of the State 2067/2011). Moreover, since the State cannot be held liable for compensation on the basis of article 105 of the Introductory Law of the Civil Code, no monetary compensation can be awarded for moral damage.

## FINANCIAL RESULT

In a tough year for the Greek capital market, the Hellenic Capital Market Commission managed to balance its income with its needs and show a surplus of 6,227,868, as compared to a deficit of almost 95,000 euros in 2012 and a surplus of almost 670,000 euros in 2011.

More specifically, the realized income for the year 2013 is increased by 77% year-on-year, mainly as a result of the recapitalization of the largest banks, as well as the growth of total trading activity in the stock exchange during the previous year. The expenses incurred in 2013 were slightly increased, mainly as a result of rising payroll costs, the increase of mandatory subscriptions to International Organizations, as well as the increased in leases and other overheads. Overall, the net result for the financial year 2013 was improved significantly.

**TABLE 33. HCMC Financial Result, 2013**

RESULTS	2013 (Amounts in €)	2012 (Amounts in €)	2011 (Amounts in €)	% change 2012-13
Total income	15,435,066.20	8,722,987.83	13,507,270.93	77%
Total expenses	9,207,198.12	8,818,549.19	12,837,693.50	4%
• Payroll	6,975,694.69	6,585,549.19	9,215,364.62	6%
• Rents	937,589.03	1,027,529.92	1,281,802.71	-9%
• Overheads	76,089.21	28,753.67	998,351.41	165%
• Subscriptions to International Organizations	416,769.79	335,752.75	327,067.84	24%
• Operating and other expenses	801,055.40	841,325.15	1,015,106.84	-5%
Net Result	6,227,868.08	-95,561.36	669,577.43	6413%

## INTERNATIONAL ACTIVITIES OF THE HELLENIC CAPITAL MARKET COMMISSION

### Notifications for the Provision of Investment Services in Greece

According to European Directive 2004/39/EC (MiFID) and its precursor, Directive 93/22 (ISD), investment firms intending to provide investment services in any EU member state (host member state), are obliged to notify this intention to the competent authorities of the home member state. This is how the so-called "European

*Passport” is used for the cross-border provision of investment services in the EU. Such notification must always be accompanied by a complete business plan. Thereafter, the competent authorities of the home member-state inform their counterparts in the host member-state accordingly.*

*In the context of the implementation of the aforementioned European Directives during the period 1995-2012, the Hellenic Capital Market Commission has received many notifications from overseas firms wishing to provide investment services in Greece by means of the “European Passport” (Table). These notifications remain active in 2,233 cases.*

**TABLE 34. Notifications for the Provision of Investment Services in Greece**

Country	Number of Notifications			Number of Cancellations			Total of Active Companies		
	2013	2012	2011	2013	2012	2011	2013	2012	2011
Austria	41	40	39	15	14	14	26	26	25
Belgium	17	17	17	7	6	5	10	11	12
Bulgaria	6	6	6	0	0	0	6	6	6
France	56	54	49	18	12	11	38	42	38
Germany	45	42	36	7	6	6	38	36	30
Denmark	12	12	11	1	1	1	11	11	10
Estonia	1	1	1	0	0	0	1	1	1
Ireland	71	66	63	30	27	22	41	39	41
Italy	15	15	13	0	0	0	15	15	13
Spain	11	11	10	2	1	0	9	10	10
Cyprus	134	112	78	17	14	10	117	98	68
Latvia	1	1	1	0	0	0	1	1	1
Lithuania	1	1	0	0	0	0	1	1	0
Lichtenstein	7	4	2	0	0	0	7	4	2
Luxembourg	37	31	23	3	2	2	34	29	21
Malta	16	8	8	1	1	1	15	7	7
Norway	28	27	26	1	1	1	27	26	25
Netherlands	79	68	66	40	18	18	39	50	48
Poland	3	3	2	0	0	0	3	3	2
Portugal	1	1	1	0	0	0	1	1	1
Romania	2	0	0	0	0	0	2	0	0
Slovakia	2	2	2	0	0	0	2	2	2
Slovenia	1	1	1	0	0	0	1	1	1
Sweden	11	11	11	6	6	6	5	5	5
Czech Republic	3	3	2	0	0	0	3	3	2
Finland	8	7	7	3	3	3	5	4	4
Britain	2,594	2,515	2,362	819	712	634	1,775	1,803	1,728
Total	3,203	3,059	2,837	970	824	734	2,233	2,235	2,103

*The distribution of active notifications by country is the following: 1,775 companies come from the UK, 117 from Cyprus, 41 from Ireland, 39 from the Netherlands, 38 from each of Germany and France, 34 from Luxembourg, 27 from Norway, 26 from Austria, 15 from each of Italy and Malta, 11 from Denmark, 0 from Belgium, 9 from Spain, 7 from Lichtenstein, 6 from Bulgaria, 5 from each of Sweden and Finland, 3 from each of Poland and the Czech Republic, 2 companies from each of Romania and Slovakia and 1 company from each of Estonia, Latvia, Lithuania, Portugal and Slovenia.*

*Moreover, in 2013, 99 new companies coming from the UK submitted notifications regarding the provision of investment services in the Greek capital market, 22 from Cyprus, 10 from the Netherlands, 8 from Malta, 7*

from Luxembourg, 5 from Ireland, 3 from Lichtenstein, 2 from each of France, Germany and Romania and 1 from each of Austria, Norway and Finland.

## **Memoranda of Understanding**

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The purpose of Memoranda of Understanding (MoU) is to establish and implement a procedure for the provision of assistance among competent authorities for the supervision of the capital market, in order to enhance the efficiency of the supervisory function entrusted with them. These Memoranda enable supervisory authorities to exchange confidential information, in order to exercise supervision and achieve compliance of the supervised agents of the market with the existing institutional regulations. The memoranda of understanding between the supervisory authorities of different countries facilitate international co-operation between stock exchanges, companies and other capital market agents, and therefore are the first stage for the establishment and further improvement of the relations among these countries' capital markets. In the context of the new European architecture for the supervision of financial markets, MOUs play a key role, since they are instrumental in the move towards the single supervision of the European market.

Up to date, the Commission has signed the following Memoranda of Understanding in the context of the general development of its international relations:

1996

- A bilateral Memorandum of Understanding with the U.S. Securities & Exchange Commission (December 17th, 1996).

1998

- A bilateral Memorandum of Understanding with the Securities Commission of Portugal (July 9th);
- A bilateral Memorandum of Understanding with the securities commission of Cyprus (September 1st);
- A bilateral Memorandum of Understanding with the National Securities Commission of Romania (November 30th).

1999

- Multilateral Memorandum of Understanding with the regulators of FESCO member-states (January 26th);
- A bilateral Memorandum of Understanding with the securities commission of Albania (April 1st).

2000

- A bilateral Memorandum of Understanding with the securities commission of Brazil (May 17th);
- A bilateral Memorandum of Understanding with the Central Bank of Cyprus (September 8th);
- A bilateral Memorandum of Understanding with the Securities Commission of Slovenia (October 6th);
- A bilateral Memorandum of Understanding with the Securities Commission of Bulgaria (December 1st).

2001

- A bilateral Memorandum of Understanding with the Securities Commission of Bosnia & Herzegovina (June 27th);
- A bilateral Memorandum of Understanding with the Securities Commission of the Czech Republic (June 28th);
- A bilateral Memorandum of Understanding with the Capital Markets Board of Turkey (October 5th).

2002

- A bilateral Memorandum of Understanding with the Capital Market Commission of South Africa (October 9th);
- Multilateral Memorandum of Understanding with the member-states of IOSCO (International Organization of Securities Commissions) (October 18th).

2003

- A bilateral Memorandum of Understanding with the Securities Commission of Hungary (January 8th);

- *A bilateral Memorandum of Understanding with the Securities Commission of Poland, (August 1st). 2005*
- *A bilateral Memorandum of Understanding with the Securities Commission of Bulgaria (March 28th);*
- *A bilateral Memorandum of Understanding with the Securities Commission of Slovakia (June 28th);*
- *A bilateral Memorandum of Understanding with the Capital Markets Commission of Israel (September 27th);*
- *A bilateral Memorandum of Understanding with the securities commission of Serbia (December 3rd). 2007*
- *A bilateral Memorandum of Understanding with the Capital Markets Commission of Dubai (September 14th);*
- *A bilateral Memorandum of Understanding with the Securities Commission of Egypt (November 20th). 2012*
- *A bilateral Memorandum of Understanding with the Supervisory Authority of the United Arab Emirates (January 11th). 2013*
- *In the context of Directive 2011/61/EC on Alternative Investment Fund Managers, the HCMC signed bilateral Memorandums of Understanding with the regulators of the following jurisdictions: Albania, Australia, Bermuda, Brazil, British Virgin Islands, Canada, Cayman Islands, Dubai, FYROM, Guernsey, Hong-Kong, India, Isle of Man, Israel, Japan (FSA, MAFF, METI), Jersey, Kenya, Labuan, Malaysia, Maldives, Morocco, Mauritius, Mexico, Montenegro, Pakistan, Singapore, Republika Srpska, Switzerland, Tanzania, Thailand, Turkey, UAE and US (CFTC, OCC, SEC).*

## **The Hellenic Capital Market Commission and the European Securities and Markets Authority (ESMA)**

*The European Securities and Markets Authority (ESMA) is the independent EU authority that was formed on January 1st, 2011, pursuant to EU Regulation 1095/15.12.2010, which describes its powers and responsibilities. Its operation is based on the work of standing and ad hoc committees, mainly comprising executives from EU member-state capital market regulators.*

### **Standing Committees of the ESMA**

#### **1. Market Integrity Standing Committee (MISC)**

*The MISC has undertaken ESMA's work on issues relating to market surveillance, enforcement of securities laws, facilitation of cooperation of national authorities and exchange of information in market abuse investigations. Regarding surveillance, the MISC's work aims at enhancing the efficiency and effectiveness of the market surveillance activities of national authorities, including the use of various market surveillance tools (such as the analysis of transaction reports). This Standing Committee also provides a forum, in which national authorities may share their experiences concerning their market surveillance and enforcement activities. In the area of cooperation, the Standing Committee works to ensure efficient and timely cooperation in cross-border cases, mainly concerning market abuse, and facilitates sharing of information under the ESMA multilateral memorandum of understanding (ESMA MMoU). Finally, the Standing Committee is responsible for elaborating advice to the European Commission, as well as technical standards and guidelines and recommendations on issues relating to the integrity of markets (e.g. market abuse and short selling). The chairperson of the MISC is the Chairman of the Hellenic Capital Market Commission, Mr. K. Botopoulos.*



*In 2013, the work of the MISC focused mainly on issues related to market abuse and short selling. In regard to market abuse, the ESMA dealt, in particular, with the supervisory practices of national authorities, as well as with the preparation for the implementation of the new revised regime on market abuse. In regard to short selling, ESMA submitted a report on the impact of Regulation 236/2012 on short selling on its operation and the commitment of human and material resources required for fulfilling its duties, expressed an opinion concerning the prohibition of the short selling of Greek stocks following a decision of the Hellenic Capital Market Commission, updated the Q&A on short selling, issued guidelines on Exemption for market making activities and primary market operations under the Short selling regulation and issued a technical advice on the implications of the short selling regulation.*

## **2. Corporate Finance Standing Committee**

*The Corporate Finance Standing Committee is responsible for elaborating on all issues related to the Prospectus Directive and Corporate Governance. It also carries out ESMA's work with regard to major shareholding disclosures under the Transparency Directive, except in relation to how such disclosures are stored. The Committee promotes greater efficiency in the day-to-day work of national supervisors; increases supervisory convergence and ensures the coherent application of rules across all member states. In terms of developing technical advice and guidance, the Standing Committee is responsible for elaborating Level 2 advice and Level 3 measures on the provisions of the Prospectus and Transparency Directives. In the field of Corporate Governance, the Standing Committee will identify and consider a proposed ESMA response to areas which relate to securities (as opposed to company) laws in the European Union, which are of interest and relevance to ESMA and which are not addressed by other ESMA working groups. The Standing Committee also works towards the harmonised implementation of EU legislation. If needed or when requested, the Standing Committee also advises the European Commission on possible changes to the appropriate Level 1 Directives. Finally, the Committee develops "Questions & Answers" (Q&As) in order to promote supervisory convergence and transparency for market participants.*

## **3. Corporate Reporting Standing Committee**

*The Corporate Reporting Standing Committee works on issues related to the accounting, audit, periodic reporting and storage of regulated information. More specifically, the Committee pro-actively monitors and influences regulatory developments in the area of accounting and auditing, including an active monitoring of the EU endorsement process of international standards and the work of relevant EU accounting and/or auditing Committees. Moreover, the Committee Coordinates the activities of national enforcers from the European Economic Area relating to the enforcement of compliance with the International Financial Reporting Standards (IFRS).*

*This coordination includes the analysis and discussion of individual enforcement decisions under IFRS and emerging financial reporting issues under IFRS; the identification of issues which are not covered by financial reporting standards or which may be affected by conflicting interpretations; and facilitating the exchange of views and sharing of experiences on methods for supervising the financial information of companies offering publicly securities and/or having these securities listed on an EU regulated market.*

*The Committee pro-actively monitors and influences developments relating to periodic financial reporting under the Transparency Directive, and establishes and maintains appropriate relationships with securities regulators from major capital markets outside Europe, in order to foster operational cooperation between EU and non-EU regulators on the competences in the remit of the Standing Committee.*

#### **4. Secondary Markets Standing Committee**

*The Secondary Markets Standing Committee (SMSC) has undertaken ESMA's work relating to the structure, transparency and efficiency of secondary markets for financial instruments, including OTC markets. The markets monitored by the Secondary Markets Standing Committee includes regulated markets, multilateral trading facilities, systematic internalisers, other organised trading platforms, as well as the activity of intermediaries in trading platforms. The Committee assesses the impact of changes in market structure on the transparency and efficiency of trading, and develops ESMA policy in regard to the issues identified. This work is not limited to securities subject to the transparency requirements of the Markets in Financial Instruments Directive (MiFID), but also to non-equity financial instruments and commodity markets.*

*The Standing Committee also promotes supervisory convergence among the national authorities in its area of competence. In terms of policy, the Committee is responsible for preparing advice to the European Commission, as well as technical standards and guidelines and recommendations relating to the MiFID provisions applicable to regulated markets, multilateral trading facilities, systematic internalisers, other organized trading platforms and pre- and post-trade transparency. A consultative working group has been formed to assist the Standing Committee. This consultative working group was renewed during the course of 2013. All databases provided for by MiFID can be found at the ESMA website.*

#### **5. Investor Protection & Intermediaries Standing Committee**

*This Standing Committee addresses issues relating to the provision of investment services and activities by investment firms and credit institutions. Its work is mainly focused on investor protection, including the conduct of business rules, distribution of investment products, investment advice and suitability. As part of its policy, the Standing Committee is responsible for developing and providing technical advice to the European Commission, and for preparing technical standards, guidelines and recommendations relating to the provisions of the Markets in Financial Instruments Directive (MiFID).*

*In terms of policy, the Committee is responsible for developing and providing technical advice to the European Commission, and for preparing technical standards, guidelines and recommendations relating to the provisions of the Markets in Financial Instruments Directive (MiFID). This includes, among others, the authorization of investment firms, conduct of business, organizational arrangements and pass-porting. The Committee also promotes supervisory convergence among national competent authorities in the field of investment services and activities. A Consultative Working Group has been formed to assist the Standing Committee.*

*The work of the Standing Committee revolves around two pieces of legislation, the Directive on Markets in Financial Instruments (MiFID) and the legislation on Packaged Retail Investment Products (PRIIPs). Supervisory convergence is fostered through the issuance of Q&As and guidelines. MiFID regulates the provision of investment services and the activities of investment firms and credit institutions. The role of the ESMA within the current regime includes the provision of technical advice to the European Commission regarding the revision of MiFID. When the revised Directive and the new Regulation come into force, ESMA will assume a major role, relating to the elaboration and provision of technical advice to the European Commission concerning the implementation measures, the technical standards and the guidelines provided for by MiFID. Another objective of the Committee is to establish a consistent regulatory framework for the provision of investors with information about these products, as well as sales practices regarding the main categories of investment products addressed to retail investors (harmonized and non-harmonized funds, structured securities for retail investments, structured time deposits and investment-related insurance products). The European Commission identified to reference points regarding the PRIIPs regulatory framework: the Key*

*Investor Information Document (KIID) of UCITS, in regard to notifications to the public; and the Directive on Markets in Financial Instruments (MiFID) in regard to sales practices. ESMA's predecessor, the CESR, contributed to the work carried out by the three Level III Committees (CESR, CEBS, CEIOPS) in this field.*

#### **6. Investment Management Standing Committee**

*This Standing Committee works on issues relating to collective investment management, covering both harmonised and non-harmonised investment funds. The Standing Committee is responsible for elaborating advice to the European Commission, and technical standards and guidelines and recommendations relating to the UCITS Directive and the AIFM (Alternative Investment Fund Managers) Directive. This work covers the full spectrum of issues addressed by these two Directives. The Committee addresses the rules that apply to other key entities, such as depositaries. Apart from the Directives and the special tasks described above, the Standing Committee is, in general, working on the promotion of supervisory convergence among national competent authorities in the field of investment management.*

#### **7. Credit Rating Agencies Technical Committee**

*EU Regulation 1060/09 on Credit Rating Agencies (CRAs) came into force in December 2009 and was revised in May 2011 with a view to entrust ESMA with an exclusive responsibility for the registration and supervision of credit rating agencies in the European Union. According to the Regulation, ESMA is also required to draft Regulatory Technical Standards alongside its traditional role of promoting convergence through Level 3 guidelines and recommendations. Moreover, the Regulation requires ESMA to maintain a central repository where information on the past performances of CRAs and information about credit ratings issued in the past are to be kept. This information is available to the public.*

*The Technical committee was established to assist ESMA in carrying out its new tasks in regard to CRAs. The Technical committee offers advice on policy decisions regarding CRAs. This advice is offered to ESMA staff, the Board of Supervisors or to any other relevant internal committee or panel established by ESMA, and concerns decisions in the area of CRAs that refer mainly to: the assessment of whether a third country regime includes requirements "as stringent as" those set out in Articles 6 to 12 of the CRA Regulation; the establishment of cooperation arrangements with third country regulators; technical advice to the Commission, the draft technical standards and guidelines and recommendations concerning policy in the field of CRAs; as well as policy or supervisory issues that may have wider implications and on which advice is requested.*

#### **8. Post-Trading Standing Committee**

*The Post-Trading Standing Committee has undertaken all work related to the clearing and settlement of transactions in financial instruments, including the roles of financial market infrastructures and any other entities providing post-trading services. The Committee is responsible for elaborating advice to the European Commission, as well as technical standards and guidelines and recommendations relating to the Regulation on OTC Derivatives, Central Counterparties and Trade Repositories (European Markets Infrastructure Regulation - EMIR).*

*The Standing Committee is also responsible for developing ESMA's policy on the regulation of central securities depositories (CSDs) and on the regulatory and supervisory implications of the TARGET2-Securities project. In addition, the Standing Committee promotes supervisory convergence among the national authorities in its area of competence. ESMA's work in the field of post-trading transparency covers all issues related to when a transaction in financial instruments is considered to be complete, including the infrastructure required for this process. ESMA has three main roles: 1) works on new Regulations, such as EMIR and the regulation on central*

securities depositories (CSDR); 2) ensures coordination in various areas, such as settlement discipline; and 3) handles its immediate responsibilities in regard to the Settlement Finality Directive.

### **9. Financial Innovation Standing Committee**

*This Standing Committee coordinates the national supervisory authorities' treatment and response to new or innovative financial activities and provides advice to ESMA on when to act. In monitoring financial activities, this Standing Committee may advise ESMA to adopt guidelines and recommendations with the aim of promoting regulatory convergence. It may also advise ESMA to issue alerts and warnings, or conduct any regulatory action needed to prevent financial innovation from causing customer detriment or threatening financial stability. As part of its activities, the Committee also collects data, analyzes, and reports on, investor trends. When localized, financial innovation issues are best addressed by a national authority; nonetheless, when those issues are more widely shared, the Standing Committee may make proposals for the co-ordination of national responses. Finally, the Committee also contributes to the Joint Committee of European Supervisory Authorities' work on financial activities, financial innovation and consumer-related issues (through the Subcommittee on Consumer Protection).*

### **10. Committee for Economic and Markets Analysis (CEMA)**

*The Committee for Economic and Markets Analysis (CEMA) is responsible for the monitoring and analysis of financial markets in regard to systemic risk. Monitoring includes the pro-active identification, monitoring, and assessment from a micro-prudential level, of trends, potential risks and vulnerabilities in financial markets across borders and sectors. This analysis includes a thorough focus on financial innovations and incentives related to market practices both at the wholesale and retail level. Moreover, the Committee deals with Cost-Benefit Analysis / Impact Assessment issues, with the aim of contributing to the improvement of regulation by actively supporting ESMA's commitment to Impact Assessments of existing and planned / proposed regulation and supervisory practice (ex ante and ex post Cost-Benefit Analyses / Impact Assessments).*

## **The Review Panel of ESMA**

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*The Review Panel of ESMA comprises high-ranking representatives from ESMA member-state regulators, and its mandate is to evaluate the practical implementation of European Legislation by ESMA members, and the transposition of ESMA standards into their national legislation. The Review Panel operates on the basis of the provisions of the Review Panel Protocol and follows a specific methodology. The Review Panel evaluates convergence in the implementation of European stock market legislation, through mapping exercises, peer reviews and self-assessments, monitoring both the implementation of supervision standards and the promotion of best practice. Its aim is to contribute to supervisory convergence through the consistent and timely implementation of Community legislation in the Member States, and the identification of areas of regulation and supervision wherever there is room for further convergence. The Review Panel assesses the overall process of European law implementation, provides common solutions and expresses views on specific problems in the implementation process encountered by individual Competent Authorities. The Review Panel monitors supervisory practice through assessment and self-assessment reports, based on commonly agreed benchmarks. The Review Panel exercises pressure through peer reviews, which are carried out by fellow national authorities in regard to the implementation of European regulations. In certain circumstances, the Review Panel may carry out "selective peer reviews", focused either on specific issues or on a limited number of countries. The findings of the Review Panel are made public and communicated to the European Commission, market participants, and the wider public.*

## **The Hellenic Capital Market Commission and IOSCO**

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*The International Organization of Securities Commissions (IOSCO), which is based in Madrid, is the main forum of international cooperation among capital market regulators and is recognized as the international agency responsible for the establishment of security market standards. For the time being, IOSCO has 201 members (115 regular members) from more than 100 countries.*

### **The Multilateral Memorandum of Understanding**

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*IOSCO's multilateral memorandum of understanding establishes a new criterion for assessing critical co-operation for dealing with capital market law violations. IOSCO members are committed to adopt adequate and effective information exchange measure, in order to combat the illegal use of securities and derivatives markets. Prior to signing IOSCO's Multilateral Memorandum of Understanding, the candidates must be submitted to a strict assessment process, designed to demonstrate their ability to co-operate on the basis of the memorandum's terms. A monitoring group, comprising representatives of all signatories of the memorandum of understanding, has been formed in order to monitor compliance of the memorandum's signatories with the terms of the memorandum. The Hellenic Capital Market Commission is one of the first counterparties to the Memorandum, having signed the MMU on October 9th, 2002.*

*IOSCO's MOU, which was adopted in 2002, provides for improved enforcement-related cooperation and the exchange of information among regulators. IOSCO's Regional Committees, assisted by its General Secretariat, have worked alongside jurisdictions in their regions to encourage the necessary actions for joining IOSCO's MMOU. During an official ceremony in 2012 in Beijing, four IOSCO members signed the Multilateral Memorandum of Understanding (the securities regulators of Labuan, Peru, Egypt and Mauritius), raising the total number of full members to 86. Together the participants cover 95% of the world's securities markets.*

*Related to these developments is the IOSCO MoU Assistance Program which helps members throughout the application process. The Program, which is coordinated by the General Secretariat of IOSCO, provides experienced professionals that will work together with members seeking technical assistance, in order to help them comply with the necessary international regulatory standards. Many members have benefited from this assistance, which is still available for those remaining members that may be facing difficulties in preparing their MMOU applications.*

### **New Initiatives**

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*During the Annual Conference that was held from September 15-19 in Luxembourg, the members of IOSCO discussed about how to advance work on global regulatory reform and the identification of emerging risks in securities market. This discussion confirmed the position of IOSCO as the key global reference point on securities regulation for policy makers, industry and global regulators, in ensuring investors are confident and informed, markets are fair, efficient and transparent, and systemic risk is reduced.*

*The IOSCO meetings progressed work in various areas of regulatory reform in regard to securities markets, including OTC derivatives, financial benchmarks, credit rating agencies and shadow banking.*

*The members of IOSCO confirmed their determination to work together to identify emerging risks in a proactive and forward-looking way; committed to IOSCO playing an increasingly active role in promoting the financing of long-term investment through capital markets – in areas as diverse as corporate bond markets, securitization, SME finance and Islamic Finance. They agreed to begin work on crowd funding, discussed the*

*need for further work to improve audit quality and highlighted the growing importance of implementing IOSCO principles and recommendations to promote well regulated markets.*

*The members considered proposals for strengthening cross-border cooperation among regulators. The members approved new measures to ensure full compliance with IOSCO's Multilateral Memorandum of Understanding on cooperation and exchange of information. They stressed that greater cross-border cooperation facilitates enforcement efforts.*

*The recent initiatives for streamlining the governance structure and decision-making process of IOSCO were continued. The members approved further measures for reinforcing the new streamlined structure so as to better reflect the interests of IOSCO members, from both developed and emerging markets.*

*The Board agreed to begin work on a strategic plan for the period 2015-2020 (IOSCO 2020) that would define the outcomes IOSCO would seek to achieve by 2020 and lay down the roadmap for realizing those outcomes. The main objective of this project is to identify the resources IOSCO needs to achieve its goals.*

### **New Members and Annual Conference**

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*IOSCO announced the admission of the Institut Nacional Andorra de Finances (INAF) of Andorra as an ordinary member and the German Derivatives Association (DDV) as an associate member. Its next annual conference will be held in Rio de Janeiro in 2014.*

## PART FIVE

### APPENDICES

#### APPENDIX 1. HCMC RULES AND REGULATIONS

No. Of Rule / Gazette	Title	Summary
1/637/28.1.2013 (Gazette B/165/31.1.2013)	Prohibition of short selling on stocks listed in the Athens Stock Exchange that comprise the FTSE/Athex Banking Index	The prohibition of short selling on stocks that comprise the FTSE/Athex Banking Index comes into force on February 01, 2013 and is in effect till April 30, 2013.
12/638/11.2.2013 (Gazette B/356/19.2.2013)	Key Investor Information: Structure and content – Synthetic risk and reward indicator – Calculation of current charges – Return scenarios for structured UCITS	Applicable to Investment Companies with Variable Capital, for all their investment sectors, and to management firms, for every UCITS under management, and sets the content and structure of key investor information, the calculation of the synthetic risk and reward indicator and the current charges, and also presents return scenarios for structured UCITS
17/638/11.2.2013 (Gazette B/356/19.2.2013)	Approval of the training program for individuals involved in the distribution of mutual fund units.	Approves the syllabus for the training of persons involved in the distribution of mutual funds units
2/641/26.3.2013 (Gazette B/732/29.3.2013)	Suspension of the redemption of UCITS shares	Concerns the suspension of the redemption of UCITS shares on March 29th 2013, April 1st 2013 and December 24th 2013.
7/644/22.4.2013 (Gazette B/982/23.4.2013)	Suspension of the redemption of UCITS shares	Concerns the suspension of the redemption of UCITS shares on May 1st, 2013.
1/644/22.4.2013 (Gazette B/982/23.4.2013)	Execution of squeeze-out rights following the submission of a takeover bid, in accordance with article 27 of Law 3461/2006	Defines the procedures for the payment, and the certification of the payment, of the price, as well as the procedures for the transfer of securities in the case the squeeze-out right is exercised
1/643/15.4.2013 (Gazette B/982/23.4.2013)	Amendment of HCMC rule 3/304/10.06.2004 (gazette 901 B/16.6.2004) on the "Regulation for the Operation of the Dematerialized Securities System".	Concerns the amendment of HCMC Rule 3/304/10.06.2004 on the approval of the Rulebook of the Dematerialized Securities System of Hellenic Exchanges SA.
2/645/30.4.2013 (Gazette B/1194/15.5.2013)	Approval of amendment to the Rulebook of the Athens Stock Exchange	Concerns the approval of amendments to the Rulebook of the Athens Stock Exchange, as decided at meeting No. 7 of the Board of Directors of the Athens Stock Exchange, on 25.4.2013.
1/645/30.4.2013 (Gazette B/1106/8.5.2013)	Prohibition of short selling on stocks listed in the Athens Stock Exchange that comprise the banking sector	Prohibition of short selling on stocks listed in the Athens Stock Exchange that comprise the banking sector
1/647/22.5.2013 (Gazette B/1297/29.5.2013)	Approval of amendment to the Rulebook of the Athens Stock Exchange	Concerns the approval of amendments to the Rulebook of the Athens Stock Exchange, as decided at meeting No. 8 of the Board of Directors of the Athens Stock Exchange, on 9.5.2013.
3/649/3.6.2013 (Gazette B/1385/6.6.2013)	Amendment of the Regulation for the Clearing of Transactions on Derivatives	Concerns the approval of the amendment to the "Regulation for the Clearing and Settlement of Transactions on Derivatives" as laid out in the minutes to meeting No. 84 of the Board of the "Athens Exchange Clearing House SA" of 29.4.2013 (Subject 1).
2/649/3.6.2013 (Gazette B/1385/6.6.2013)	Amendment of the Regulation for the Clearing of Transactions in Book-Entry Securities.	Concerns the approval of amendments to the "Regulation for the Clearing of Transactions in Book-Entry Securities" as laid out in the minutes to meeting No. 84 of the Board of the "Athens Exchange Clearing

<p>3/645/30.4.2013 (Gazette B/1667/3.7.2013)</p>	<p>Risk measurement and calculation of the global exposure and counterparty risk for UCITS and PICs.</p>	<p>House SA" of 29.4.2013 (Subject 1). Applicable to PICs, Investment Companies with Variable Capital, for all their investment sectors, and to management firms, for every UCITS under management, and specifies the acceptable methodologies for measuring risks and calculating the global exposure and counterparty risk for undertakings for collective investment in transferable securities (UCITS), and Portfolio Investment Companies (PICs).</p>
<p>2 /652/ 7/11/2013</p>	<p>Lifting of the Prohibition of short selling on stocks listed in the Athens Stock Exchange that comprise the banking sector</p>	<p>Concerns the lifting on the existing prohibition of short selling, which had been imposed pursuant to HCMC Rule 1/645/30.4.2013, on stocks listed in the Athens Stock Exchange that comprise the banking sector.</p>
<p>5/657/10.9.2013 (Gazette B/2690/22.10.2013 )</p>	<p>Approval of amendment to the Rulebook of the Athens Stock Exchange</p>	<p>Concerns the approval of amendments to the Rulebook of the Athens Stock Exchange, as decided at meeting No. 15 of the Board of Directors of the Athens Stock Exchange, on 25.7.2013.</p>
<p>3/663/11.11.2013 (Gazette B/2971/22.11.2013 )</p>	<p>Amendment of HCMC rule 3/304/10.06.2004 (gazette 901 B/16.6.2004) on the "Regulation for the Operation of the Dematerialized Securities System"</p>	<p>Concerns the approval of an amendment to HCMC Rule 3/304/10.6.2004 "Rulebook of the Dematerialized Securities System", as currently in force.</p>
<p>667/9.12.2013 (GAZETTE B/ 3307/23.12.2013</p>	<p>Approval of the transfer of responsibilities concerning the operation of the Dematerialized Securities System from "HELLENIC EXCHANGES SA" to the company "HELLENIC CENTRAL SECURITIES DEPOSITORY SA" ex "Thessalonica Stock Exchange Centre" pursuant to article 83, para. 5, of Law 3606/2007</p>	<p>Concerns the approval of the transfer from "HELLENIC EXCHANGES SA" of all responsibilities concerning the operation of the Dematerialized Securities System that it currently performs as manager of the Central Securities Depository to the new company "HELLENIC CENTRAL SECURITIES DEPOSITORY SA" ex "Thessalonica Stock Exchange Centre" and the Register and Settlement services, as well as the administration of the Dematerialized Securities System, as well as approval of the decision on the amendment of the article of its Charter concerning its share capital, and the revocation of the Settlement System Administrator authorization that had been granted to "HELLENIC EXCHANGES SA" pursuant to HCMC Rule 2/507/28.4.2009 (Gazette B/998/27.5.2009).</p>



## **APPENDIX 2. Participation in International Conferences and Meetings, 2013**

- *January 15, 2013, Paris, Meeting of the ESMA Review Panel;*
- *January 16, 2013, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *January 21-23, 2013, Rome, Meeting of the Mediterranean Partnership of Securities Regulators;*
- *January 22, 2013, Paris, Meeting of ESMA's Secondary Markets Standing Committee;*
- *January 24, 2013, Paris, ESMA Meeting on the "ESMA-Pol Enforcement Database";*
- *January 25, 2013, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *January 29-30, 2013, Paris, ESMA Summit;*
- *February 04, 2013, Paris, Meeting of the Task Force of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *February 5-6, 2013, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *February 07, 2013, Paris, ESMA workshop on enforcement;*
- *February 12, 2013, Paris, Meeting of the sub-group of ESMA's Market Integrity Standing Committee on the executive means of the Market Abuse Regulation;*
- *February 12-13, 2013, Paris, Meeting of the European Enforcers Coordination Sessions (EECS) Sub-committee of the Corporate Reporting Standing Committee of ESMA;*
- *February 14, 2013, Paris, Meeting of ESMA's Secondary Markets Standing Committee;*
- *February 20, 2013, Paris, Meeting of ESMA's Standing Committee on Credit Rating Agencies;*
- *February 20, 2013, Paris, Meeting of ESMA's Financial Innovation Standing Committee;*
- *February 21, 2013, Paris, Meeting of ESMA's Corporate Finance Standing Committee;*
- *February 21, 2013, Dublin, Meeting of ESMA's Investment Management Standing Committee;*
- *February 22, 2013, Rome, Meeting of ESMA's Post-Trading Standing Committee;*
- *February 22, 2013, Brussels, Meeting of the Task Force of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *February 22, 2013, Paris, Meeting of the ESMA Review Panel;*
- *March 5-6, 2013, London, Conference on: "compliance pro: capital markets";*
- *March 6-7, 2013, Amsterdam, Meeting of ESMA's Work group for Economic and Markets Analysis;*
- *March 07, 2013, Lisbon, Conference of the European Regional Committee of IOSCO;*
- *March 13, 2013, Paris, Meeting of the sub-group of ESMA's Market Integrity Standing Committee on the executive means of the Market Abuse Regulation;*
- *March 14-15, 2013, Paris, ESMA Summit;*
- *March 20, 2013, London, Meeting of ESMA's Secondary Markets Standing Committee;*
- *April 10-11, 2013, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *April 11, 2013, Rome, Meeting of ESMA's Post-Trading Standing Committee;*
- *April 12, 2013, Dublin, Participation at the Eurofi High Level Seminar 2013;*
- *April 15, 2013, Paris, Meeting of the sub-group of ESMA's Market Integrity Standing Committee on the executive means of the Market Abuse Regulation;*
- *April 15, 2013, Brussels, Meeting of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *April 15-16, 2013, Paris, OECD Meeting on Corporate Governance;*
- *April 15-24, 2013, Washington, Participation at the 2013 International Institute for Securities Market Development;*
- *April 24, 2013, Paris, Meeting of ESMA's Standing Committee on Credit Rating Agencies;*
- *April 24, 2013, Frankfurt, Meeting of the European Enforcers Coordination Sessions (EECS) Sub-committee of the Corporate Reporting Standing Committee of ESMA;*
- *April 24, 2013, Paris, Meeting of the ESMA Review Panel;*
- *April 25, 2013, London, Meeting of ESMA's Secondary Markets Standing Committee;*
- *April 25-26, 2013, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *April 30, 2013, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *April 30, 2013, Milan, Meeting of ESMA's Post-Trading Standing Committee;*
- *May 22-23, 2013, Dublin, ESMA Summit;*
- *May 23, 2013, Paris, Meeting of the "Takeover Bids Network" of ESMA;*

- *May 24, 2013, Brussels, Conference on: "Public Hearing on Financial Supervision in the EU", European Commission*
- *June 04, 2013, Paris, ESMA Summit;*
- *June 4-5, 2013, Paris, Meeting of ESMA's Work group for Economic and Markets Analysis;*
- *June 05, 2013, Paris, Meeting of the ESMA Review Panel;*
- *June 5-8, 2013, New York, Conference on: "Second Greek Investment Forum-Greece: Seizing the Opportunities", American-Hellenic Chamber of Commerce and Athens Stock Exchange;*
- *June 6-7, 2013, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *June 07, 2013, Paris, Meeting of the ESMA Review Panel;*
- *June 11-12, 2013, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *June 12, 2013, Brussels, Meeting of a work group of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *June 14, 2013, Paris, Meeting of ESMA's Standing Committee on Credit Rating Agencies;*
- *June 14, 2013, Rome, Meeting of ESMA's Post-Trading Standing Committee;*
- *July 2-3, 2013, Copenhagen, Meeting of the European Enforcers Coordination Sessions (EECS) Sub-committee of the Corporate Reporting Standing Committee of ESMA;*
- *July 17, 2013, London, Meeting of ESMA's Secondary Markets Standing Committee;*
- *July 19, 2013, Paris, Meeting of ESMA's Post-Trading Standing Committee;*
- *July 24, 2013, Paris, ESMA seminar on the SARIS system;*
- *September 05, 2013, Paris, Meeting of the ESMA Review Panel;*
- *September 05, 2013, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *September 5-6, 2013, London, 8th Greek Business Conference, Hellenic Exchanges;*
- *September 6-7, 2013, Baku, Conference on: "Capital Market Regulation in the New Era: Rethinking the Role of Regulators and Market Institutions";*
- *September 11, 2013, Paris, ESMA seminar on Omnibus and AIFMD registers;*
- *September 12-13, 2013, Vilnius, Participation at the Eurofi Financial Forum 2013;*
- *September 16-19, 2013, Luxembourg, 38th Annual Conference of the International Organization of Securities Commissions (IOSCO);*
- *September 24-25, 2013, Paris, Meeting of the Management Board of ESMA and ESMA summit;*
- *September 25, 2013, Paris, Meeting of ESMA's Financial Innovation Standing Committee;*
- *September 26, 2013, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *October 07, 2013, Brussels, Meeting at the General Secretariat of the Council of the EU and briefing on the operation of the General Secretariat on issues related to the ECOFIN, the trilogues technique and financial services;*
- *October 08, 2013, Paris, Meeting of the European Enforcers Coordination Sessions (EECS) Sub-committee of the Corporate Reporting Standing Committee of ESMA;*
- *October 11-12, 2013, Brussels, Meeting with members of the Permanent Greek Delegation at the European Union;*
- *October 15, 2013, Paris, Meeting of ESMA's Investment Management Standing Committee;*
- *October 15, 2013, Paris, Meeting of ESMA's Standing Committee on Credit Rating Agencies;*
- *October 16, 2013, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *October 17, 2013, London, Meeting of ESMA's Secondary Markets Standing Committee;*
- *October 17-18, 2013, Paris, Meeting of ESMA's Post-Trading Standing Committee;*
- *October 17, 2013, London, Presentation about the economic crisis in Greece and other European countries;*
- *October 18, 2013, Rome, Meeting of the Task Force 2: "Operational issues and co-operation between national competent authorities" of ESMA's Investor Protection and Intermediaries Standing Committee;*
- *October 22-25, 2013, Kuala Lumpur, Conference on: "Redefining Markets: Sustaining Growth and Resilience";*
- *November 07, 2013, Vilnius, ESMA Summit;*
- *November 12, 2013, Paris, Meeting of ESMA's IT Management and Governance Group;*
- *November 12 to 13, 2013, Paris, OECD Meeting on Corporate Governance;*
- *November 13, 2013, Paris, Meeting of the sub-group of ESMA's Market Integrity Standing Committee on the executive means of the Market Abuse Regulation;*

- *November 18, 2013, Paris, Meeting of ESMA's Corporate Reporting Standing Committee;*
- *November 20-21, 2013, Brussels, Meeting of the European Enforcers Coordination Sessions (EECS) Subcommittee of the Corporate Reporting Standing Committee of ESMA;*
- *November 21, 2013, Paris, Meeting of ESMA's Post-Trading Standing Committee;*
- *November 21-22, 2013, Paris, Meeting of ESMA's Work group for Economic and Markets Analysis;*
- *November 28, 2013, Paris, Meeting of ESMA's Market Integrity Standing Committee;*
- *November 28, 2013, Brussels, Trilogue on the CSDR file, as part of the Greek Presidency of the Council of the EU;*
- *November 29, 2013, Brussels, Conference on: "Pre-Greek Presidency Workshop on Financial Services";*
- *November 29, 2013, Paris, Meeting of ESMA's Secondary Markets Standing Committee;*
- *December 4-5, 2013, Brussels, Trilogue on the MIFID/MIFIR file, as part of the Greek Presidency of the Council of the EU;*
- *December 5-6, 2013, Brussels, Meeting at the European Council regarding the PRIPS file, as part of the Greek Presidency of the Council of the EU;*
- *December 09, 2013, Brussels, Meeting of the European Council's Working Party on Financial Services;*
- *December 12, 2013, Strasbourg, Trilogue on the MIFID/MIFIR file, as part of the Greek Presidency of the Council of the EU;*
- *December 13, 2013, Brussels, Meeting at the ECB, as part of the Greek Presidency of the Council of the EU;*
- *December 16-17, 2013, Paris, Meeting of the Management Board of ESMA and ESMA summit;*
- *December 17, 2013, Brussels, Trilogue on the CSDR file, as part of the Greek Presidency of the Council of the EU;*
- *December 17, 2013, Brussels, Meeting of the European Council's Working Party on Financial Services;*
- *December 18, 2013, Paris, Meeting of ESMA's Financial Innovation Standing Committee;*
- *December 18, 2013, Brussels, Meeting with the MEA and the European Council regarding the MAR file, as part of the Greek Presidency of the Council of the EU;*
- *December 18, 2013, Brussels, Trilogue on the MIFID/MIFIR file, as part of the Greek Presidency of the Council of the EU;*
- *December 19, 2013, Brussels, Meeting with the MEA and the European Council regarding the UCITS V file, as part of the Greek Presidency of the Council of the EU;*

**TABLE I. International Stock Market Indices, 2013**

Stock Exchange	Stock Exchange Indices		Market Capitalization		Value of Transactions <sup>1</sup>		Turnover ratio <sup>2</sup> (%)	No. of listed companies
	Closing price	Y-o-y % change	Amount (USD\$ mn)	Y-o-y % change	Amount (USD\$ mn)	Y-o-y % change		
London	6,749	14.4%	4,428,975	30.4%	2,233,373	1.8%	50.4%	2736
Germany	9,552	25.5%	1,936,106	30.3%	1,334,545	4.6%	68.9%	720
NYSE Euronext (EU) <sup>3</sup>	4,296	18.0%	3,583,900	26.5%	1,661,878	5.4%	46.4%	1062
Switzerland	8,202	20.2%	1,540,700	24.9%	676,958	15.7%	43.9%	272
Italy	20,204	24.2%						
Madrid <sup>4</sup>	1,012	22.7%	1,116,561	12.2%	893,572	4.9%	80.0%	3245
Athens	1,163	28.1%	70,192	56.4%	23,776	49.1%	33.9%	251
Vienna	2,717	13.1%	117,671	11.0%	25,843	10.4%	22.0%	102
NYSE Euronext (US)	10,400	23.2%	17,949,884	27.4%	13700450.5	1.9%	76.33%	2371
NASDAQ OMX <sup>5</sup>	4,177	38.3%	6,084,969.7	32.8%	9,584,742.2	-2.0%	157.52%	2637
Tokyo	16,291	56.7%	4,543,169	30.6%	6,304,928	82.1%	138.8%	3419
Hong-Kong	23,306	2.9%	3,100,777	9.5%	1,323,373	19.6%	42.7%	1643

Source: World Federation of Exchanges, Financial Times (December 31/January 1, 2014).

**Note**

- 1 Because of differences in the presentation and estimation of transaction value, the figures are not totally comparable.
- 2 Value of trading in shares / market capitalization.
- 3 Includes data from Amsterdam, Brussels, Lisbon and Paris.
- 4 Includes data from the stock exchanges of Madrid, Barcelona, Bilbao, and Valencia.
- 5 Includes data from the stock exchanges of Stockholm, Copenhagen, Helsinki, Iceland, Tallinn, Riga, and Vilnius (NASDAQ OMX Nordic).

**TABLE II. Market Share and Total Assets per MFMF, 2011-2013**

MFMF	31.12.2013				31.12.2012				31.12.2011			
	Number of M/F	Assets (€ mil.)	Market share	Change in Share	Number of M/F	Assets (€ mil.)	Market share	Change in Share	Number of M/F	Assets (€ mil.)	Market share	Change in Share
METLIFE ALICO MFMF	20	183.06	2.93%	-0.12	23	181.99	3.06%	-1.14	19	216.16	4.13%	0.54
ALLIANZ	7	80.19	1.15%	0.01	7	68.54	1.15%	0.01	7	59.59	1.14%	-0.14
ALPHA ASSET MAN	23	1082.31	17.31%	2.35	23	893.79	15.03%	-0.56	27	815.05	15.59%	-0.95
ALPHA TRUST MFMF	11	190.21	3.04%	0.67	12	141.68	2.38%	0.32	12	107.46	2.06%	0.18
T FUNDS MFMF	-	-	-	-	-	-	-	-	4	26.38	0.50%	-0.02
ATTICA WEALTH MAN	7	67.89	1.09%	0.10	7	58.92	0.99%	-0.01	8	52.37	1.00%	0.18
EUROBANK ASSET MAN (EFG MFMF)	100	1,655.02	26.47%	-1.79	90	1,662.75	27.96%	0.54	89	1,433.71	27.42%	3.32
ALPHA ASSET MAN (HSBC HELLAS)	6	138.05	2.21%	0.69	8	90.83	1.53%	-0.85	8	124.59	2.38%	-1.71
ING-MFMF	3	83.26	1.33%	0.25	3	64.72	1.09%	0.02	3	56.17	1.07%	-0.15
INTERNATIONAL	4	16.76	0.27%	-0.02	4	17.36	0.29%	-0.04	6	17.49	0.33%	-0.06
CPB ASSET MAN (MARFIN GLOBAL )	6	72.65	1.16%	-2.60	11	224.87	3.78%	0.70	14	161.12	3.08%	0.15
MILLENNIUM MFMF	1	1.87	0.03%	-0.01	9	48.95	0.82%	-0.01	9	43.63	0.83%	-0.21
PROBANK MFMF	4	29.49	0.47%	-2.09	4	152.65	2.57%	0.78	4	93.53	1.79%	-1.26
PROTON MFMF	-	-	-	-	-	-	-	-	4	3,678.13	0.07%	-0.06
MFMF SOC.SEC. ORG.	2	817.17	13.07%	3.03	2	599.72	10.08%	0.60	2	495.64	9.48%	-0.74
ATE MFMF	-	-	-	-	11	147.10	2.47%	-0.17	11	138.07	2.64%	0.16
ETHNIKI ASSET MGT	27	976.80	15.62%	-1.54	27	1025.21	17.24%	-0.20	40	912.20	17.44%	0.16
AMUNDI MFMF	3	97.91	1.57%	0.10	3	88.19	1.48%	-0.30	4	93.18	1.78%	-0.74
EVROPAIKI PISTI	8	49.05	0.78%	0.10	10	40.33	0.68%	-0.01	10	35.86	0.69	0.13
CYPRUS ASSET MGT MFMF	6	25.18	0.40%	-0.06	7	26.85	0.45%	-0.09	9	27.99	0.54%	-0.20
PIRAEUS ASSET M,	32	306.63	4.90%	0.09	13	93.66	1.57%	0.04	13	79.83	1.53%	0.23
PSB GREEK POST MFMF	9	378.99	6.06%	0.71	9	319.57	5.37%	0.36	7	235.35	4.50%	1.16
<b>TOTAL</b>	<b>279</b>	<b>6,282.59</b>	<b>100.00%</b>		<b>283</b>	<b>5,947.75</b>			<b>310</b>	<b>5,229.08</b>		

Source: Hellenic Fund & Asset Management Association.

**TABLE III Structure of mutual fund assets per MFMF, 2013**

MFMF	Money market			Bond	Balanced	Equity	Funds of Funds	Index	Specialist
	Short-term	Money Market	Total						
ALLIANZ MFMF	-	4.21%	4.21%	17.07%	50.18%	28.01%	-	-	-
ALPHA AM MFMF	-	17.43%	17.43%	19.75%	10.78%	31.25%	10.56%	2.07%	8.15%
ALPHA TRUST MFMF	2.18%	-	2.18%	13.27%	16.22%	58.70%	9.63%	-	-
AMUNDI MFMC	-	7.75%	7.75%	27.64%	-	64.61%	-	-	-
ATTICA WEALTH MANAGEMENT MFMF	-	4.18%	4.18%	40.10%	34.96%	17.83%	2.93%	-	-
EUROBANK EFG ASSET MANAGEMENT MFMC	4.61%	10.55%	15.15%	16.12%	1.70%	19.15%	12.25%	-	35.62%
CPB ASSET MANAGEMENT MFMF	-	31.42%	31.42%	4.80%	-	50.33%	13.45%	-	-
ING-MFMF	5.27%	-	5.27%	-	11.38%	83.35%	-	-	-
INT'L MFMF	-	5.05%	5.05%	26.27%	23.30%	45.37%	-	-	-
TRITON ASSET MANAGEMENT MFMF	32.03%	-	32.03%	6.92%	15.62%	45.43%	-	-	-
MILLENNIUM MFMF	-	100%	100%	-	-	-	-	-	-
METLIFE ALICO MFMF	-	6.51%	6.51%	37.02%	12.91%	25.30%	6.88%	11.38%	-
PROBANK MFMF	-	33.20%	33.20%	31.99%	3.64%	31.17%	-	-	-
SOCIAL SEC. FUNDS MFMF	-	-	-	23.35%	76.65%	-	-	-	-
NATIONAL MFMF	-	2.40%	2.40%	30.49%	15.07%	28.06%	14.12%	0.68%	9.18%
EVROP. PISTI	-	-	-	42.40%	6.09%	51.50%	-	-	-
CYPRUS MFMF	-	2.77%	2.77%	20.08%	13.52%	58.52%	5.11%	-	-
PIRAEUS ASSET M	5.64%	1.64%	7.28%	17.10%	22.57%	44.26%	8.79%	-	-
PSB HELLENIC POST	-	82.13%	82.13%	11.04%	4.69%	2.14%	-	-	-
MARKET SHARES	2.34%	12.23%	14.57%	20.43%	18.65%	24.86%	8.41%	0.80%	12.27%

Source: Hellenic Fund & Asset Management Association.

**TABLE IV. Mutual Fund Returns, 2006-2011**

M/F Classification	Annual return						Annual return*			
	2011	2010	2009	2008	2007	2006	2009	2008	2007	2006
<b>BOND</b>										
Domestic	-	-17.44%	3.70%	-1.68%	1.58%	0.89%	3.66%	-1.68%	1.58%	0.57%
Foreign	-	-0.42%	6.08%	-5.34%	-1.61%	4.05%	6.58%	-7.09%	-1.93%	-0.90%
<b>MONEY MARKET</b>										
Domestic	-	1.74%	2.44%	2.62%	2.87%	1.12%	2.55%	2.6%	2.87%	1.92%
Foreign	-	5.57%	-0.37%	4.02%	1.06%	4.55%	-0.37%	4.43%	1.06%	0.47%
<b>EQUITY</b>										
Domestic	-	-30.08%	21.31%	-55.56%	15.36%	29.21%	21.64%	-57.81%	15.76%	26.55%
Foreign	-	8.95%	21.15%	-33.02%	3.44%	20.02%	22.06%	-37.17%	4.03%	11.14%
<b>BALANCED</b>										
Domestic	-	-22.13%	8.85%	-27.14%	7.48%	14.03%	9.66%	-28.83%	7.72%	11.19%
Foreign	-	1.69%	22.56%	-24.99%	1.20%	6.49%	24.61%	-25.35%	1.14%	4.25%
<b>FUNDS OF FUNDS</b>										
Equity	-9.28%	14.42%	35.08%	-44.82%	1.47%	7.05%	39.68%	-45.96%	1.47%	10.97%
Balanced	-7.64%	4.10%	10.87%	-19.42%	-0.26%	5.60%	11.59%	-20.30%	2.05%	6.11%
Bond	1.10%	1.64%	3.80%	-3.75%	-0.07%	-	3.80%	-3.75%	-0.07%	-

Source: Hellenic Fund & Asset Management Association.

Note Based on HCMC Rule 6/587/2.6.2011 the classification of mutual funds was amended and, therefore, returns are not anymore comparable.

**TABLE V. Mutual Fund Returns, 2011-2013**

M/F Classification	Annual return		% change 2012-13
	2013	2012	
<b>EQUITY</b>			
US Equity M/Fs	21.37%	6.60%	224%
Advanced Market Equity MFs	17.50%	9.23%	90%
Emerging Market Equity MFs	-7.37%	22.46%	-133%
Index Equity M/Fs	19.51%	32.52%	-40%
International Equity M/Fs	16.91%	3.27%	417%
Greek Equity M/Fs	30.72%	43.41%	-29%
Euro zone Equity M/Fs	18.48%	11.80%	57%
<b>BOND</b>			
International Bond M/Fs	2.39%	13.55%	-82%
Greek Bond M/Fs	34.53%	55.07%	-37%
Advanced Sovereign Bond MFs	1.35%	6.31%	-79%
Emerging Sovereign Bond MFs	-4.84%	12.31%	-139%
Investment Grade Sovereign Bond MFs	2.17%	8.99%	-76%
High Yield Sovereign Bond MFs	9.47%	26.34%	-64%
<b>BALANCED</b>			
Balanced Mutual Funds	22.80%	25.84%	-12%
<b>MONEY MARKET</b>			
Short Term Money market	0.93%	1.29%	-28%
Money market	2.30%	3.70%	-38%
<b>SPECIALIST FUNDS</b>			
Absolute Return MFs	5.20%	11.21%	-54%
Specialist MFs	7.61%	25.94%	-71%
<b>FUNDS OF FUNDS</b>			
Equity	6.40%	9.24%	-31%
Balanced	8.01%	11.31%	-29%
Bond	0.88%	7.83%	-89%

**TABLE VI. Net Mutual Fund Assets and the GD/ATHEX, 2011-2013**

Month / Year	Total M/F Assets		Market Capitalization of ATHEX firms (€ million)	GD / ATHEX	Return Change (%)
	Amount (€ mn)	Change (%)			
Dec-13	6,252.59	0.09%	66,514.89	1,162.68	-2.75%
Nov-13	6,246.96	0.48%	69,796.72	1,195.68	0.63%
Oct-13	6,216.96	6.93%	69,546.63	1,188.17	17.16%
Sep-13	5,813.56	-2.84%	58,619.80	1,014.06	12.6%
Aug-13	5,983.87	-5.29%	54,106.39	899.92	1.73%
Jul-13	6,270.49	1.51%	51,898.49	884.60	4.36%
Jun-13	6,177.41	1.21%	56,256.05	847.57	-16.4%
May-13	6,103.06	2.02%	62,042.59	1,014.53	4.15%
Apr-13	5,982.21	1.68%	42,504.46	974.09	0.08%
Mar-13	5,882.92	-5.02%	31,999.75	869.19	-13.76%
Feb-13	6,194.26	-0.56%	37,482.02	1007.99	2.15%
Jan-13	6,229.38	4.73%	36,539.57	986.76	8.68%
Dec-12	5,947.70	4.98%	33,766.07	907.90	12.20%
Nov-12	5,665.39	1.70%	30,104.51	809.14	0.97%
Oct-12	5,570.21	3.76%	29,951.11	801.32	8.41%
Sep-12	5,368.35	4.80%	27,665.54	739.12	14.26%
Aug-12	5,122.20	0.62%	24,561.67	646.82	8.04%
Jul-12	5,090.51	-1.83%	23,197.90	598.68	-2.04%
Jun-12	5,185.92	8.46%	24,148.05	611.16	16.31%
May-12	4,781.08	-7.03%	21,060.07	525.45	-24.90%
Apr-12	5,143.13	-1.55%	27,497.94	699.91	-3.98%
Mar-12	5,224.57	-2.37%	28,613.20	728.93	-1.97%
Feb-12	5,351.44	-0.65%	29,451.62	743.59	-6.58%
Jan-12	5,386.90	3.03%	31,541.43	796.02	16.98
Dec-11	5,228.40	-4.01%	26,802.38	680.42	-0.26%
Nov-11	5,446.74	-7.57%	26,469.43	682.21	-15.63%
Oct-11	5,892.76	-0.88%	30,400.80	808.58	1.27%
Sept-11	5,945.21	-9.35%	31,108.71	798.42	-12.83%
Aug-11	6,558.71	-6.74%	36,515.63	915.98	-23.93%
Jul-11	7,032.90	-1.19%	45,333.79	1204.15	-5.86%
Jun-11	7,118.06	-4.55%	48,618.23	1279.06	-2.32%
May-11	7,457.41	-3.99%	48,005.29	1309.46	-8.73%
Apr-11	7,767.86	-3.37%	54,387.32	1434.65	-6.55%
Mar-11	8,039.14	-2.73%	58,803.95	1535.19	-2.64%
Feb-11	8,265.61	0.25%	60,635.33	1576.86	-1.03%
Jan-11	8,244.61	2.85%	60,985.25	1593.30	12.68%

Source: Athens Stock Exchange, Hellenic Fund & Asset Management Association.



**TABLE VII. Net Asset Value and Capitalization of Portfolio Investment Companies, 2013**

<b>Company</b>	<b>Share Price (€)</b>	<b>Book Value of Share (euros)</b>	<b>Premium / Discount (%)</b>	<b>Internal Rate of Return (euros)</b>	<b>Net Asset Value (€ million)</b>
ALPHA TRUST ANDROMEDA PIC	20.08	26.85	-25.21%	11.79%	11,222,227.78
AEOLIAN INVESTMENT FUNDS SA	0.98	1.53	-35.95%	4.40%	17,143,167.18
<b>TOTAL</b>					<b>28,365,394.96</b>

Source: Hellenic Fund & Asset Management Association, HCMC.

**TABLE VII. Net mutual fund assets in EU member-states, 30.09.2013**

<b>Member States</b>	<b>Total Assets</b>		<b>UCITS members net assets</b>		<b>Non-UCITS members net assets</b>	
	<b>(€ mn)</b>		<b>(€ mn)</b>		<b>(€ mn)</b>	
	<b>30.9.2013</b>	<b>30.9.2012</b>	<b>30.9.2013</b>	<b>30.9.2012</b>	<b>30.9.2012</b>	<b>30.9.2012</b>
Austria	150,330	145,898	79,034	78,055	71,296	67,843
Belgium	92,689	87,698	84,840	81,396	7,849	6,302
Bulgaria	347	233	345	231	2	2
Czech Republic	4,848	4,415	4,679	4,327	169	88
Denmark	180,853	158,366	83,863	76,394	96,990	81,972
Finland	72,746	63,722	61,673	54,511	11,073	9,211
France	1,508,431	1,473,679	1,103,731	1,113,679	404,700	360,000
Germany	1,360,873	1,244,907	268,785	242,877	1,092,088	1,002,030
Greece	6,703	6,007	4,928	4,243	1,775	1,764
Hungary	14,558	11,170	9,530	7,078	5,028	4,092
Ireland	1,317,984	1,199,950	1,026,665	940,967	291,319	258,983
Italy	203,639	189,013	151,745	136,293	51,894	52,720
Lichtenstein	31,892	29,514	26,762	25,313	5,130	4,201
Luxembourg	2,539,200	2,314,448	2,126,582	1,941,223	412,618	373,225
Malta	9,301	10,405	1,714	2,322	7,587	8,083
Netherlands	68,177	65,497	57,761	54,628	10,416	10,869
Norway	78,168	72,749	78,168	72,614	0	135
Poland	40,898	32,906	19,243	17,613	21,655	15,293
Portugal	25,242	23,011	6,907	5,724	18,335	17,287
Romania	4,035	3,246	2,493	1,869	1,542	1,377
Slovakia	4,244	3,543	2,494	2,393	1,750	1,150
Slovenia	1,806	1,841	1,806	1,841	0	0
Spain	172,347	151,284	167,299	145,909	5,048	5,375
Sweden	193,750	168,819	189,292	164,844	4,458	3,975
Switzerland	355,721	307,931	287,852	240,142	67,869	67,789
Turkey	21,573	22,237	11,189	12,274	10,384	9,963
Un. Kingdom	1,070,770	948,203	830,820	744,852	239,950	203,351

Source: EFAMA

**TABLE IX. Structure of mutual fund assets in EU member-states, 30.09.2013**

<b>Type of M/F</b>	<b>30.9.2013</b>		<b>30.6.2013</b>		<b>31.12.2012</b>	
	<i>Total Assets (€ billion)</i>	<i>% of Total (%)</i>	<i>Total Assets (€ billion)</i>	<i>% of Total (%)</i>	<i>Total Assets (€ billion)</i>	<i>% of Total (%)</i>
<i>Equity</i>	2,399	36%	2,226	34%	2,099	33%
<i>Balanced</i>	1,067	16%	1,047	16%	995	16%
<i>Funds of funds<sup>1</sup></i>	67	1%	59	1%	58	1%
<i>Bond funds</i>	1,935	29%	1,915	30%	1,850	29%
<i>Money Market</i>	935	14%	944	15%	1,015	16%
<i>Other</i>	288	4%	298	5%	280	4%
<b>Total</b>	<b>6,690</b>	<b>100%</b>	<b>6,488</b>	<b>100%</b>	<b>6,295</b>	<b>100%</b>

Source: EFAMA

Note: 1. Excluding Funds of Funds in France, Luxembourg, Italy and Germany, which are included in other MF categories.

**TABLE X. Share Capital Increases in the ATHEX, 2013**

No	Company	Trading category	Date of approval by HCMC	Right Coupon Cut-off Date	SCI Period	Initial Trading Day for new shares	Funds raised (euros)	Initial Share Price (€)	Number of shares	Beneficiaries	Adviser
1	DOL SA <sup>(1)</sup>	Probation	20/12/2012	21/1/2013	25/1/2013-8/2/2013	25/2/2013	7,003,125.00	0.30	23,343,750	9N-4E	-
2	PEGASUS PUBLISHING SA <sup>(2)</sup>	Probation	20/12/2012	31/12/2012	7-21/1/2013	4/2/2013	9,375,000.00	1.00	9,375,000	1N - 1E	-
3	ALPHA TRUST ANDROMEDA <sup>(3)</sup>	Main market	28/2/2013 & 8/4/2013	5/3/2013	11/3-24/4/2013	13/6/2013	3,583,200.00	24.00	149,300	11N-1E	EUROCORP SA.
4	GENIKI BANK <sup>(4)</sup>	Main market				8/4/2013	350,029,997.66	6.86	51,024,781	Elimination of the preemptive right of existing shareholders in favour of Piraeus Bank	
5	MIG (CCB) <sup>(5)</sup>	Main market	30/4/2013 & 19/6/2013	10/5/2013	16/5/2013-26/7/2013	16/8/2013	215,006,102.00	1.00	215,006,102	1 Share (PO) - 0.8571420799 Bonds	-
6	ALPHA BANK <sup>(6)</sup>	Main market	2/5/2013 & 28/5/2013	13/5/2013	17/5/2013-31/5/2013	11/6/2013	4,571,000,000.00	0.44	10,388,636,364 shares and 1,233,503,482 warrants	1.94445 N – 1 E & Private Placement & Hellenic Financial Stability Fund	ALPHA FINANCE
7	NATIONAL BANK OF GREECE <sup>(7)</sup>	Main market	22/5/2013 & 10/6/2013	24.5.2013	30.5.2013 -13/6/2013	25/6/2013	9,755,999,999.46	4.29	2,274,125,874 shares and 245,779,626 warrants	In favor of existing shareholders and the Hellenic Financial Stability Fund	NBG SECURITIES SA
8	ATTIKA BANK <sup>(8)</sup>	Main market	3/6/2013	5.6.2013	11.6.2013-25.6.2013	10/7/2013 CCB	199,406,822.10 199,406,822.10	0.30 0.30	664,689,407 664,689,407	19 N-1E and in favour of those that participated in the SCI for the convertible	Alpha Bank, Eurobank Equities SA

										bonds 1 bond 1 share	
9	PIRAEUS BANK <sup>(9)</sup>	Main market	3/6/2013	5/6/2013	11/6/2013- 25.6.2013	3/7/2013	8,428,999,999.80	1.70	4,958,235,294 shares and 849,195,130 warrants	35.680197N- 1E, & private placement & SCI due to acquisitions	Lazard Freres Banques & Piraeus Investment
10	EFG EUROBANK <sup>(10)</sup>	Main market	10/6/2013			19/6/2013	5,839,000,000.00	1.54	3,789,317,358	Elimination of preemptive right in favour of HFSF	-
11	VARVARESSOS SA <sup>(11)</sup>	Probation	19/6/2013	21/6/2013	28/6/2013- 12/7/2013	14/1/2014	1,823,504.70	0.30	6,078,349	2N-3E	
12	MIG REAL ESTATE REIC <sup>12</sup>	Main market	19/6/2013			21/6/2013	5,202,000.00	3.00	1,734,000	Elimination of preemptive right in favour of 1 creditor	-
13	EFG EUROBANK <sup>(13)</sup>	Main market	-	-	-	5/7/2013	317,126,627.19	1.54	205,804,664	Elimination of preemptive right with private placement	
14	TELETYPOS SA <sup>(14)</sup>	Probation	23/7/2013 & 10/9/2013	5/8/2013	16/8/2013- 30/8/2013	14/10/2013	15,118,950.00	0.30	50,396,500.	1N-1E	Eurobank Equities SA
15	MINOAN LINES <sup>15</sup>	LOW DISPERSION	18/10/2013	22/10/2013	29/10- 12/11/2013	25/11/2013	50,534,775.00	2.25	22,459,900	19N-60E	-
16	LOULIS MILLS SA <sup>16</sup>	Main market	1/11/2013			8/11/2013	7,777,781.05	4.09	1,902,786.00	Elimination of preemptive right in favour of one investor	
17	EFG EUROBANK <sup>(17)</sup>	Main market	11/11/2013			14/11/2013	681,000,000.00	0.48	1,418,750,000	HFSF	-
18	DIONIC SA <sup>18</sup>	Main market	25/11/2013	28/11/2013	4-18/12/2013	8/1/2014	1,899,151.20	0.30	6,330,504	1.7N-1E	-
19	FORTHNET SA <sup>(19)</sup>	Probation	29/11/2013	4/12/2013	10/12/2013- 3/1/2014	16/1/2014	29,143,372.50	0.30	97,144,575	15N-2E	-
20	SATO SA <sup>(20)</sup>	Probation	5/12/2013	-	-	11/12/2013	19,752,967.50	0.53	37,269,750	Elimination of preemptive right with private placement	-
21	EUROCONSULTAN TS SA <sup>(21)</sup>	Main market	5/12/2013	10/12/2013	16-30/12/2013	17/1/2014	795,990.00	1.30	612,300	1N-12E	MERIT SECURITIES SA
22	GEK TERNA SA <sup>22</sup>	Main market	-	-	-	8/1/2014	21,449,200.00	2.50	8,579,680	Elimination of	-

					(CCB)	68,300.00.00	100,000.00	683	preemptive right in favour of one strategic investor
23	ATHENA SA <sup>(23)</sup>	LOW DISPERSION	23/12/2013		22/1/2014	33,400,000.00	0.80	41,750,000	Elimination of preemptive right in favour of a principal shareholder
GRAND TOTAL OF FUNDS RAISED						€ 30,832,135,387.43			

Source: HCMC

Notes:

1. The share capital increase through payment in cash and by way of preemptive rights in favor of the company's existing shareholders was initially subscribed by 81.61% by shareholders who exercised their preemptive right paying €5,715,338.1 which corresponds to 19,051,127 new common registered shares. The 4,292,623 unsold shares, were sold to the investors who exercised their subscription right, in proportion to the number of unsold new shares each shareholders had requested as a percentage of the total offering and the amount of 1,287,786.90 euros was paid. As a result of the above, the share capital increase was 100% subscribed, raising a total of €7,003,125 through the issuance of 23,343,750 new common registered shares.
2. The share capital increase through payment in cash and by way of preemptive rights in favor of the company's existing shareholders was initially subscribed by 48.36% by shareholders who exercised their preemptive right paying €4,534,287.00 which corresponds to 4,534,287 new common registered shares. Pursuant to the resolution of the company's BoD, reached on 19.10.2012, the remaining 4,840,713 new shares were used to cover subscription applications. As a result of the above, the share capital increase was 100% subscribed, raising a total of €9,375,000 through the issuance of 9,375,000 new common registered shares.
3. The share capital increase through payment in cash and by way of preemptive rights in favor of the company's existing shareholders was subscribed by 4.01% by shareholders who exercised their preemptive right paying €3,003,384.00 which corresponds to 125,141 new common registered shares. Pursuant to the resolution of the company's BoD, reached on 25.4.2013, an additional 24,159 new common registered shares were offered. As a result of the above, the share capital increase was 4.78% subscribed, raising a total of €3,583,200 through the issuance of 149,300 new common registered shares.
4. The share capital increase of the company by 51,024,781 shares at a par value of €1 and an offer price of €6.86, was carried out through the conversion of a convertible bond of 350,029,997.66 euros divided by 51,024,781 bonds of a par value of €6.86 each. The convertible bond had been issued by the company on 22.2.2013 and was fully covered in cash by the Bank of Piraeus, with private placement and elimination of the right of existing shareholders, pursuant to the resolution of the Extraordinary General Meeting of the Company's shareholders, dated 14.1.2013.
5. The issue of the Convertible Corporate Bond of €660,281,301, pursuant to the resolutions of the General Meetings of 15.6.2011 and 24.10.2011 and the resolutions of the company's Board of Directors, dated 1.11.2011, 5.2.2013 and 21.3.2013, and in accordance with the provisions of CL 2190/1920 and Law 3156/2003, as currently in force, was subscribed by a total of €215,006,102, of which €3,147,669 represents new funds raised through the exercise of preemptive rights (subscription ratio 1.46%) and €211,858,433 originated from the exercise of oversubscription rights, with the exchange of bonds issued by the company on 19.3.2010. The total amount of the issue corresponds to 215,006,102 bonds at a par value of €1.00.
6. The Bank's share capital increase as part of the recapitalization process was 100% subscribed through the issue of 10,388,636,364 new common registered shares, at a par value of € 0.30 and an offer price of €0.44 each. The total funds raised amounted to €4,571,000,000. The fund raised by private investors as part of the Recapitalization Share capital increase stood at €550,000,000, i.e. 12% of the Recapitalization Share Capital Increase, while the remaining €4,021,000,000, i.e. 88%, was covered by the HFSF, in accordance with the provisions of Law 3864/2010 and CM Act 8/30.11.2012, against contribution in kind, by the contribution of bonds issued by the EFSF. Moreover, the private sector was granted one HFSF-owned warrant per new, common, dematerialized, registered voting share of the Bank, in accordance to Law 3864/2010 and No. 38/2012 Council of Ministers Act. A total of 1,233,503,482 warrants were issued, which were listed in the ATHEX on 11.6.2013, at a starting price of €1.45.
7. The Bank's share capital increase as part of the recapitalization process was 100% subscribed through the issue of 2,274,125,874 new common registered shares, at a par value of € 0.30 and an offer price of €4.29 each. The total funds raised amounted to €9,755,999,998.17. The fund raised by private investors as part of the Recapitalization Share capital increase stood at €1,079,135,071.44, i.e. 11.06% of the Recapitalization Share Capital Increase, while the remaining €8,676,864,926.73, i.e. 88.94%, was covered by the HFSF, in accordance with the provisions of Law 3864/2010 and CM Act 8/30.11.2012, against contribution in kind, by the contribution of bonds issued by the EFSF. Moreover, the private sector was granted one HFSF-owned warrant per new, common, dematerialized, registered voting share of the Bank, in accordance to Law 3864/2010 and No. 38/2012 Council of Ministers Act. A total of 245,779,626 warrants were issued, which were listed in the ATHEX on 27.6.2013, at a starting price of €6.83.

8. *The share capital increase through payment in cash with preemptive rights in favor of existing shareholders was initially subscribed by 55.56% through the payment of €110,780,536.2 which corresponds to 369,268,454 new common registered shares, while 295,420,953 shares remained unsold, and were subscribed as follows: (i) The persons employed under open-ended work contracts or service agreements by the Bank and its subsidiaries subscribed for 1,764,023 new shares, i.e. 0.26% of the Share Capital Increase. (ii) The persons that exercised oversubscription rights subscribed for 66,038,811 new shares, i.e. 9.94% of the Share Capital Increase. (iii) Finally, the Board of Directors of the Bank received requests by investors expressing interest to subscribe for the remaining 227,618,119 unsold new shares, i.e. 34.24% of the Share Capital Increase. Following the above, the Company's share capital increased by €199,406,822.1, through the issuance of 664,689,407 new, common, registered shares, at a par value of €0.30 each. The CCB issue was initially subscribed by 45.58% through the payment of €90,893,610.3 which corresponds to 302,978,701 new bonds, while 361,710,706 bonds remained unsold and were subscribed as follows: (i) The persons employed under open-ended work contracts or service agreements by the Bank and its subsidiaries subscribed for 181,000 new bonds, i.e. 0.03% of the CCB (ii) The persons that exercised oversubscription rights subscribed for 56,219,211 new bonds, i.e. 8.46% of the CCB. (iii) Finally, the Board of Directors of the Bank received requests by investors expressing interest to subscribe for the remaining 305,310,495 unsold new bonds, i.e. 45.93% of the CCB. Following the above, the Share Capital Increase and the CCB raised total funds of 398.8 million euros.*
9. *The Bank's share capital increase as part of the recapitalization process due to acquisitions was 100% subscribed through the issue of 4,958,235,294 new common registered shares, at a par value of € 0.30 each. The total funds raised amounted to €8,428,999,999.80. The fund raised by private investors as part of the Recapitalization Share capital increase stood at €1,443,631,721, i.e. 19.68% of the Recapitalization Share Capital Increase, while the remaining €5,891,368,280.10, i.e. 80.32%, was covered by the HFSF, in accordance with the provisions of Law 3864/2010 and CM Act 8/30.11.2012, at an offer price of €1.70 per share, against contribution in kind, by the contribution of bonds issued by the EFSF. Moreover, the private sector was granted one HFSF-owned warrant per new, common, dematerialized, registered voting share of the Bank, in accordance to Law 3864/2010 and No. 38/2012 Council of Ministers Act, i.e. a total of 849,195,130 warrants, at a starting price of €0.899.*
10. *The Bank's share capital increase as part of the recapitalization process was fully covered by the Hellenic Financial Stability Fund (HFSF) against contribution in kind 3864/2010 and No. 38/9.11.2012 Council of Ministers Act. The total capital contributed amounts to €5,839,000,000.*
11. *The share capital increase through payment in cash and by way of preemptive rights in favor of the company's existing shareholders was initially subscribed by 64.21% by shareholders who exercised their preemptive right paying €1,323,309.30 which corresponds to 4,411,031 new common bearer shares. Pursuant to the resolution of the company's BoD, reached on 13.7.2013, the remaining 1,667,318 new shares were used to acquire unsold shares. As a result of the above, the share capital increase was 88.48% subscribed, raising a total of €1,823,504.70 through the issuance of 1.823.50470 new common bearer shares.*
12. *The company's share capital increase was carried out through the elimination of the preemptive right in favour of existing shareholders by capitalizing obligations to third party-creditors. The total capital contributed amounts to € 5,202,000.*
13. *The Bank's share capital increase through payment in cash was carried out by private placement with the holders of five series of Lower Tier 1 hybrid securities (Series A, B, C, D and E) and with the holders of a series of Lower Tier 2 securities, with elimination of the preemptive right of existing common and preferred shareholders, pursuant to the resolution of the Annual General Meeting of the Bank's Shareholders that was held on 27.06.2013. A total of 205,804,664 new common registered shares of the Bank were issued, at a par value of €0.30 each and an offer price of €1.54091078902977 per share. The total proceeds of the issue amounted to €317,126,627.19.*
14. *The share capital increase through payment in cash and by way of preemptive rights in favor of the company's existing shareholders was initially subscribed by 80.23% by shareholders who exercised their preemptive right paying €12,129,365.10, which corresponds to 40,431,217 new common registered shares. Pursuant to the resolution of the company's BoD, reached on 26.9.2013, the remaining 9,965,283 new common registered shares were used to cover subscription applications. As a result of the above, the share capital increase was 100% subscribed, raising a total of €15,118,950.00 through the issuance of 50,396,500 new common registered shares.*
15. *The share capital increase through payment in cash and by way of preemptive rights in favor of the company's existing shareholders was initially subscribed by 88.39% by shareholders who exercised their preemptive right paying €44,669,360.25, which corresponds to 19,853,049 new common registered shares. Pursuant to the resolution of the company's BoD, reached on 13.11.2013, the remaining 2,606,851 new shares were sold to an existing shareholder, who had already exercised her preemptive rights. As a result of the above, the share capital increase was 100% subscribed, raising a total of €50,534,775 through the issuance of 22,459,900 new common registered shares.*
16. *The share capital increase was carried out through payment in cash with elimination of the preemptive rights of existing shareholders in favor of the new shareholder/strategic investor Al Dahra Agriculture Spain S.L. Sociedad Unipersonal, pursuant to the resolution of the Annual General Meeting of the Bank's Shareholders that was held on 28.06.2013. It was 100% subscribed through the issuance of 1,902,786 new, common, registered, voting, dematerialized shares of the Company, at a par value of €0.64 each and an offer price of €4.0875753 per share. The total proceeds of the issue amounted to €7,777,781.05.*
17. *The Bank's share capital increase was fully covered by the Hellenic Financial Stability Fund (HFSF) against contribution of the HFSF's entire holding in the stock of the New Hellenic Postbank. The total capital contributed amounts to € 681,000,000.*
18. *The share capital increase through payment in cash and by way of preemptive rights in favor of the company's existing shareholders was initially subscribed by 7.12% by shareholders who exercised their preemptive right paying €284,878.50 which corresponds to 949,595 new common bearer shares. Pursuant to the resolution of the company's BoD, reached on 20.12.2013, the remaining*

5,380,909 new shares were used to acquire unsold shares. As a result of the above, the share capital increase was 47.48% subscribed, raising a total of €1,899,151.20 through the issuance of 6,330,504 new common bearer shares.

19. The share capital increase through payment in cash with preemptive rights in favor of existing shareholders of the company was initially subscribed by 97.88% through the payment of a total of €28,528,119.00, which corresponds to 95,093,730 new common registered shares, while 2,050,845 shares remained unsold. Pursuant to a decision reached by the Board of the company on 8.1.2014, the aforementioned 2,050,845 unsold shares were sold to the investors who exercised their subscription right, in proportion to the ratio of the number of unsold new shares each shareholder had requested to total amount of subscriptions. Thus, the final subscription ratio reached 100% and the total funds raised reached €29,143,372.50.
20. The share capital increase of the company was carried out in accordance with the resolutions of the 1st Repetitive Annual General Meeting of the Shareholders of 8.7.2013, as follows: by €19,752,967.50 through the issuance of 37,269,750 new common registered shares, at a par value of €0.53 each and an offer price of €0.53 per share through a) the payment of €1,000,000.29 in cash by the company HELCY HOLDINGS LIMITED and elimination of the preemptive rights of existing shareholders, in favor of the aforementioned strategic investor, through the issuance of 1,886,793 new common registered shares; and b) the capitalization of obligations to banks, totaling €18,752,967.21, through the issuance of 35,382,957 new common registered shares.
21. The share capital increase through payment in cash and by way of preemptive rights in favor of the company's existing shareholders was initially subscribed by 66.48% by shareholders who exercised their preemptive right paying €529,211.80, which corresponds to 407,086 new common registered shares. Pursuant to the resolution of the company's BoD, reached on 30.12.2013, the remaining 205,214 new shares were used to cover subscription applications. As a result of the above, the share capital increase was 100% subscribed, raising a total of €795,990.00 through the issuance of 612,300 new common registered shares.
22. The share capital increase of the company was carried out in accordance with the resolutions of the 1st Repetitive Annual General Meeting of the Shareholders of 6.12.2013 through the payment of €21,449,200.00 in cash by the company York Global Finance Offshore BDH (Luxembourg) S.a.r.l. and elimination of the preemptive rights of existing shareholders, in favor of the aforementioned strategic investor, through the issuance of 8,579,680 new common registered shares at a par value of €0.57 each and an offer price of €2.50 per share. In addition, a corporate bond loan of €68,300,000.00 was issued, divided into 683 partly convertible and partly exchangeable bonds, at a par value and an offer price of €100,000 each, in favor of the aforementioned strategic investor.
23. The share capital increase of the company was carried out through the capitalization of liabilities of an equal amount, with elimination of the preemptive rights of existing shareholders in favor of the principal shareholder, J&P Avax SA, pursuant to the resolution of the Annual General Meeting of the Bank's Shareholders that was held on 01.05.2013. It was 100% covered through the issuance of 41,750,000 new common, registered, voting dematerialized shares of the Company, at a par value and an offer price of €0.80 each.

**TABLE XI. Public offering of securities without listing in the ASE, 2013**

No.	Company	Date Of approval by HCMC	SCI Period	Funds Raised (€)	Number of securities	Offer Price (€)	Beneficiaries	Inv. Firm Advisor / Underwriter
1	COOPERATIVE BANK OF EVIA <sup>(1)</sup>	11/2/2013 & 19/6/2013	21/2/2013-28/6/2013	166,560.00	4,429	41	Existing and new members	-
2	COOPERATIVE BANK OF IPIROS <sup>(2)</sup>	10/10/2013	14/10/2013-22/11/2013	4,095,840.00	62,655	70.00 & 65.00	Existing and new members	
3	COOPERATIVE BANK OF PELOPONNESUS <sup>(3)</sup>	18/10/2013	21/10/2013-22/11/2013	10,733,005.00	135,469	95	Existing and new members	-
4	COOPERATIVE BANK OF SERRES <sup>(4)</sup>	1/11/2013 & 25/11/2013	01/11/2013-22/11/2013	1,818,284.40	51,478	38.80	Existing and new members	
<b>Total</b>				<b>€ 16,813,689.40</b>				

Source: HCMC

Notes:

1. The increase of the Bank's cooperative capital through payment in cash in favour of existing and new members on a priority basis was subscribed by 4.16%. i.e. through the sale of 42,796 cooperative shares of a total value of €166,560.00.
2. The increase of the Bank's cooperative capital through payment in cash in favour of existing and new members on a priority basis was subscribed by 44.33% (39,898 cooperative shares) by existing members and by 25.29% (22,757 cooperative shares) by new members. Thus, the increase was subscribed by 70.01%, i.e. 62,655 cooperative shares were sold, of a total value of €4,095,840.00, of which 4,653 shares were sold for €70 and 58,002 were sold for €65.
3. The increase of the Bank's cooperative capital through payment in cash in favour of existing and new members on a priority basis was subscribed by 42.96% (97,870 cooperative shares) by existing members and by 16.50% (37,599 cooperative shares) by new members. Thus, the increase was subscribed by 59.46%, i.e. 135,469 cooperative shares were sold, of a total value of €10,733,005.00, of which 22,490 shares were distributed free-of-charge, in accordance with the terms of the issue.
4. The increase of the Bank's cooperative capital through payment in cash in favour of existing and new members on a priority basis was subscribed by 25.87% (36,617 cooperative shares) by existing members and by 10.50% (14,861 cooperative shares) by new members. Thus, the issue was subscribed by 36.37%, i.e. 51,478 cooperative shares were distributed, of a total value of €1,818,284.40 Of the above number, 4,615 cooperative shares were issued and distributed free-of-charge, in accordance with the terms of the issue.



**TABLE XII. Trading Status of ASE-listed companies, 2013**

Market	Under regular trading	Under Suspension	
Low Dispersion	148	41	
Under Probation	10		
To be de-listed	40	<b>Total shares in the ATHEX</b>	
<b>Total</b>	<b>1</b>	<b>240</b>	
<b>Companies whose shares were de-listed from the ATHEX in 2013</b>			
	<b>Date</b>		
HIPPOTOUR SA	11.02.2013	Par. 5 article 17 Law 3371/05	Under Probation
OLYMPIC CATERING SA	11.02.2013	Par. 5 article 17 Law 3371/05	Under Probation
LAN-NET SA	07.03.2013	Decision of the BoD/ATHEX (art. 6.2.2012 of the ATHEX Rulebook)	Under Suspension
ASPIS PRONIA GENERAL INSURANCES SA	07.03.2013	Decision of the BoD/ATHEX (art. 6.2.2012 of the ATHEX Rulebook)	Under Suspension
DIEKAT SA	07.03.2013	Decision of the BoD/ATHEX (art. 6.2.2012 of the ATHEX Rulebook)	Under Suspension
MESOCHORITI BROS Corp	07.03.2013	Decision of the BoD/ATHEX (art. 6.2.2012 of the ATHEX Rulebook)	Under Suspension
BETANET SA	07.03.2013	Decision of the BoD/ATHEX (par. 3b, art. 6.2.2012 of the ATHEX Rulebook)	Under Suspension
ATLANTIC SUPER MARKET SA	07.03.2013	Decision of the BoD/ATHEX (art. 6.2.2012 of the ATHEX Rulebook)	Under Suspension
ELEFTHERI TILEORASI SA	07.03.2013	Decision of the BoD/ATHEX (art. 6.2.2012 of the ATHEX Rulebook)	Under Suspension
ZAMBA SA	14.06.2013	Decision of the BoD/ATHEX (art. 6.2.2012 of the ATHEX Rulebook)	To be de-listed
ALTIUS SA	25.06.2013	Dissolution and liquidation	Under Suspension
CYPRUS POPULAR BANK PUBLIC CO LTD (ex MARFIN POPULAR BANK PUBLIC CO LTD)	19.07.2013	Para. 3, article 46, Law 3606/2007	Under Suspension
EURODRIP SA	11.07.2013	Par. 5 article 17 Law 3371/05	Under Suspension
S&B INDUSTRIAL MINERALS SA (ex SILVER & BARYTE ORES MINING)	11.07.2013	Par. 5 article 17 Law 3371/05	Under Suspension
COCA COLA HBC SA	24.07.2013	Par. 5 article 17 Law 3371/05	Under Suspension
VIOHALKO SA	03.12.2013	Cross-border merger by absorption	Under Suspension
LAMBRAKIS PRESS ORGANISATION	23.12.2013	Par. 5 article 17 Law 3371/05	Under Suspension
<b>Companies to be de-listed</b>			
	<b>Date</b>		
WOOL INDUSTRY TRIA ALFA SA	10.10.2011		
<b>Companies under suspension</b>			
	<b>Date</b>		<b>Date</b>
SHEET STEEL Co	01.12.2008	ALAPIS SA	02.04.2012
SAOS ANE SAMOTHRAKI	01.04.2009	MEDIMEK SA	03.04.2012
MICROLAND COMP SA	15.07.2009	AGRICULTURAL BANK OF GREECE	30.7.2012
"MAXIM" KON. PERTSINIDIS SA	01.12.2009	HELLENIC POSTBANK SA	30.08.2012
UNITED TEXTILES	25.02.2010	AVENIR LEISURE & ENTERTAINMENT SA	31.08.2012
ATERMON SA	01.04.2010	KERAMICS ALLATINI REAL ESTATE & HOLDING	31.08.2012
PRAXITELIO HOSPITAL SA	01.04.2010	NEORION HOLDING SA	31.08.2012
EMPORIKOS DESMOS SA	01.06.2010	FINTEXPORT SA	31.08.2012
KON. KARDASILARIS & SONS SA	01.12.2010	ELECTRONIKI ATHINON SA	01.10.2012
A.G. PETZETAKIS SA	31.01.2011	EDRASIS – C. PSALLIDAS SA	30.11.2012
TEXAPRET SA	01.03.2011	BANK OF CYPRUS LTD	19.03.2013
KLONATEX GROUP OF COMPANIES SA	20.05.2011	HATZIOANNOU SA	02.04.2013

PROTON BANK SA	10.10.2011	SPRIDER STORES SA	02.04.2013
T BANK SA	30.11.2011	TECHNICAL PUBLICATIONS SA	03.06.2013
IKONA-IHOS SA	06.12.2011	NUTRIART SA (ex KATSELIS SONS SA)	21.6.2013
RIDENCO SA	30.3.2012	BALKAN REAL ESTATE SA	30.08.2013
H.K. TEGOPOULOS EDITIONS SA	30.3.2012	MICHANIKI SA	30.08.2013
BABIS VOVOS INTNL CONSTR CORP.	02.04.2012	SHELLMAN SA	02.12.2013
IMPERIO ARGO GROUP SA	02.04.2012	ALSINCO SA	02.12.2013
KOUMBAS HOLDING	02.04.2012	KRI-KRI DAIRY INDUSTRY SA	27.12.2013
TROPEA HOLDING SA	02.04.2012		
<b>Companies under probation</b>	<b>Date</b>		<b>Date</b>
EVLIEMEK	04.04.2006	J.BOUTARIS & SON HOLDING S.A.	29.12.2011
AEGEK SA	27.06.2008	VIOTER SA	10.4.2012
ALTEC SA	20.10.2008	P. G. NIKAS S.A.	10.4.2012
HELLENIC FISHFARMING SA	21.10.2008	SIDMA SA	10.4.2012
M.I. MAILLIS SA	06.04.2009	SFAKIANAKIS SA	10.4.2012
COMPUCON COMPUTER APPLICATIONS SA	21.04.2009	AXON SA HOLDING.	10.4.2012
HELLAS ONLINE SA	03.07.2009	EUROMEDICA SA	10.4.2012
VARVARESSOS SA	21.12.2009	SPIDER MET. N. PETSIOS & SONS SA	10.4.2012
ATTI-KAT SA	12.04.2010	EUROBROKERS SA	10.4.2012
VARAGIS SA	12.04.2010	LAVIPHARM SA	31.7.2012
MARITIME COMPANY OF LESVOS (NEL)	06.05.2010	MARAC ELECTRONICS SA	05.09.2012
SATO SA	08.04.2011	DIAS AQUA CULTURE SA	05.04.2013
YALCO - SD CONSTANTINOU & SON SA	08.04.2011	SELONDA AQUACULTURE SA	05.04.2013
ALPHA GRISSIN INFOTECH SA	08.04.2011	ANEK SA	05.04.2013
PEGASUS PUBLISHING SA	08.04.2011	PASAL DEVELOPMENT SA	05.04.2013
TELETYPOS SA	08.04.2011	DOMIKI CRITIS SA	05.04.2013
DOUROS SA	06.09.2011	MEDICON HELLAS SA	05.04.2013
FORTHNET SA	25.11.2011	KRE.KA. SA	05.04.2013
HELLENIC FABRICS SA	25.11.2011	PARNASSOS ENTERPRISES SA	03.09.2013
PC SYSTEMS	29.12.2011	PIPE WORKS L. GIRAKIAN PROFIL S.A.	11.09.2013

Source: HCMC

Communication:

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