2006 ANNUAL BULLETIN

«THE ETHNIKI» HELLENIC GENERAL INSURANCE COMPANY S.A.

This Annual Bulletin was prepared with purpose of providing ordinary and adequate information to investors, pursuant to Article 16 of Capital Market Commision DEC / 204 / 2000 as amended by Decision 7 / 372 of Capital Market Commission of 15.2.2006.

This Bulletin is a translation.
In case of any differences, the Greek version shall prevail.

CONTENTS

SECTION 1

INFORMATION ON THE PREPARATION OF THE ANNUAL BULLETIN AND THE COMPANY AUDITORS

1.1 General Information

The present Annual Bulletin contains all the information and financial information necessary for the proper appraisal of the assets, financial position, results and outlook of the group of companies "The Ethniki Hellenic General Insurance Company S.A" (Hereinafter referred to as the "Group" or "ETHNIKI INSURANCE GROUP") by any interest.

For additional information please refer, during business days and hours to the company Head Offices: 103-105 Syngrou Avenue, Athens Greece, tel. 0030-210-9099231. (Ref. Mr Argyropoulos).

The preparation and publication of the present Annual Bulletin was conducted in accordance to the principles of the current legislation whilst the contents of it covers the investors' reporting requirements as they are defined by the no.7/372/15.2.2006 Decision of the Hellenic Capital Market Commission.

The persons responsible for the preparation of the Annual Bulletin and the accuracy of its contents are:

- Mr. I. Vassilatos Deputy General Manager, resident of Athens Greece, 103-105 Syngrou Avenue, Athens Greece tel. 0030-210-9099421.
- Mr. K. Argyropoulos Financial Director, resident of Athens Greece, 103-105 Syngrou Avenue, Athens Greece, tel. 0030-210-9099231.

The Board of Directors of the Company "The Ethniki Hellenic General Insurance Company S.A" (hereinafter "Parent Company" or "Company" or "Ethniki Insurance") declares that all its members are aware of the contents of this Annual Bulletin and along with the editorial staff declare that:

1. All the information and data contained in the Annual Bulletin are complete and true.
2. No other data exists, and no other incident has taken place, the concealment or omission of which could render the total or part of the information and data contained in this Annual Bulletin misinforming.
3. There are no outstanding legal disputes or arbitrations involving the Company or its subsidiaries that could materially affect their financial condition.

1.2 Regular Financial Audit

The company is audited by Certified Public Auditors. The audit of the business year that ended at 31 December 2006 was conducted by Mr Andreas Mparlikas (R.N.S.O.E.L. 13991) of DELOITTE Hadjipavlou Sofianos & Cambanis S.A.

The companies that participate in the consolidated financial statements, through the full consolidation method, namely SOCIETATE COMERCIALA GARANTA ASIGURARI S.A. (hereinafter “Garanta S.A.”), the companies ETHNIKI INSURANCE (CYPRUS) Ltd and ETHNIKI GENERAL INSURANCE (CYPRUS) Ltd (subsidiary of ETHNIKI INSURANCE CYPRUS) are audited by DELOITTE & TOUCHE LIMITED. Our subsidiary “NBG ASIGURARI S.A.” is audited by ERNST & YOUNG ROMANIA, while “NATIONAL INSURANCE BROKERS S.A.” is audited by PKF EUROAUDITING S.A.

Our subsidiary “AUDATEX Hellas S.A.”, is not audited by Certified Public Auditors.

The associate Company “EUROPA SOCIETE ANONYME for GENERAL INSURANCE” which is consolidated by the net equity method was audited for the year 2006 by Mr. Demetis (R.N.S.O.E.L. 10471). The companies UBB-AIG INSURANCE & REINSURANCE COMPANY and UBB-AIG LIFE INSURANCE COMPANY also consolidated by the net equity method are audited by PWC BULGARIA.

1.3 Solvency-Capital Adequacy- Coverage of Reserves

The Greek Ministry of Development monitors the Company for its solvency, its capital adequacy and the coverage of the mathematical and technical reserves with admissible assets.

It is noted that, according to the legislation, insurance companies are obliged to meet their obligation for investments covering the technical results as at year end, within six months alter the year end, the respective certificates on behalf of the Ministry are issued within 10 months following the year end.

According to the relevant certificate of the Ministry of Development, the Company’s shareholders’ capital exceeds the required solvency margin for the year 2005 and the Company has a positive Adjusted Solvency that amounts € 223.202,31 thous.

More specifically, the required solvency margin, for the years 2001 up to 2006 shapes as follows:

Year	Ministry of Development Certificates	Required Solvency Margin (€ 000)	Coverage ratio
2001	K3/7696/22.11.2002	81.345	2,06
2002	K3/12304/28.11.2003	86.814	1,18
2003	K3/13382/28.02.2005	95.812	1,64
2004	K3/12250/14.2.2006	100.891	2,12
2005	K3/13876/28.12.2006	104.091	3,14
2006	-	113.517	2,86

SECTION 2

PRIVATE INSURANCE IN GREECE

2.1 Market's Overview

The most significant development for 2006 was the initiation of detailed audits by the Ministry of Development of all companies practicing Motor insurance. As a result of the audits undertaken, four companies lost their practicing licenses during 2006 and a further two in early 2007. Additionally, several other companies were obliged to significantly increase their share capital.
According to the Association of Insurance Companies of Greece, total direct insurance premiums (Life and Non-Life) reached € 4,33 billion, increased by 10,45% as compared to the previous year. In Life insurance, total premium amounted to € 2,27 billion and in Non-Life € 2,06 billion, increased by 17,49% and 3,6% respectively. Total earned premiums from reinsurance operations reached € 85,2 mill., increased by 30,7% as compared to 2005.

Table: Annual change in total premiums 2006–2005 (in €)

	2006	**2005**	**Change (%)**
Non-Life Insurance	2.059.746.057	1.988.262.700	3,60%
Life Insurance	2.273.707.881	1.935.207.764	17,49%
Total	4.333.453.938	3.923.470.464	10,45%

Source: Association of Insurance Companies of Greece

This dynamic trend is expected to carry on in the following years, as a result of the growing insurance penetration, the favorable macroeconomic environment and the low level of the premium per capita as compared to European average.

2.2 Market's structure

Out of 78 insurance companies operating in Greece, 16 are practicing Life insurance, 49 Non-Life Insurance and 13 both lines (composite insurance companies). Despite the large number of companies, it is a fact that the market is characterized by high concentration levels, as the 10 leading companies account for 60,7% of direct insurance Gross Written Premiums, as shown in the table below:

Table: Gross Written Premiums, 2006

	Company	Gross Written Premiums 2006	Market share
1.	ETHNIKI INSURANCE S.A.	682.335.255	*15,8%*
2.	E F G LIFE INSURANCE	425.983.090	*9,8%*
3.	INTERAMERICAN LIFE	278.579.512	*6,4%*
4.	A.L.I.CO. AIG LIFE INS. CO.	240.012.094	*5,5%*
5.	ING E.A.A.E. LIFE	194.968.780	*4,5%*
6.	FOINIX-METROLIFE	185.503.243	*4,3%*
7.	AGROTIKI INSURANCE	165.232.747	*3,8%*
8.	ASPIS PRONOIA S.A.	155.436.477	*3,6%*
9.	ALPHA INSURANCE	154.938.376	*3,6%*
10.	COMMERCIAL VALUE S.A.	146.093.735	*3,4%*
	10 Leading Companies	**2.629.083.310**	***60,7%***
	Rest of the market	1.704.370.628	*39,3%*
	Total Market	**4.333.453.938**	***100,0%***

Source: Association of Insurance Companies of Greece

In the Life insurance business, the leading companies in terms of direct insurance premiums are presented in the following table. It should be noted that this line shows a large concentration level between the ten leading companies, the share of which accounts for 86,3% of the total market.

Table: Life Gross Written Premiums, 2006

	Company	Gross Written Premiums 2006	Market share
1.	E F G LIFE INSURANCE	425.983.090	*18,7%*
2.	ETHNIKI INSURANCE S.A.	381.530.581	*16,8%*
3.	INTERAMERICAN LIFE	278.579.512	*12,3%*
4.	A.L.I.CO. AIG LIFE INS. CO.	202.828.275	*8,9%*
5.	ING E.A.A.E. LIFE	194.968.780	*8,6%*
6.	ASPIS PRONOIA LIFE S.A.	151.331.546	*6,7%*
7.	ALLIANZ LIFE S.A.	98.010.969	*4,3%*
8.	ING PIRAEUS LIFE S.A.	84.501.427	*3,7%*
9.	ALPHA INSURANCE S.A.	74.676.830	*3,3%*
10.	EMPORIKI LIFE S.A.	70.581.936	*3,1%*
	10 Leading Companies	**1.962.992.947**	***86,3%***
	Rest of the market	310.714.934	*13,7%*
	Total Market	**2.273.707.881**	***100,0%***

Source: Association of Insurance Companies of Greece

In the Non-Life insurance business, the companies that achieved the highest direct Insurance Gross Written premiums in 2006 are the following:

Table: Non-Life Gross Written Premiums, 2006

	Company	**Gross Written Premiums 2006**	**Market share**
1.	ETHNIKI INSURANCE S.A.	300.804.674	*14,6%*
2.	FOINIX-METROLIFE EMPORIKI S.A.	117.727.363	*5,7%*
3.	INTERSALONICA NON-LIFE S.A.	113.168.503	*5,5%*
4.	INTERAMERICAN GENERAL S.A.	109.231.014	*5,3%*
5.	AGROTIKI INSURANCE S.A.	105.244.973	*5,1%*
6.	GENERAL UNION S.A.	93.031.168	*4,5%*
7.	IDROGEIOS S.A.	85.656.763	*4,2%*
8.	INTERNATIONAL ASSOCIATION S.A.	83.276.810	*4,0%*
9.	ALPHA INSURANCE S.A.	80.261.546	*3,9%*
10.	COMMERCIAL VALUE INSURANCE S.A.	76.926.243	*3,7%*
	10 Leading Companies	**1.165.329.056**	***56,6%***
	Rest of the market	894.435.001	*43,4%*
	Total Market	**2.059.764.057**	***100,0%***

Source: Association of Insurance Companies of Greece

SECTION 3

"ETHNIKI INSURANCE S.A." COMPANY INFORMATION

3.1 General Background

The ETHNIKI HELLENIC GENERAL INSURANCE COMPANY S.A. was established in 1891 under the R.D of 15 June 1891. It is situated in the Municipality of Athens, 103-105 Syngrou Avenue and it is registered at the Societe Anonyme records of the Ministry of Development (Department of Commerce, Insurance Company and Actuarial Division), reg. no. 12840/05/B/86/20. The current corporate form of the company will expire on 31.12.2089.

According to article No. 4 of the Company's Articles of Association, the aim of the Company is to carry out in Greece and abroad, all insurance, reinsurance and financial activities that insurance companies are allowed to engage in, according to Greek and E.U. Law in force. The Company can also practice all the activities stated above on behalf of a third party, or in co-operation or joint venture with other legal entities or physical persons of any nationality, to the extent permitted by Law.

The main objectives of the Company are:

a. To underwrite all Non-Life insurance risks in any line of business.
b. To underwrite Life insurance risks.
c. To underwrite all Life and Non-Life reinsurance risks and to cede such risks to reinsurers.
d. To manage or liquidate insurance portfolios, insurance accounts, of Greek or overseas insurance and reinsurance companies', Lloyd's of London brokers, social security funds and mutual insurance cooperatives.
e. To establish Societes Anonymes or/and financial activities in general.
f. To participate in financial services companies in general.
g. To participate in other companies, of any legal form that carry out the same or related activities.
h. To represent overseas insurance and reinsurance companies of any kind, organizations etc.
i. Any relevant, to the abovementioned purposes (or not) activity.

It is noted that, during the course of the years 2002-2006, the statutory purpose of the Company has not been modified.

"ETHNIKI INSURANCE" is a composite insurance company, and underwrites both Life and Non-Life insurance risks.

3.2 Historical Background

The National Bank of Greece and four other smaller banks founded Ethniki Insurance in 1891. Its founders' ambition was to create an international calibre company that could underwrite any insurance risk, and develop wherever in the world Hellenism was thriving. In its early years, the Company operated in various insurance lines of business –most importantly in the Fire, Transport and Accident businesses- while the formation of its agency network –the development of which is a constant aim of the Company's management up to the present- was planned and materialized. It is notable that in the end of the 19th century, Ethniki Insurance had a widespread business network that covered the entire Mediterranean, the Black Sea, the West coast of Europe, the North Sea, England, and reached as far as New York and Buenos Aires.

Ethniki Insurance is the oldest Greek insurance company that reached the doorstep of the 21st century and for more than 110 years has been a part of Greece's modern history, while significantly stimulating insurance awareness in the Greek society. Supported by the oldest and largest financial institution in Greece, the National Bank of Greece, Ethniki Insurance has significantly contributed to the economic and social development of the country, while constituting the driving force, in the Greek insurance market.

Ethniki Insurance was listed in the Athens Stock Exchange on 2 August 1946. Today the Company's share is listed in the primal market.

The last 35 years, (1970-2005), a period that has been known as "a new era" for private insurance in Greece, as a result of the adoption of the legal framework for the regulation of the insurance industry, and the harmonization of the Greek Law with the EU Law, Ethniki Insurance has remained in the forefront of all new developments.

The most important development, during the abovementioned period, was the formulation of a unified insurance vehicle, with the merger all the insurance subsidiaries of the National Bank of Greece namely "ETHNIKI", "ASTIR", "ETEVA" and "PANELLINIOS".

In 1997 as part of the Company's business strategy in the Balkans and the East Mediterranean, S.C. Garanta Asigurari S.A. was founded in Romania, while on 1 January 2001, two Cypriot subsidiaries were founded, a Life insurance company, Ethniki Insurance Cyprus Ltd and a Non-Life insurance company Ethniki General Insurance Cyprus Ltd.

Ethniki Insurance acquired in 2004 the stake of Bankpost in Garanta S.A., and as a result, it's share in the Romanian company reached 93,27%. The co-operation with the former shareholder nevertheless continues with the promotion of Garanta S.A. products through the Bankpost branches, while the co-operation with Banka Romanesca, a subsidiary of the National Bank of Greece, is strengthening the presence of the company in the local market. In addition, in the end of 2005, the Company acquired "NATIONAL Insurance Brokers S.A.".

In early 2006, the Company acquired Alpha Insurance Romania, which is expected to merge with Garanta S.A., and also proceeded in a joint venture agreement with the United Bulgarian Bank and A.I.G. for the establishment of a Life and a Non-Life insurance companies in Bulgaria. In late 2006, these two companies launched their products through the network of UBB.

3.3 Administration-Business Management

3.3.1 Board of Directors

According to Article 20 of the Company's Articles of Association, the Board of Directors consists of a minimum of 9 and a maximum of 15 members, the service of which is 3 years. On 31 December 2006, the Company's Board of Directors was consisted by the following 13 members:

Name	Position at the Board	Member Status	Election date	Profession
Doucas-Pavlos I. Paleologos	Chairman	Executive Member	29.5.2006	Chairman & CEO Ethniki Insurance
Alexandros G. Tourkolias	Deputy Chairman	Non Executive Member	29.5.2006	General Manager National Bank of Greece
Vassilios S. Fourlis	Member	Independent, Non Executive Member	14.5.2002	Entrepreneur
Alexandros P. Georgitsis	Member	Non Executive Member	25.10.2005	General Manager, National Bank of Greece
Nikolaos I. Kontosoros	Member	Non Executive Member	29.11.2006	Employee Ethniki Insurance
Konstantinos C. Lampropoulos	Member	Independent Non Executive Member	31.5.2005	Financial Consultant
Spyridon T. Leftheriotis	Member	Executive Member	15.6.2004	General Manager Ethniki Insurance
Avraam E. Moisis	Member	Non Executive Member	31.5.2005	Actuary
Vasilios V. Panagiotopoulos	Member	Non Executive Member	15.6.2004	Lawyer
Anastasios A. Pagonis	Member	Executive Member	5.8.2004	General Manager Ethniki Insurance
Stefanos G. Pantzopoulos	Member	Non Executive Member	2.2.2005	Financial Consultant
Ioannis S. Petsalakis	Member	Non Executive Member	29.11.2006	Employee Ethniki Insurance
Anthimos K.Thomopoulos	Member	Non Executive Member	30.1.2004	General Manager, National Bank of Greece

Notes:

Mr Doucas-Pavlos Paleologos has filled the place of the resigned Mr Efstratios-Georgios Arapoglou, Chairman Board of the Company under the no.2065/29.5.2006 record of the Board.

Mr Alexandros Tourkolias has filled the place of the resigned Mr Doucas-Pavlos Paleologos Deputy Chairman Board of the Company under the no.2065/29.5.2006).

Mr Ioannis Petsalakis has filled the place of the resigned Mr Ioannis Kollias under the no.2070/29.11.2006 record of the Board.

Mr Nikolaos Kontosoros has filled the place of the resigned Mr Ioannis Politis under the no.2070/29.11.2006 record of the Board.

The Company is legally represented by the Chief Executive Officer Mr Doucas-Pavlos Paleologos, who is responsible for the administration and management of the Company in accordance to art.551B1 of the L.D. 400/70.

3.3.2 Executive Committee

The Company's Executive Committee consists of the following members:

a) Doucas-Pavlos I. Paleologos, Chairman
b) Spyridon T. Leftheriotis
c) Anastasios A. Pagonis
d) Athanasios K. Andreopoulos
e) Ioannis G. Vassilatos

The Committee's objective is to ensure the materialization of the Board of Directors directives, as well as, in general, to ensure Life uninterrupted course of business of the Company.

3.3.3 Audit Committee

The Committee consists of three non-executive members of the Company Board of Directors, as follows:

a) Konstantinos C. Lampropoulos (independent, non executive member).
b) Avraam E. Moisis (non executive member).
c) Vassilios V. Panagiotopoulos (non executive member).

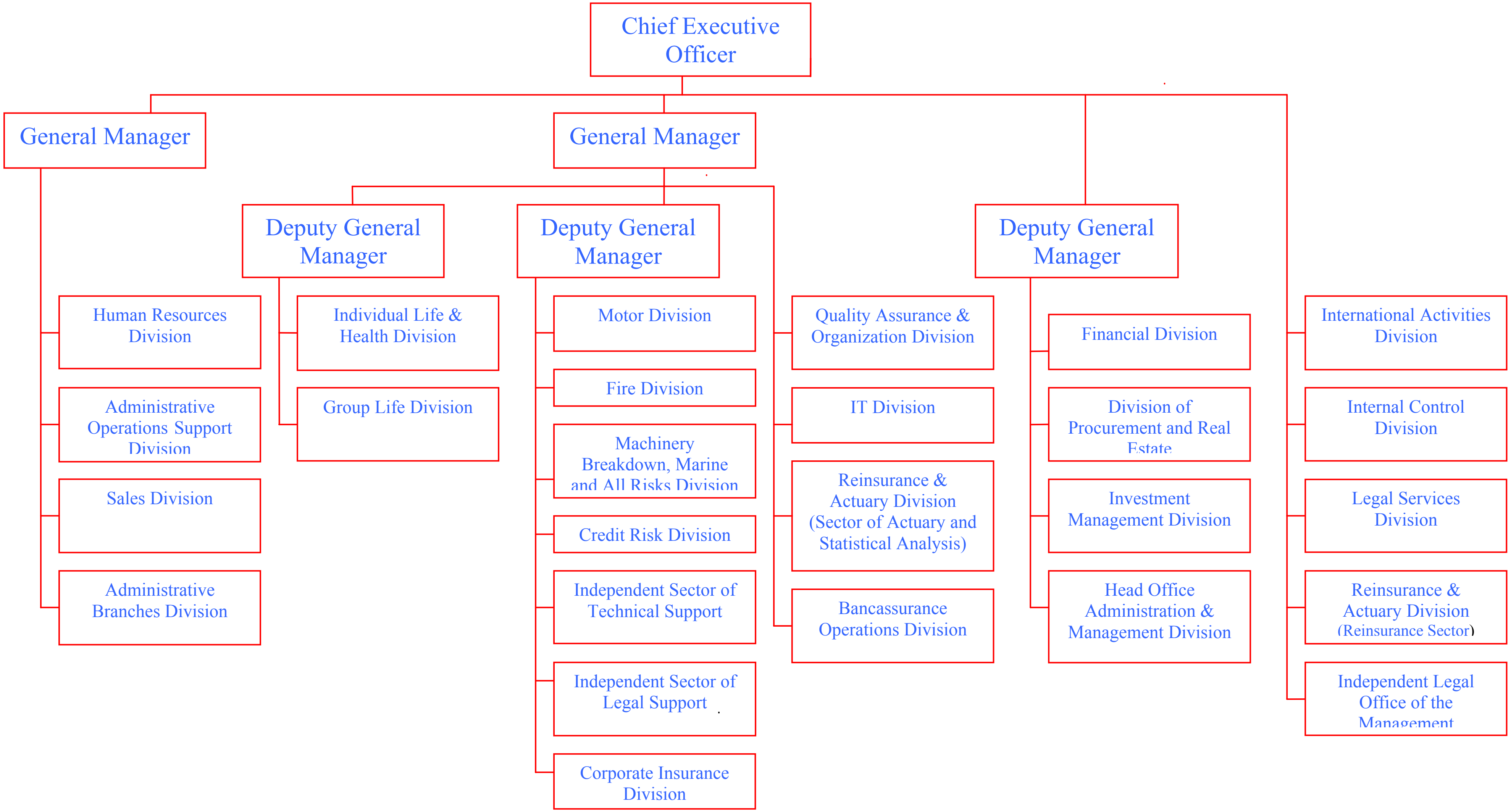
The objective of the committee, according to L.3016/2002 is to monitor the internal control environment of the Company.

3.4 Corporate Governance

It is the standard policy of NBG to comply with the the "Sarbanes - Oxley Act" (SOX) following its listing on the New York Stock Exchange "NYSE". The Company has already established an Internal Control Committee, while it has appointed three independent non-executive members in the Board of Administration. In accordance with SOX obligations, ETHNIKI establishes procedures for the submission of concerns by its employees or third parties. These concerns are related to officers΄ decisions, which may be irregular / illegal, or to accounting and auditing actions that may be against existing legislation and international requirements and may damage the Company's brand image and the beliefs of customers, shareholders and employees about ETHNIKI.

Thus, employees and third parties, showing good faith and serving Company's interests, have the right to inform the Audit Committee or the Internal Audit Department of ETHNIKI about accnting, internal accounting controls, or auditing matters by submitting reports (signed or anonymous) about irregular officer's decisions and accounting or auditing actions against existing legislation and international requirements.

3.5 Organization Chart



According to the above organization chart the following should be noted:

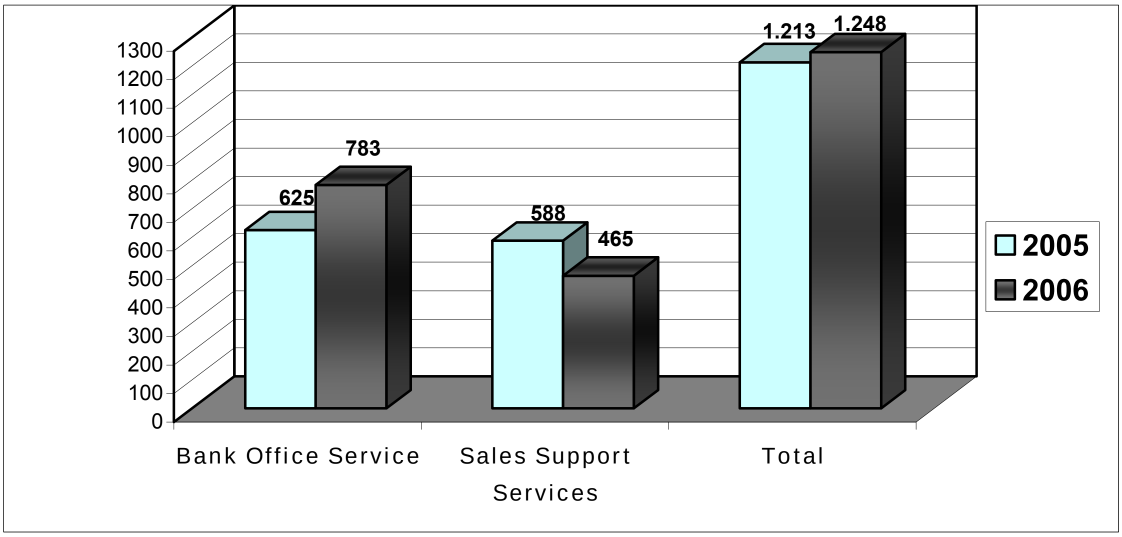
- According to the 2065/ 29.5.2006 decision of the Company's Board of Administration, Mr Nikolaos Nordas of Anargyros (e-mail: nordas.nikoalos@nbg.gr) was appointed as the new Internal Auditor, replacing Mr. Haralambos Sotiropoulos of Ioannis. Mr Nordas, an executive of NBG Group, is supervising the Internal Auditing Unit.
- A Sector of Taxation and Shareholders, a Shareholders Department, and a Shareholders Services Unit operate within the Financial Department (contact persons: Mr. X. Papadopoulos, tel. (0030) 210 9099652, e-mail: xpapadopoulos@insurance.nbg.gr, Mr. S. Zilimpinakis, tel. (0030) 210 9099305, e-mail: szilimpinakis@insurance.nbg.gr, Mrs G. Papailiou, tel. (0030) 210 9099653, e-mail: gpapailiou@insurance.nbg.gr).

3.6 **Human Resources**

The development of the average number of administrative staff of the Company, during the years 2005-2006, is the following:

Annual average	2005	2006
Back Office Services	625	783
Sales Support Services	588	465
Total	1.213	1.248

Table: Annual average number of administrative staff during the years 2005-2006



The personnel compensation is based on the Corporate Collective Contract of Employment. The payroll expenses amounted to € 94.654 thous. for the Company and € 99.069 thous. for the Group.

During 2006, 99 employees left the Company, many of which participated in the early retirement scheme, which was initiated in March 2006 and was completed in December 2006.

Moreover, during 2006 the remaining 52 applicants who succeeded in the written examination of the 2005 selection of new recruits, were hired.

Table: 2005-6 Recruits per educational level.

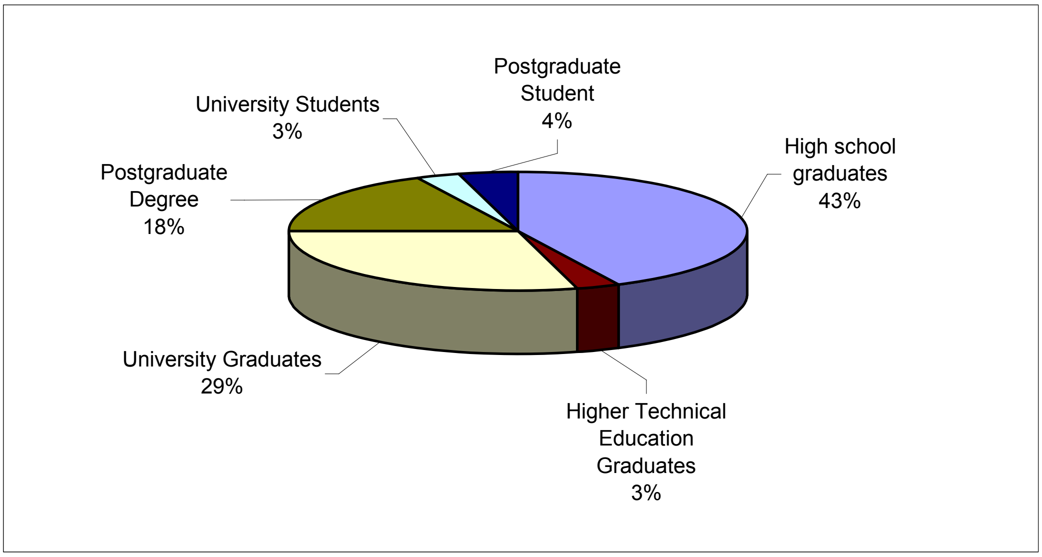
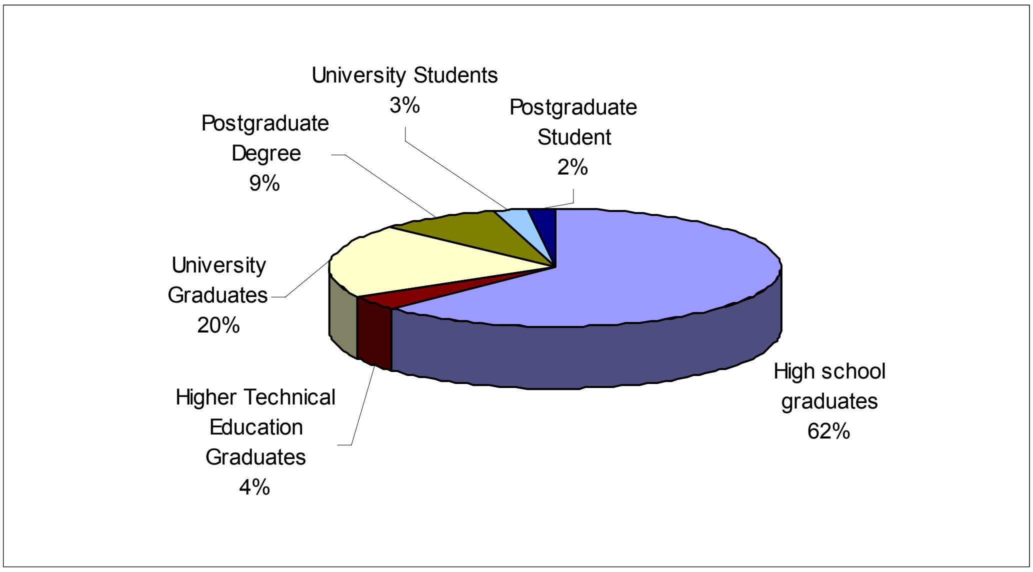


Table: Personnel per education level.



3.7 Training

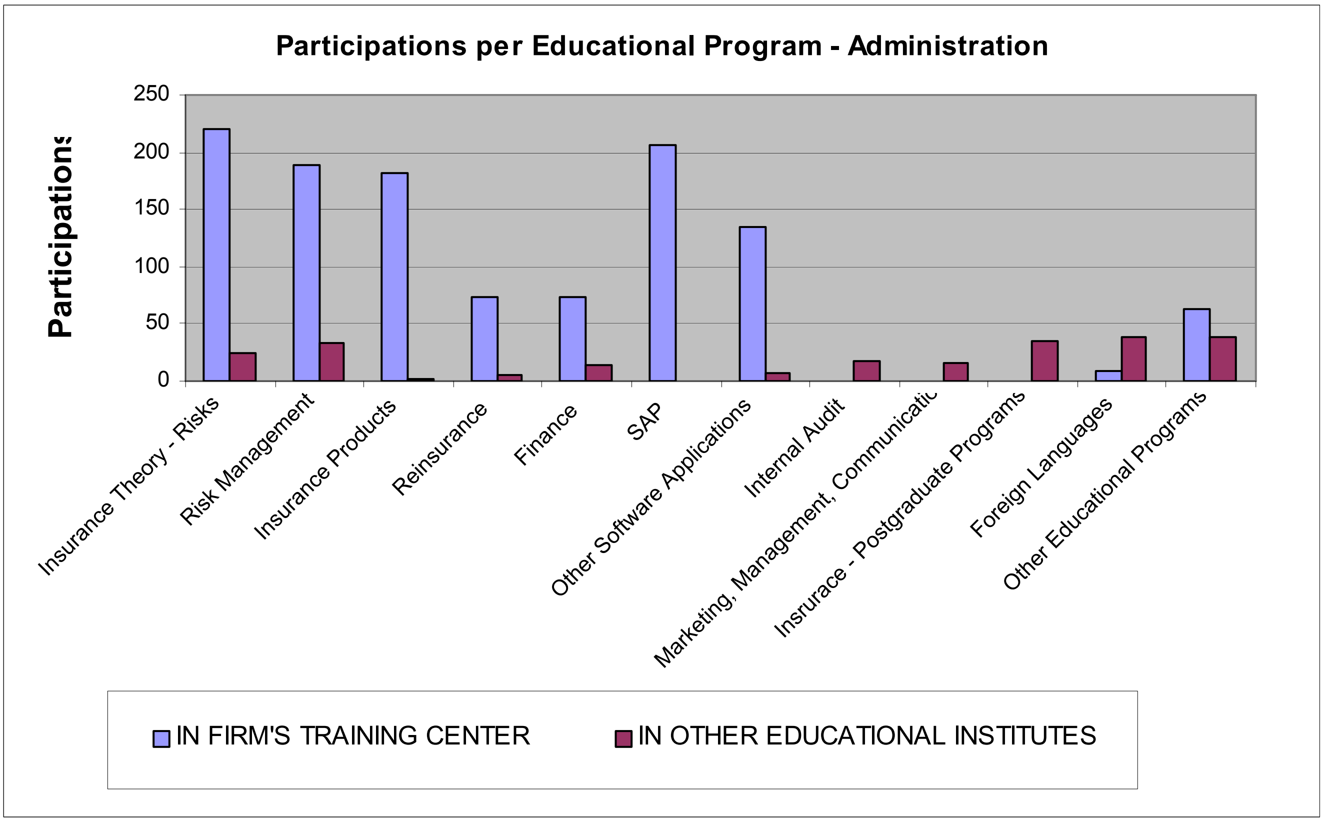
Strongly believing in the importance of knowledge, the Company constantly invests on human resources' training. The annual training program, designed by the specialized department of Human Resources Division corresponding to the staff's needs, takes place in the Company's Training Centre. Moreover, the Company financially supports employees applying for long-term studies or seminars in Greek and International Organizations and Institutes.

Having developed an on-line Learning Management System, the Company designed e-learning programs concerning General Theoretical Issues on Insurance and specific programs on the Company's Life and Non-Life products. Additionally, the programs have been enriched with content which concerns a great number of General and Specific Terms and Conditions of our products, as well as work instruction papers, etc. Interactive tools were also developed, like glossary, quick access to the content concerning the Company's products, insurance application, etc. The system provides the possibility of distance-learning and self-evaluation.

All seminars serve both Administration Employees and Sales Network Members. More specifically, the Training Program for 2006 is described as follows:

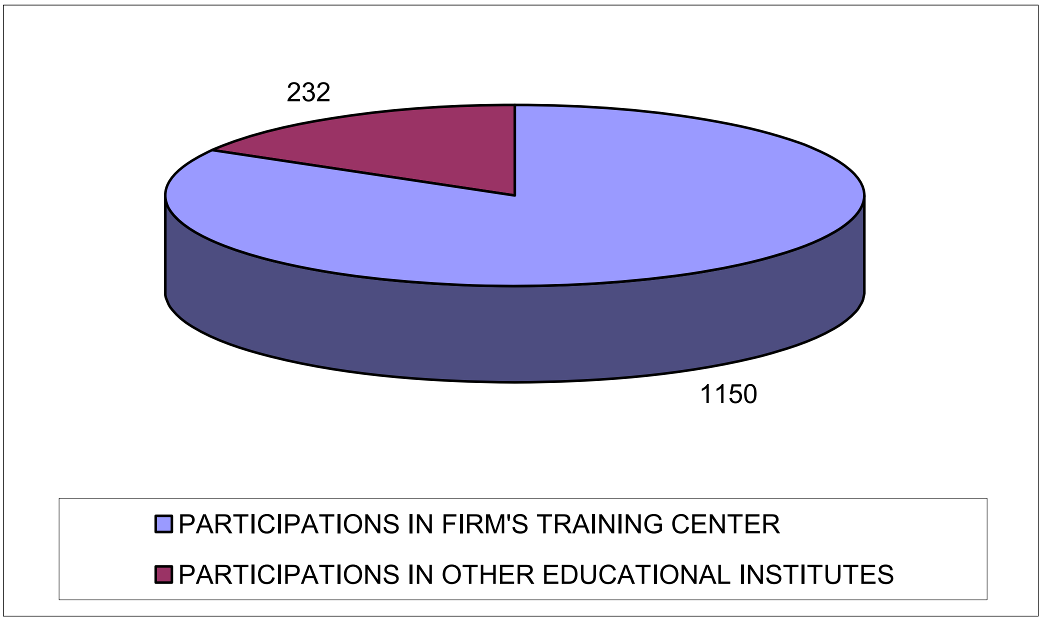
Employees Training

Company employees attended seminars with insurance and financial content, while there were programs implemented in SAP applications, Internal Audit, Marketing, etc.



The majority of the Administrative Employees Training Programs was held in the Company's Training Centre, while the total number of participants amounted to 1.382.

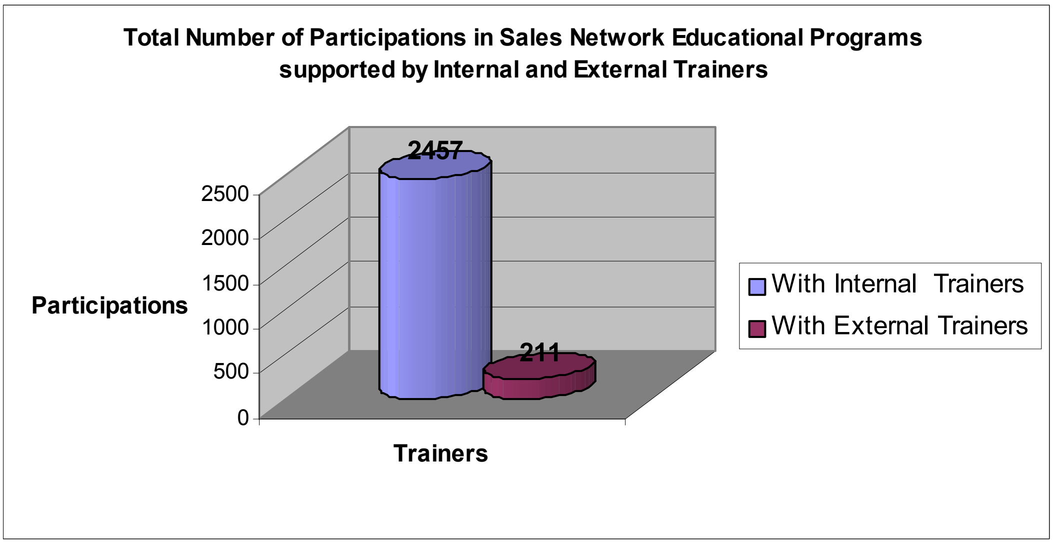
Table: Total Number of Participations in Administration Employees' Educational Programs implemented in the Firm's Training Center and in other Educational Institutes



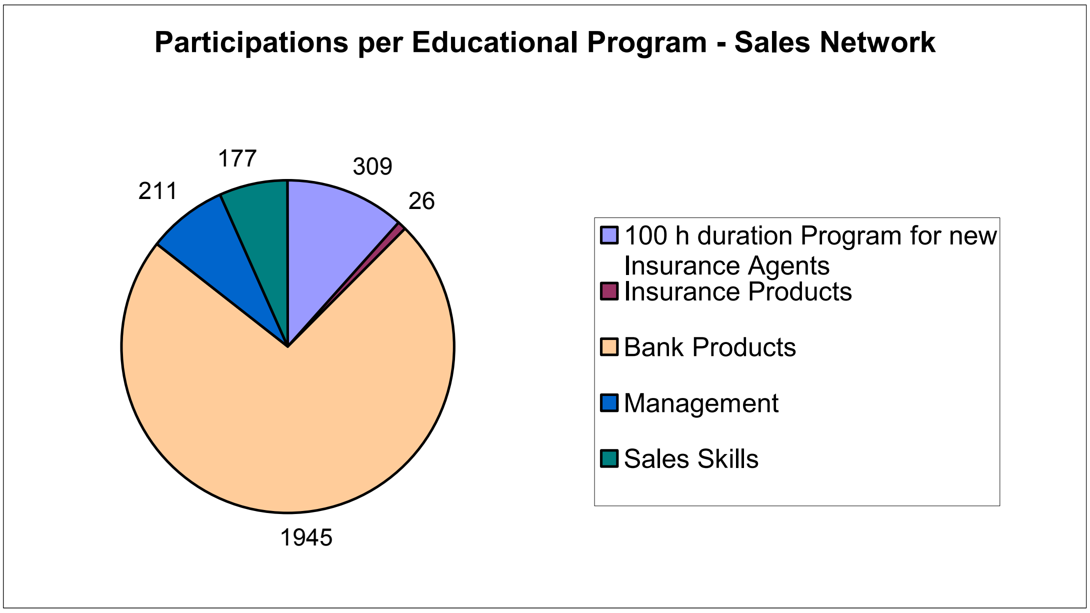
Corporate Sales Network Training

In the Company's Training Centre, which the Technical Committee of Training and Intermediaries Examination of the Ministry of Development has acknowledged as Intermediaries Training Center, 3 courses were carried out during the year, concerning the obligatory education of 100 hours for the accreditation of Insurance Agent License.

Internal trainers with excellent teaching abilities and high level of expertise supported the majority of the training programs attended by our associates. For specific subjects we cooperated with external trainers.



The participations in the Training Programs amounted to 2.668 during the whole year. The subjects covered in the seminars are described in the following diagram:



3.8 Business Objectives –Main Insurance Branches

Ethniki is the only insurance company and one of the few Greek companies established in the 19th century, which still continues to operate dynamically in the 21st century. During the 116 years of operation, the Company has not only established its name and presence, but has also become the main stimulator of insurance awareness in Greece.

Ethniki has always been the undisputable market leader. Its strong and diachronic presence in the top of the Greek insurance companies is attributed to a number of advantages, some of which are listed below:

- Reliability
- Long term experience
- Adequately trained personnel
- Prompt and efficient service
- Products` quality
- Customer's loyalty

Due to modern technological infrastructure and the complete adaptation in modern international methods, Ethniki has achieved:

- Improvement in the quality of its services
- Reduction of operating costs
- Processes` simplification and automation

Moreover the company is supported by one of the largest and fully trained sales networks that comprises:

- 150 Sales Offices
- 2000 Brokers
- 1284 Tied Agencies

In this network, has already been added the sales force of National Bank with the promotion of Bancassurance through its 574 branches all over Greece. The substantial role of Bancassurance over the last two years adds new, continuously increasing, dynamics in the sales networks.

The network, in its total, is supported by 46 Administrative branch offices in all the regions of Greece, which after recent, essential, corrective changes as well as the appropriate training of personnel:

- Correspond in all the needs of the insured.
- Offer personal contact to the public in every transaction.
- Guarantee prompt settlement of the claims.

Ethniki today, extends continuously its market shares, maintaining its leading position and increasing its percentage in the total insurance market:

- In Life and Health Insurance business new production increased by 41% in 2006, while total insurance market increase reached 18%. Ethniki's market share in this sector reached 16,8% compared to 14,35% in 2005.

- In the Non-Life business, Ethniki maintains the first place with a market share of 14,6%, well ahead of the second company, which has a market share of 5,7%.
- In the Motor business, the Company faced in the last years a negative trend with respect to the loss of business, which managed to overcome by offering attractive products and completely ensuring the interests of its customers.
- Today Ethniki operates in all insurance segments offering a full range of advanced insurance products.

Life and Health Insurance

Life and Health Insurance provides coverage against the life and health risks of individuals. Although insurance cannot avert the occurrence risk, it may however cover financially the individuals or their dependants.

Ethniki offers a full range of products, covering the abovementioned need, appropriately designed and carefully priced rendering them reliable and competitively priced solutions for consumers.

- Loss of Life from Illness or Accident
- Permanent or temporary Disability (Total or Partial)
- Health/Treatment: Coverage of hospitalization and other medical expenses
- Pensions and one-off retirement benefits

Group Life

Group Life Products are addressed to groups of people that may be either employees of a company or members of an association or customers of a financial institution.

Through such programs, insured clients obtain coverage against life, disability and health risks (hospitalization and out of hospital care) as wells as cover their investment and pension needs.

These products, designed with the most competitive terms of insurance, offer important benefits to the employee and the employer

The employee:

- Feels the employer's interest, since he is offered with additional benefits to those offered by the social security
- Is secured against the financial consequences of death, disability and hospitalization
- Strengthens his income at his retirement

The employer:

- Strengthens the possibility of attracting and maintaining capable executives
- Strengthens the Company's social image
- Motivates the increase of productivity

- Reduces company's taxation, as big part of the insurance cost is exempted from the taxation

Fire Insurance

Fire insurance products cover the property of individuals and ensure the going concern of companies by offering protection from various hazards such as fire, explosions, malicious acts, as well as natural disasters such as earthquakes, floods etc.

Fire insurance products ensure that the family planning is not disturbed while the Company is not led to dysfunction or provisional interruption of operations and is not taking out money for the recovery of the damages.

Fire insurance covers all buildings, furniture and appliances, technical equipment, raw materials and merchandise.

Specialized insurance products have been designed to cover financial loss and other similar companies' burdens.

Having made the most out of its reinsurance policies, Ethniki offers the best possible combinations of covers, at a particularly competitive price, rendering fire insurance programs more attractive.

Motor Insurance

The Motor Insurance products cover third party liability, by compensating against any financial loss that the insured person may have caused to third parties. Additionally, they cover various damages caused by fire, natural disaster, theft, own damages etc. in the same vehicle, protecting the insured person's own property.

In addition to individual contracts, the Company insures fleets of companies cars, offering services at competitive prices. In line with the needs of today's market, Ethniki offers products that cover:

- Replacement of the vehicle in case of theft
- Own damages caused while the vehicle is at the possession of the thief
- Damages caused by a non-insured vehicle
- Road breakdown assistance

Premium discounts are provided in customers that insure more vehicles (the discounts concern all the vehicles) as well as in customers of other segments.

Over the past few years, Ethniki faced a rather corrupted market that was characterized by the offering of extremely low insurance premiums from a number of companies, some of which were finally discontinued their operations.

With responsibility as it is required by the leader of the market, Ethniki faced this challenge without using aggressive competition tactics. It supported the normalization of the market with persistence and by fully implementing the Law, while at the same time Ethniki modernized its products and developed its pricing policy, based on geographic regions, that led to important reductions in the insurance premiums, additional benefits and by always considering appropriate cost levels and the full coverage of those insured.

Credit Insurance

Credit insurance provides coverage against the risk of default on payments by the policyholders' debtors.

Today due to changes in the terms of trade caused by fierce competition and the global market conditions, only a small part of commercial transactions is settled in cash or by irrevocable credit while most part is paid on credit.

Credit may be covered by securities, which may be proved insufficient in case the client is facing liquidity problems. The number of unpaid bank cheques and promissory notes in Greece over the last years, indicates that these may only offer limited guarantee of payment.

Ethniki covers the non-payment risk of any outstanding balances, due to the insolvency of the policyholders' debtors.

The credit business insurance contracts cover all the company's domestic and international credit sales.

Against All Risks

¨The Ethniki¨ offers insurance against all risks both in Greece and abroad, having covered the largest infrastructure projects in Greece.

In particular the Company covers:

- Construction Companies, for every kind of infrastructure projects.
- Energy production companies in regard to their equipment or the possibility of loss of income.
- The technical equipment of diagnostic or medical Centers and Mass Media companies
- The technical equipment for any type of industry.

Third Party Liability

In order to meet the growing demand for individual and corporate liability, as well as to the increase in claims by third parties against individuals or companies for moral or physical damage caused by error or omission, Ethniki has created special programs for:

- Companies or organizations of all sizes, covering Directors' and officers' liability as well as product or services liability
- Hotels
- Professionals (doctors, lawyers e.t.c)

At the same time, Ethniki covers the risk of cash losses by Banks, Companies and other Organizations, caused theft, robbery and cash in transit.
The worldwide trend of involving in new kind of risks arising in the continuously changing environment is also followed by Greece with tentative steps. The insurance companies are already been active in the development of 3rd generation insurance products, with small turnover in the short run, but increasing in the future. These products cover newly developed risks, mainly concerning the business environment and the industry and are addressed not only to entrepreneurs, specialized professional teams and executives, but also to individuals with high standard of living and intense professional activity. Ethniki, with its dynamic, developed know-how and long-term experience, provides the market with some of these products, but is also focused in the development of new advanced insurance solutions.

Cargo

Cargo insurance covers all possible damages or losses of goods in transit via any kind of authorized mean of transportation by ground, sea or air.
Imports and exports are being insured, as well as the national transits, contributing to the growth of internal and external trade, while experienced insurance advisors, estimators and claims adjusters are constantly at the service of entrepreneurs.
Today Ethniki is:

- The only Greek company with an ISO 9002 certificate from ELOT
- The company with the largest underwriting capability in terms of total capital insured
- The leading company in gross written premiums with a 15% share of the Greek market

Ship and Crew Insurance Coverage

Ethniki has been the first company in Greece that expanded its operations in the insurance business of commercial boats fleets. The company supports the shipping industry offering complete and reliable insurance coverage to the Greek ship owners and to the private yacht owners.
Besides covering own damages of yachts and third party liabilities, Ethniki's insurance products offer:

- Full ship's crew coverage and
- High-quality coverage at all types of commercial ships, using all types of international recognized insurance clauses.

Through its long-term experience in the shipping insurance business and the expertise of its personnel, Ethniki is placed among the top insurance companies in the Greek market, especially in relation to the marine hull insurance business.

Bancassurrance

Ethniki strongly emphasizes the strategic need for business synergies with National Bank of Greece as well as with the other subsidiaries of the NBG Group.

Initiating in summer 2004, the cooperation between Ethniki and NBG offered an efficient framework for launching bancassurance products through the sales network of NBG. These products were designed with respect to the compatibility with other NBG products and customized to the characteristics of the NBG sales network.

This rapid growth is attributed to the strong devotion of the Group's management to the strategic synergies and to the high level of interconnection between the two Companies.

While in 2005 focus was given on investment and Life & Health insurance products that were linked to mortgage loans, in 2006 many new products were launched concerning investment-pension schemes, saving programs for youths and credit business products (insurance coverage of payments).

Additionally, high penetration rate has been achieved in insurance products covering fire and earthquake.

For all products, the insurance process starting from the initial sale and payment of the premium to the final print of the contract and the delivery to the client is executed within the NBG branch.

In 2006 the Company was also engaged for the first time in assure-banking business, providing mortgage and consumer loans through its own sales network. Due to efficient structures and high level of training, Ethniki's network has already emerged as a significant sales channel for NBG loans.

3.9 Reinsurance Policy

The reinsurance program of the Company consists of either proportional or non-proportional treaties that are contracted with foreign reinsurance companies –(mostly) directly but also through brokers. The purpose of these treaties is to protect company's interest and to cover the needs of technical branches.

The main reasons for which our company implements reinsurance agreements are the following:

a) To provide cover to the insured clients against all kinds of risks regardless of the size and the complexity of the peril.
b) The spreading of originally undertaken risks.
c) The ensuring of a stable premiums-to-losses ratio.
d) The indirect protection of its equity capital and, thus, its shareholders.

During the second semester of each year, a number of "general" and "specific" studies regarding the needs of each technical branch take place.

Throughout the planning stage of any reinsurance program (type of the reinsurance treaty, "capacity" of the treaty, own retention etc.) against all risks, the following factors are taken into consideration:
a) the nature, kind and the size of risk.
b) respective portfolio analysis results.
c) the particular requirements of each reinsurance cover.
d) the "coverages" provided by international market.
e) the cost of coverages offered.
f) the terms that should be satisfied from each contracting part.

The determination of own retention in a reinsurance treaty is a critical matter(either as a percentage of risk corresponding to our Company or a fixed amount, depending on the kind of the treaty i.e. proportional or non-proportional). In order to fix our own retention, we take into account the following aspects,
a) the share capital and free equity reserves.
b) the financial liquidity (in order to meet claim requirements).
c) the portfolio structure of the respective branch.
d) the losses-to-premiums ratio of the respective branch.

The criteria of selecting a reinsurance company are:
a) its financial substance.
b) its solvency.
c) its rating that has received from international organizations.
d) its immediate respond to our requests in case of compensation.

e) the “quality” of previous co-operation.
f) the additional benefits that the company offers to "The Ethniki" i.e. its “know-how” in reinsurance issues or opportunities it presents for our employees for participation in its seminars etc.

The reinsurance firms with which "The Ethniki" is mainly co-operating are: Munich Re, Swiss Re, New Re, Mapfre Re, Partner Re, Lloyd’s.

3.10 Real Estate

LIST OF LAND PLOTS/YARDS & BUILDINGS

	ADDRESS OF REAL ESTATE	COST	COST AS AT 31.12.2006	TOTAL DEPRECIATION AS AT 31.12.2005	DEPRECIATION 2006	TOTAL DEPRECIATION AS AT 31.12.2006	RESIDUAL VALUE OF BUILDINGS	Total value of Land & Buildings under IFRS
1	103 -105 Syngrou Ave. ,5 Galaxia St.-Euryd.	38.040.900,00	50.720.052,98	162.626,99	837.582,76	1.000.209,75	49.719.843,23	87.760.743,23
2	4 Korai St. & Stadiou 30, Athens	30.000.000,00	40.065.356,44	7.762.166,32	1.350.656,01	9.112.822,33	30.952.534,11	60.952.534,11
3	8 Karagheorgi Servias St., Athens	6.100.000,00	15.067.776,96	4.887.244,32	573.771,25	5.461.015,57	9.606.761,39	15.706.761,39
4	135 Syngrou Ave., Athens	4.082.000,00	6.870.548,24	2.331.488,56	189.786,47	2.521.275,03	4.349.273,21	8.431.273,21
5	40 Amalias St., Athens	2.700.000,00	6.462.555,23	2.032.403,46	185.232,82	2.217.636,28	4.244.918,95	6.944.918,95
6	5 Hypatias St., Athens	2.980.432,53	7.625.895,37	3.404.814,38	504.311,13	3.909.125,51	3.716.769,86	6.697.202,39
7	35th st. L/P Hellenikon	6.249.600,00	0,00	0,00	0,00	0,00	0,00	6.249.600,00
8	14-16 Akti Poseidonos St., Peiraeus	1.829.146,00	6.489.276,56	2.188.481,50	179.824,18	2.368.305,68	4.120.970,88	5.950.116,88
9	1 Efpolidos-Apellou St. & Lykourgou St.,Athens	1.400.000,00	6.816.670,33	2.112.944,50	248.655,11	2.361.599,61	4.455.070,72	5.855.070,72
10	58 Athinas St., Athens	2.500.000,00	5.147.144,41	1.732.235,76	142.783,63	1.875.019,39	3.272.125,02	5.772.125,02
11	25-27 Ethnikis Antistaseos, Peiraeus	2.101.152,00	5.385.115,57	1.585.135,57	135.500,62	1.720.636,19	3.664.479,38	5.765.631,38
12	62 Athinas St., Athens	1.700.000,00	2.484.495,08	333.088,82	74.400,22	407.489,04	2.077.006,04	3.777.006,04
13	1 Skouleniou St., Athens	899.999,99	3.986.540,63	1.367.223,53	112.482,09	1.479.705,62	2.506.835,01	3.406.835,00
14	Maezonos & Zaimi St., Patra	600.000,00	3.081.541,77	737.206,40	81.588,14	818.794,54	2.262.747,23	2.862.747,23
15	555 Vouliagmenis Ave., Ilioupoli	1.700.000,00	848.393,50	0,00	24.952,52	24.952,52	823.440,98	2.523.440,98
16	20 Iasonos St., Volos	2.046.048,72	550.673,64	313.047,53	23.978,84	337.026,37	213.647,27	2.259.695,99
17	13 Mitropoleos & 2 Rogoti St., Thessaloniki	735.818,05	2.234.430,30	959.600,03	55.427,38	1.015.027,41	1.219.402,89	1.955.220,94
18	137 Syngrou Ave., Athens	589.554,00	1.515.171,53	214.720,68	55.048,98	269.769,66	1.245.401,87	1.834.955,87
19	7 Voulis St., Athens	434.234,23	2.264.552,47	1.002.333,99	54.879,05	1.057.213,04	1.207.339,43	1.641.573,66
20	7 Ithakis St., L/P Alimos	1.638.500,00	0,00		0,00		0,00	1.638.500,00
21	27 Tsimiski St., Thessaloniki	724.402,54	897.578,67	307.881,33	25.639,02	333.520,35	564.058,32	1.288.460,86
22	Vas. Constantinou St., L/P Argos	120.000,00	866.163,85	135.441,98	25.044,17	160.486,15	705.677,70	825.677,70
23	7 Merlin St., Athens	225.000,00	1.002.049,26	441.034,76	24.391,93	465.426,69	536.622,57	761.622,57
24	5 Ag. Glykerias St., Galatsi	178.793,18	786.133,43	285.819,81	17.868,34	303.688,15	482.445,28	661.238,46
25	72 Papanastasiou St., Larisa	275.903,88	533.946,46	175.754,52	15.573,56	191.328,08	342.618,38	618.522,26
26	37 Skalidi St., Chania	350.182,98	499.964,32	261.240,71	10.379,28	271.619,99	228.344,33	578.527,31
27	36 Kolokynthous & Iasonos St., Athens	568.140,00	0,00	0,00	0,00	0,00	0,00	568.140,00
28	Ethnikis Antistaseos Sq., Kalamata	60.181,94	539.788,29	164.890,35	13.389,21	178.279,56	361.508,73	421.690,67
29	Anopoleos & Eleftherias Sq., Herakleion	199.909,06	355.202,34	138.997,23	7.721,61	146.718,84	208.483,50	408.392,56
30	Vas. Sofias & Papakyriazi, Larisa	127.845,77	327.793,25	103.758,66	9.740,63	113.499,29	214.293,96	342.139,73
31	9 Patron St., Pyrgos	93.750,00	351.394,83	92.230,18	11.268,04	103.498,22	247.896,61	341.646,61
32	19 Vas. Gheorghiou Sq., Ioannina	203.235,33	208.471,22	73.231,35	5.880,00	79.111,35	129.359,87	332.595,20
33	7 Stadiou St., Athens	100.028,76	257.491,83	46.755,15	8.811,29	55.566,44	201.925,39	301.954,15
34	43-45 Democratias St., Edessa	10.568,63	436.388,88	140.139,13	12.880,42	153.019,55	283.369,33	293.937,96
35	310-312 Iera Odos, L/P Aegaleo	64.000,00	318.896,67	80.234,81	10.376,60	90.611,41	228.285,26	292.285,26
36	Vas. Gheorghiou St., Argostoli	162.480,25	264.622,89	137.062,71	4.555,73	141.618,44	123.004,45	285.484,70
37	20 Themistokleous St., Shop 1, Holargos	175.851,17	125.455,53	20.867,74	4.373,01	25.240,75	100.214,78	276.065,95
38	37 El. Venizelou St., Yannitsa	61.877,30	346.328,01	147.310,24	11.056,55	158.366,79	187.961,22	249.838,52
39	66th klm N.R. ATHENS-LAMIA, L/P	221.048,66	0,00	0,00	0,00	0,00	0,00	221.048,66
40	19 Leonidou St., Athens	205.119,74	0,00	0,00	0,00	0,00	0,00	205.119,74
41	28 Alexandrou St., DRAMA	45.652,70	276.546,93	114.729,82	8.989,84	123.719,66	152.827,27	198.479,97
42	Mich. Karaoli & Thermopylon, Xanthi	31.679,41	234.298,98	62.258,67	6.144,30	68.402,97	165.896,01	197.575,42
43	El. Venizelou St. Veria	33.740,44	251.069,66	83.896,20	7.268,42	91.164,62	159.905,04	193.645,48
44	Eleftherias Sq., Serres	54.780,67	192.191,71	58.375,82	5.818,09	64.193,91	127.997,80	182.778,47
45	51 Vas. Konstantinou St., Komotini	18.091,80	255.387,98	82.237,73	9.619,46	91.857,19	163.530,79	181.622,59
46	Eleftherias Sq., Herakleion	79.235,64	159.529,96	57.810,21	3.632,85	61.443,06	98.086,90	177.322,54
47	20 Themistokleous St., Shop 2, Holargos	109.148,83	85.543,01	14.342,75	3.095,66	17.438,41	68.104,60	177.253,43
48	17 Tim. Vassou St., Athens	45.000,00	220.605,45	80.755,82	7.769,42	88.525,24	132.080,21	177.080,21
49	9 Patron St., Pyrgos	0,00	139.159,29	0,00	463,86	463,86	138.695,43	138.695,43
50	46, 28th Oktovriou St., Tripolis	56.805,05	131.034,44	58.979,80	3.132,81	62.112,61	68.921,83	125.726,88
51	17 Hatzidimitriou St., Yannitsa	24.651,50	85.212,83	29.736,37	2.926,87	32.663,24	52.549,59	77.201,09
52	Kalamaki, Isthmia L/P, Corinthos	58.694,06	0,00	0,00	0,00	0,00	0,00	58.694,06
53	(ACC 1107) BLDG INSTALLATIONS 3RD PARTIES BLDG'S	0,00	3.034.727,02	2.809.578,36	195.539,13	3.005.117,49	29.609,53	29.609,53
54	L/P Styfoyannis, Almyros	5.135,73	0,00	0,00	0,00	0,00	0,00	5.135,73
55	L/P Fragholada, Argolid	4.826,12	0,00	0,00	0,00	0,00	0,00	4.826,12
	TOTAL	**113.023.146,66**	**180.799.168,00**	**39.332.114,55**	**5.304.211,30**	**44.636.325,85**	**136.162.842,15**	**249.185.988,81**

3.11 Business Growth

3.11.1 Sales Network

The Company's Sales Network covers the entire country and consists of (as at 31.12.2006) 150 Sales Offices with 2.000 Brokers, 1.284 Tied Agents and 437 Independent Insurance Consultants. The Network is supported by 46 well-organized Administrative Branches, in all major cities of the country. Products of the Company are also offered through the 574 Branches of the National Bank of Greece.

The main factor of Business Growth will be the aggressive promotion of Insurance Products to the extensive customer base of the National Bank of Greece, as part of the Bancassurance Scheme.

Furthermore, a Department of Banking and Investment Products was established with the aim to promote the Products of the National Bank of Greece through the sales network of Ethniki Insurance.

The following table presents Gross Written Premiums of the Company for the years 2006 per Geographical Segment.

Table : Gross Written Premiums per Geographical Segment

Geographical Area	Administrative Branches	Sales Offices	Tied Agents	Independent Insurance Consultants	NBG branches	Market Share 2006	Market Share 2005
ATTICA	9	70	770	166	256	80,1%	76,6%
MACEDONIA & THRACE	15	24	252	105	121	8,9%	10,3%
CENTRAL GREECE	6	17	65	62	72	2,2%	2,7%
PELOPONISOS & WESTERN GREECE	13	33	125	86	102	6,4%	7,4%
CRETE	3	6	72	18	23	2,4%	3,0%
TOTAL	**46**	**150**	**1284**	**437**	**574**	**100%**	**100%**

3.11.2 Sustainability of Contracts

Minimization of the percentage of cancellation of Insurance Contracts is a major priority of the Sales Policy of the Company.

According to the criteria of Sustainability for the Portfolio of Contracts, "Ethniki Insurance" is among the companies with the higher ranking. Specifically, for the Insurance Contracts of the Individual Life Branch that were issued in year 2004, Sustainability Percentage reaches 79% on 31 December 2006.

3.12 Promotion and Advertising

An annual Promotion and Advertising action plan is developed in line with the relevant budget. This plan allocates advertising expenditure per product and medium and specifies the relevant timetable.

The expenses allocation per communication medium for 2006 was:

• Television 19%

• Radio 21%

• Press 42%

• Other media 18%

Both national and local media are used for advertisement purposes.

Additionally, part of the advertising budget was used for the promotion of the company via sponsorships in cultural, artistic, sport and social welfare activities as well as scientific activities.

The efficiency of advertisement activities is reviewed periodically through surveys and polls, while activities of competitors are also monitored.

The advertising campaigns of the company usually emphasized on “prestige” advertisements and product advertisements targeting to promote new products and services that the company offers to the public. Furthermore, special emphasis was recently given to the relocation of Ethniki Insurance Company to its new state-of-the-art Building Complex on Sygrou Avenue and the inauguration festivities that followed, through advertisements on press.

3.13 Social responsibility

Ethniki Insurance Company feeling responsible for the modern social and ecological needs, willing to contribute to the artistic inspiration and athletic spirit, supports efforts directed to these targets.

Implementing a new modern administration model, keeping in tune with the National Bank policy -since it belongs in the same group- the Company focuses on both the economic growth and its offer to the society, the environment and culture.

The year 2006 in particular was a preparatory year for the major environmental and ecological campaign, which was launched in cooperation with the World Environment Organization WWF and aims at stemming the climatic changes of the planet.

Within the framework of this campaign and the cooperation of the two partners (that started in the beginning of 2007) Ethniki Insurance Company carried out an action plan during 2006. Besides, the Company moved towards the certification of the new premises regarding energy and the saving of energy in lighting.

In the year 2006 Ethniki Insurance Company contributed to the alleviation of social problems, supported initiatives of humanitarian nature, helped the efforts of social organizations and enhanced cultural activities, artistic creations, as well as the promotion of the athletic ideals.

Social Issues

In the same year (2006) Ethniki Insurance Company helped a number of organizations and supported specific projects. Among others it helped the following organizations to gain their ends:

- The Divinity School of Chalki (initiative of the Ecumenical Patriarchate to reopen it).
- SOS Children´s Villages Greece
- Doctors of the World
- Therapy Center for Dependent Dividuals
- Together for Children

Education - Science

Ethniki Insurance Company supported the Zographios School of Constantinople, the Medi-biological Research Foundation as well as the Athens Technical University.

Cultural Activities

In an effort to expand its sponsoring policy to a wide range of activities mainly in the provinces, the Company supported the Creation of the New Lyric Theatre and Academy "Maria Kallas", the Folklore Museum of Macedonia and Thrace and the Hellenic Armenian Forum.

It also participated in the activities of the Ecumenical Hellenism Organization and in holding the world known cultural event "Cow Parade" in Athens. At the same time many cultural foundations all over Greece were sponsored.

Athletism

In its effort to enhance the athletic ideal and the "fair play" the Company sponsored sports events, supported athletic foundations / unions and groups mainly in the provinces. It also supported major sports events such as:

- The International Meeting of Classical Athletism
- Vardinoyannia (International Field and Truck Events)
- The Athens Trophy 2006

History Of The Company- Publications

Since Ethniki Insurance Company is one of the oldest Greek companies and the first Insurance Company that has been in the Market since its foundation, its history is particularly interesting because it is interwoven with the evolution of the Greek society and the Greek state itself.

In an effort to record and appraise its history, it published the sumptuous album "Ethniki Insurance Company a course in time and in the city " which refers not only to the history of the Company but to the history of Athens as well.

Showing sensitivity towards historical issues, the Company maintains the "Place of Historical Memory 1941- 1944" in a privately owned building at 4 Korai Str in Athens.

It is a location, which had been used as a prison by the German Commendatory in the WWII. In a concerted effort with the Ministry of Culture the place has been declared "modern, national heritage". The Company is responsible for all kinds refurbishing or maintenance.

Finally, the Greek bibliography had its share in these cultural activities of the Company. Ethniki Insurance Company published an album entitled " With a view over History" which contains etchings of monuments in Athens dating from the 17th, 18th, 19th centuries.

Economic Activities

In the year 2006 Ethniki Insurance Company supported scientific – economic activities, events, meetings, insurance and financial conferences held by agencies / organizations such as

- Association of Greek Insurance Companies
- Association of Greek Actuaries
- Panhellenic association of Insurance Brokers
- Association of Insurance Agents
- Panhellenic Association of Experts
- Union of Insurers
- Association of Coordinators of Insurance Agents

SECTION 4

COMPANY'S SHARE & MARKET DATA

4.1 Performance of company's share

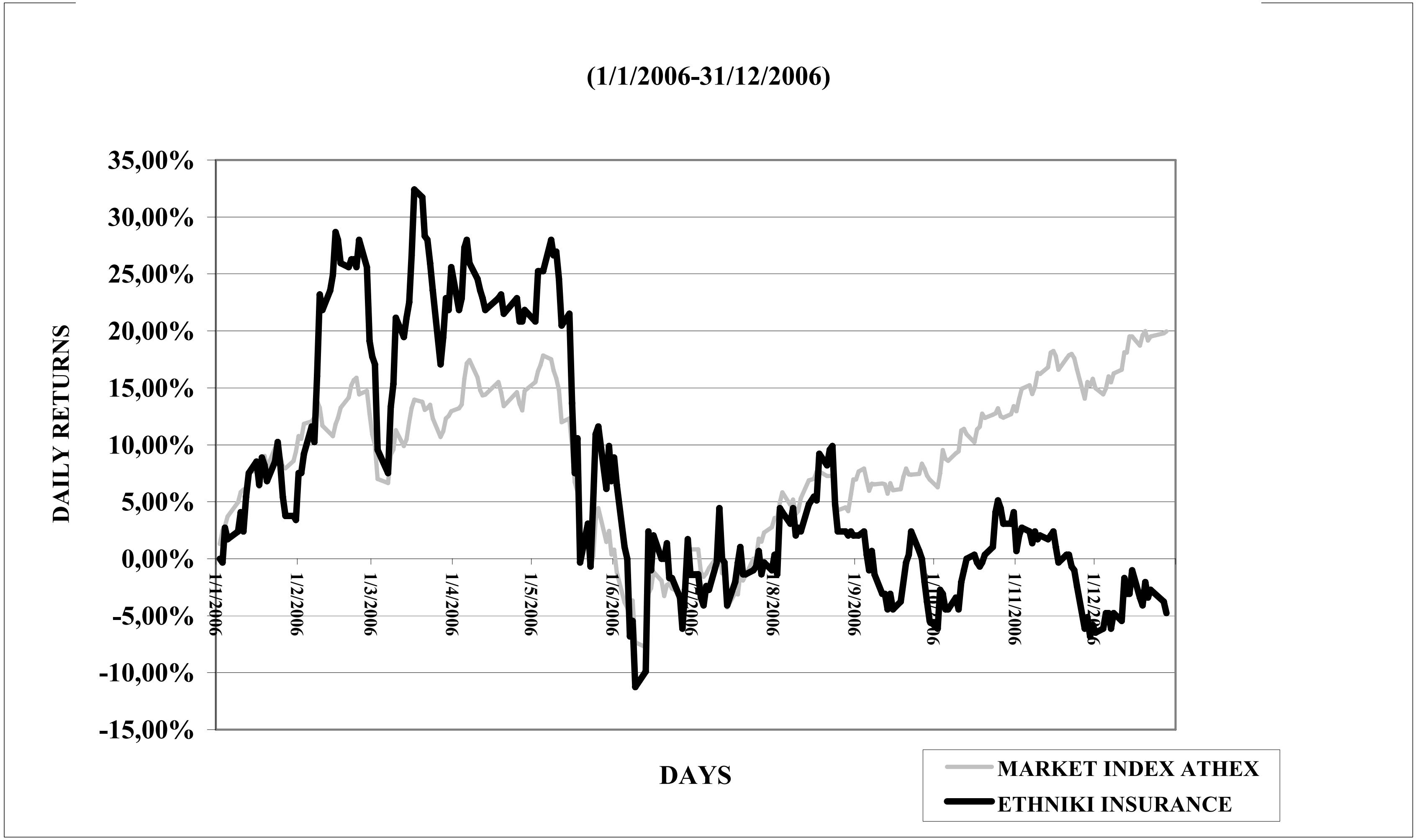
	2006	2005
Price at year end	5,58	5,30
Year high (closing price)	7,76	5,30
Year low (closing price)	5,20	2,80
Year average	6,43	3,96
Market value at year's end	720.415.944	684.266.040
Share capital	322.767.000	322.767.000

The following table shows the monthly movement in share price and total monthly transaction volume.

Month	Price in €*	Total monthly transaction volume (no of shares)
January	6,08	5.211.253
February	7,36	5.360.623
March	7,14	4.612.395
April	7,08	2.095.286
May	6,44	3.728.246
June	5,96	2.277.369
July	5,84	1.232.218
August	6,00	1.380.066
September	5,64	1.522.224
October	6,04	2.908.247
November	5,46	2.087.119
December	5,58	1.523.287
Total		**33.938.333**

(*): Closing price on the last trading day of each month

Daily closing price of "ETHNIKI INSURANCE"



4.2 Shareholders

The Company's Shareholders as at 31 December 2006 was as follows:

Table: Shareholders of the Company

Shareholders	No of shares outstanding	% of share capital
NATIONAL BANK OF GREECE S.A.	99.072.917	76,74
DIETHNIKI MUTUAL FUNDS MANAGEMENT COMPANY	2.779.034	2,15
M/F INSURANCE ORGANIZATIONS - JOINT DOMESTIC	1.504.700	1,17
"ETHNIKI INSURANCE" EMPLOYEE INSURANCE FUND	1.476.496	1,14
ALPHA BANK M/F	1.362.939	1,06
OTHER SHAREHOLDERS (8.607)	22.910.714	17,74
TOTAL	**129.106.800**	**100,00**

4.3 Major shareholder: NATIONAL BANK OF GREECE S.A.

The National Bank of Greece is the major shareholder of "Ethniki Insurance" with 76,74% of total shares outstanding.

The National Bank of Greece S.A. was founded at 1841 and it's share was listed on the Athens Exchange in 1880. Its registered offices are in Athens, 86 Aiolou St (registered Numbers of S.A. 6062/06/B/86/01), tel.: (0030) 210 33.41.000. Under a decision of the Board of Directors, the Bank can set up Branches, Brokerage Houses and Representation Offices throughout Greece or overseas. The bank's duration has been prolonged until 27 February 2053.

According to the art.3 of its Articles of Association, the Bank conducts, in Greece and overseas, all banking and credit finance operations allowed to Banking Societe Anonymes under the Greek or Community Law.

In more than 165 years of operation, the Bank has evolved to a modern and complete group of financial sector companies, covering the continuously expanding needs of its clientele in a global perspective.

After the end of 2006, a new series of actions for the improvement of the corporate governance environment were approved, and the Bank's new Business Plan for 2007-2009 was finalised. The objective of this Plan is the provision of a clear and vigorous course-setting strategy for the group, with a 3-year horizon. This strategy combines the quest for high performance and targets with firm strategic actions, so that the Bank results to emerge as the leading, most trustworthy financial group in S.E. Europe, securing high revenues for shareholders.

The composition of the Board of Directors of the NATIONAL BANK OF GREECE as at 31 December 2006 was as follows:

Efstratios-Georgios	Arapoglou	Chairman & Chief Executive Officer	Executive Member
Ioannis	Pechlivanidis	Deputy Chief Executive Officer	Executive Member
Honourable Metropolitan Bishop of Ioannina	Theoklitos	Member	Independent non-executive member
Achilleas	Mylonopoulos	Member	Non-executive member
Stefanos	Vavalidis	Member	Independent non-executive member
Georgios	Mergos	Member	Independent non-executive member
Ioannnis	Giannidis	Member	Non-executive member
Dimitrios	Daskalopoulos	Member	Independent non-executive member
Nikolaos	Efthimiou	Member	Independent non-executive member
Georgios	Lanaras	Member	Independent non-executive member
Ioannis	Panagopoulos	Member	Non-executive member
Stefanos	Pantzopoulos	Member	Independent non-executive member
Konstantinos	Pylarinos	Member	Independent non-executive member
Ploutarchos	Sakellaris	Member	Independent non-executive member
Drakoulis	Foudoukakos-Kyriakakos	Member	Independent non-executive member

	Name	Country of incorporation	% participation	
			31.12.2006	31.12.2005
1.	National Securities SA	Greece	100,00%	100,00%
2.	Ethniki Kefalaiou SA	Greece	100,00%	100,00%
3.	Diethniki Mutual Fund Management	Greece	100,00%	100,00%
4.	National Management & Organization Co. SA - ETHNOKARTA	Greece	100,00%	100,00%
5.	Ethniki Leasing SA	Greece	100,00%	100,00%
6.	National Mutual Fund Management	Greece	100,00%	100,00%
7.	NBG Venture Capital SA	Greece	100,00%	100,00%
8.	NBG Balkan Fund Ltd	Cyprus	-	100,00%
9.	NBG Greek Fund Ltd	Cyprus	100,00%	100,00%
10.	ETEBA Emerging Markets Fund Ltd	Cyprus	100,00%	100,00%
11.	ETEBA Estate Fund Ltd	Cyprus	100,00%	100,00%
12.	ETEBA Venture Capital Management Co.Ltd	Cyprus	100,00%	100,00%
13.	NBG Bancassurance SA	Greece	100,00%	100,00%
14.	Atlantic Bank of NY	USA	-	100,00%
15.	NBG Canada	Canada	-	100,00%
16.	SABA	South Africa	99,50%	99,50%
17.	NBG Cyprus Ltd	Cyprus	100,00%	100,00%
18.	National Securities Co (Cyprus Ltd)	Cyprus	100,00%	100,00%
19.	NBG Management Services Ltd	Cyprus	100,00%	100,00%
20.	Stopanska Banka AD - Skopje (*)	FYROM	92,25%	71,20%
21.	United Bulgarian Bank AD - Sofia (UBB)	Bulgaria	99,91%	99,91%
22.	NBG International Ltd	United Kingdom	100,00%	100,00%
23.	NBG International Inc (NY)	USA	100,00%	100,00%
24.	NBG Private Equity Ltd	United Kingdom	100,00%	100,00%
25.	NBG Finance plc	United Kingdom	100,00%	100,00%
26.	Interlease E.A.D.	Bulgaria	100,00%	87,50%
27.	ETEBA Bulgaria AD	Bulgaria	100,00%	100,00%
28.	ETEBA Romania SA	Romania	100,00%	100,00%
29.	ETEBA Advisory SRL	Romania	-	100,00%
30.	NBG Luxembourg Holding SA	Luxembourg	100,00%	100,00%
31.	NBG Luxfinance Holding SA	Luxembourg	100,00%	100,00%
32.	Innovative Ventures SA (I-Ven)	Greece	100,00%	100,00%
33.	NBG Funding Ltd	United Kingdom	100,00%	100,00%
34.	Banca Romaneasca SA (*)	Romania	98,88%	97,14%
35.	Ethniki Hellenic General Insurance	Greece	76,74%	76,65%
36.	ASTIR Palace Vouliagmenis SA	Greece	78,06%	78,06%
37.	ASTIR Alexandroupolis S.A.	Greece	-	100,00%
38.	Grand Hotel Summer Palace SA	Greece	100,00%	100,00%
39.	NBG Training Center SA	Greece	100,00%	100,00%
40.	Ethnodata SA	Greece	100,00%	100,00%
41.	KADMOS SA	Greece	100,00%	100,00%
42.	DIONYSOS SA	Greece	99,91%	99,91%

43.	EKTENEPOL Costruction Company SA	Greece	100,00%	100,00%
44.	Mortgage, Touristic PROTYPOS SA	Greece	100,00%	100,00%
45.	Hellenic Touristic Constructions	Greece	77,76%	77,76%
46.	Ethnoplan SA	Greece	100,00%	100,00%
47.	Ethniki Ktimatikis Ekmetalefsis SA	Greece	100,00%	100,00%
48.	NBGI Private Equity Funds	United Kingdom	100,00%	100,00%
49.	NBG International Holdings BV	Netherlands	100,00%	100,00%
50.	Eurial Leasing SRL	Romania	70,00%	70,00%
51.	Ethniki Insurance (Cyprus) Ltd	Cyprus	79,27%	79,19%
52.	Ethniki General Insurance (Cyprus) Ltd	Cyprus	79,27%	79,19%
53.	SC Garanta Asigurari SA	Romania	71,57%	71,49%
54.	Audatex Hellas SA	Greece	53,72%	53,65%
55.	National Insurance Brokerage SA	Greece	72,90%	72,82%
56.	NBG Asigurari SA	Romania	76,73%	-
57.	Finansbank SA (*)	Turkey	55,68%	-
58.	Finans Malta (*)	Malta	55,68%	-
59.	Finans Leasing (*)	Turkey	35,55%	-
60.	Finans Invest (*)	Turkey	55,72%	-
61.	Finans Portfolio Management (*)	Turkey	55,73%	-
62.	Finans Investment Trust (*)	Turkey	47,61%	-
63.	IB Tech (*)	Turkey	55,12%	-
64.	Vojvodjanska Banka A.D. Novisad	Serbia	99,43%	-

4.4 Share Capital

The Extraordinary General Meeting of the Parent Company on 2 November 2005 approved a share capital increase by € 129.106 thous. with the issue of 43.035.600 new shares of nominal price € 2,50 each and issue price € 3. The difference between the nominal price and the issue price has been included to the reserve above par with a prospect that the share capital will reach € 322.767 thous. Old shareholders had a preferential right with a ratio of 5 new shares for 10 old ones.

4.5 Appropriation of the capital raised from the Company's share capital increase (in accordance with the decision n. 358/8.11.2005 of the Athens Stock Exchange) in cash and with preference right in favor of the old shares.

We hereby notify, in accordance with the decision n. 58/28.12.2005 of the Athens Stock Exchange Board of Directors and the relevant letter n. 14566/26.03.2001 from the Listed Securities division, that from the Company's share capital increase in cash, which was authorized by the Extraordinary General Meeting's decision on 2/11/2005 and the n. 358/8.11.2005 decision of the Capital Market Committee's Board of Directors, € 129.106.800 were raised. From that increase, 43.035.600 new ordinary nominal shares were issued and listed in the Prime market of the Athens Stock Exchange on 23/12/2005. The attestation of the share capital increase from the Company's Board of Directors took place on 21/12/2005. The capital raised, in accordance with what was already mentioned in the Information Memorandum, was invested till 14 February 2006 as follows:

Investments according to the approved, from the ASE Information Memorandum, plan

Investment on 14/02/2006	**Amounts in €**
Bonds	53.956.164,00
Shares	42.277.679,00
Mutual Funds	30.006.808,00
Repos	2.866.149,00
Total	**129.106.800,00**

Notes:
1) The Investment Committee of the Company invested the raised capital following the provisions of Law 400/70 and the relevant market conditions
2) The capital increase expenses reached the amount of € 1.337.510,24 and were fully covered by the Company's Shareholders' equity.

Athens, 24 February 2006

Chairman of the Board of Directors	Vice President and Executive Director	Financial Director
Efstratios Georgios A. Arapoglou L342690	Doucas-Pavlos Paleologos S 095068	Mihalis Tzanetis Ξ373278

AUDITOR'S REPORT IN RELATION TO THE APPROPRIATION OF THE CAPITAL RAISED

We have audited the aforementioned information of "Ethniki, Hellenic General Insurance Company S.A." by applying those auditing standards and principles adopted by the Institute of Certified Auditors Accountants in Greece. From our audit, we identified that the above information results from accounting records of the Company as well as from the information memorandum approved by the prime market of the Athens Stock exchange, after taking into consideration the aforementioned Company notes.

Athens, 27 February 2006

The Certified Public Accountant

Andreas Ch. Barlikas

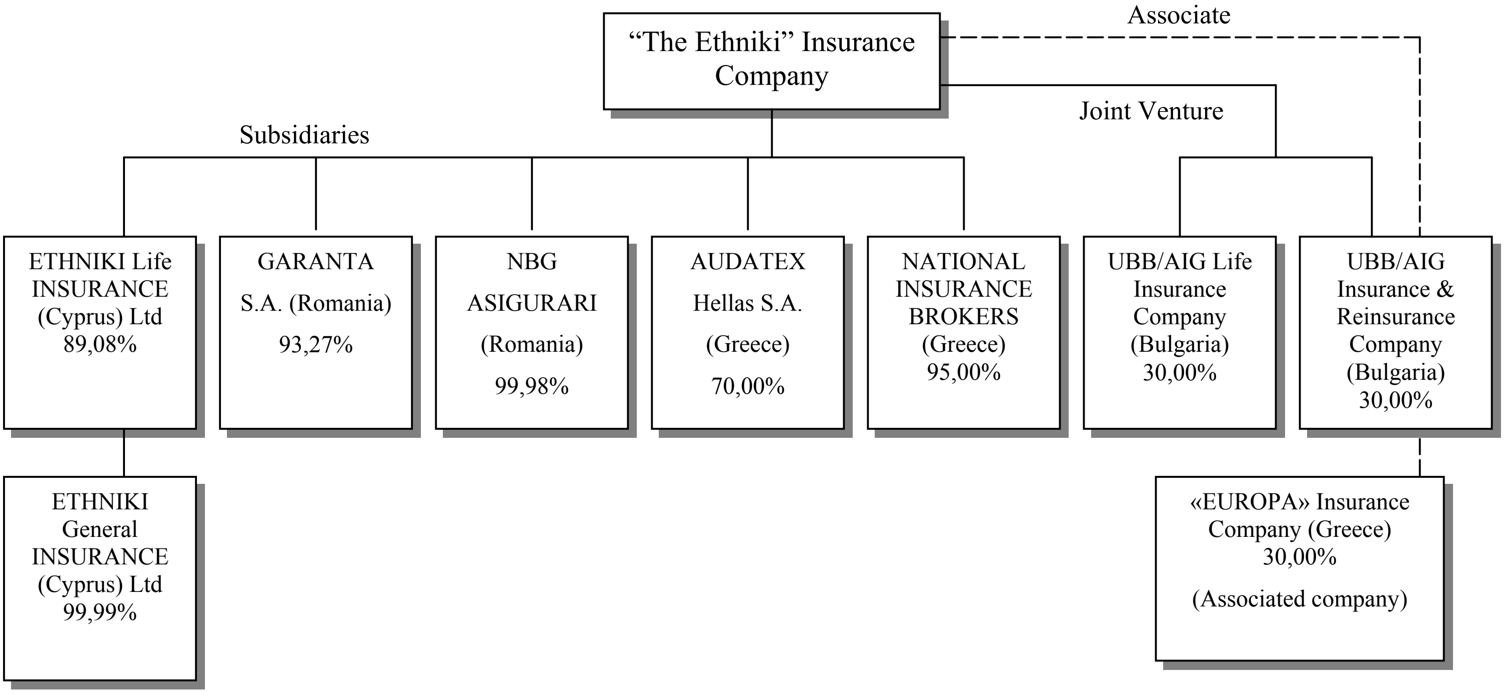
RN SOEL 13991

SECTION 5

INVESTMENTS
IN SUBSIDIARIES AND ASSOCIATE COMPANIES
OF ETHNIKI INSURANCE COMPANY

5.1 Organizational Structure of the Group

The diagram bellow depicts the Organizational Structure of the "Ethniki Insurance" Group of Companies as at 31 December 2006:



Ethniki Insurance Company has a direct interest in the Share Capital of eight Companies and indirect interest in "ETHNIKI General INSURANCE (Cyprus) Ltd".

5.2 Subsidiary Companies

5.2.1 ETHNIKI LIFE INSURANCE (Cyprus) Ltd

The company was established in 2000 with its registered offices in Cyprus and is located in the company owned premises at 7 Ifigeneias St, 2007 Strovolos, Nicosia. The Founding of the Company was registered under Chapter 113 of the Corporate Law and the company is registered in the Registry of Société Anonyme's under the code number 109043. The company is operating since 1 January 2001 in the Life insurance sector, while it also operates in the General insurance sector through its subsidiary Ethniki General Insurance Cyprus Ltd, of which it owns 99,99%.

The Company is currently fully operational and is staffed with experienced personnel. Its sales network comprises of 5 branches located in the largest cities of Cyprus (Nicosia (2), Limassol, Pafos, Larnaka) and includes 60 brokers and 25 insurance agents.

In 31 December 2006, the Company's share capital amounted to 3.587,2 thous. Cypriot Pounds (€ 5.732,2 thous.) and the Company's shareholders were as follows:

SHAREHOLDER	% SHAREHOLDING	NUMBER OF SHARES
Ethniki Insurance	89,08%	6.391.644
NATIONAL BANK (CYPRUS) LTD	10,92%	782.835
Total	**100,00 %**	**7.174.479**

The web site of the company is http://www.ethnikiinsurance.com/

Call center: +357 22841000

Email address: info@ethnikiinsurance.com

5.2.2 GARANTA S.A. (Romania)

The company was established in 1997 under the name S.C. GARANTA S.A. according to the provisions of laws 31/1990 and 47/1991 that concern insurance companies under Romanian law and was registered on the Bucharest Trade Registry. Its code is J/40/7688/1997 and has an unlimited duration. The registered office is situated in Bucharest - Romania in company owned premises.

The company operates in the insurance and re-insurance industry since March 1998. It is currently fully organized operating from its buildings in the central business district of Bucharest and is staffed with experienced personnel. Its sales network comprises of branches located in Buchurest (2 branches), Brasov, Cluj Napoca, Timisoara, Oradea, Deva, Craiova, Iasi and Ploiesti, as well as 233 salespersons all over the country. Its insurance products are also offered through the networks of Banca Romaneasca (Affiliate of National Bank of Greece), Piraeus Banc Romania and Romextera.

On 31 December 2006, the Company's share capital amounted to RON 21.041,8 thous. (€ 6.725 thous.) while its Share Capital structure is as follows:

SHAREHOLDER	% SHAREHOLDING	NUMBER OF SHARES
Ethniki Insurance	93,27%	784.988
JEAN VALVIS	5,37%	45.206
RADIOCOMUNICATII	0,57%	4.806
ROMTELECOM	0,46%	3.892
POSTA ROMANA	0,33%	2.780
Total	**100,00%**	**841.672**

The website of Garanta is www.garanta.ro

Call center: +4021 307 99 71

Email address: info@garanta.ro

5.2.3 NBG ASIGURARI S.A. (Romania)

In early 2006, Ethniki Insurance Company strengthened its position in the Romanian market by acquiring the total number of shares of Alpha Insurance Romania S.A. The company was renamed to NBG Asigurari SA and it is planned to merge with Garanta.

NBG Asigurari promotes and sells its insurance products through the network of Alpha Bank Romania, based on a 5-years contract signed in 2006.

The company's share capital amounts to RON 11.503,8 thous. (€ 3.181 thous.).

5.2.4 UBB - AIG INSURANCE AND REINSURANCE COMPANY /
UBB - AIG LIFE INSURANCE COMPANY (Bulgaria)

In February 2006 Ethniki Insurance Company signed a Joint Venture agreement with U.B.B. and American International Group Inc (A.I.G.). The agreement involved the founding of a Life Insurance Company (UBB-AIG Life Insurance Company JSC) and a General Insurance Business Company (UBB-AIG Insurance and Reinsurance Company JSC).

Ethniki Insurance and U.B.B. each hold a 30% share of the companies' share capital. With regards the Life Company, American Life Insurance Company (ALICO) holds the remaining 40% as well as the management, whereas in the case of the General Insurance & Reinsurance Company, the remaining 40% is held by AIG Central Europe & CIS Insurance Holdings Corporation. The two companies offer a range of insurance products through the sales network of U.B.B.

The share capital of UBB-AIG LIFE amounts to BGN 6.000 thous. (€ 3.357 thous.), while the share capital of UBB-AIG INSURANCE & REINSURANCE amounts to BGN 5.400 thous. (€ 3.037 thous.).

5.2.5 AUDATEX HELLAS S.A.

The company was established in 1997 with registered offices in Athens (5 Mitropoloeos Str. - Syntagma). Its duration is until 2027 and it is registered in the Registry of Sociétés Anonymes of Athens District with code number 39529/01/B/97/608.

AUDATEX provides complete electronic survey reports of car damages in the Greek market through the use of the AUDATEX trademark. AUDATEX is an integrated computer application for which the exclusive right of use in Greece is owned by AUDATEX HELLAS S.A, having acquired it from AUDATEX Switzerland. AUDATEX is used in order to issue objective survey reports of car damages, electronically.

In 31 December 2006, the Company's share capital amounted to €1.467,4 thous. The company's Share Capital structure has as follows:

SHAREHOLDER	% SHAREHOLDING	NUMBER OF SHARES
Ethniki Insurance	70,0%	35.000
INTERAMERICAN (Non-Life) S.A.	10,0%	5.000
AGROTIKI S.A.	10,0%	5.000
FOINIX S.A.	10,0%	5.000
Total	**100,0%**	**50.000**

Information relevant with the company can be found in the website of Ethniki Insurance Company that is http://www.ethniki-asfalistiki.gr/

Call center: +30 210 3228 96

Email address: p.vassilopoulos@audatex.gr

5.2.6 NATIONAL INSURANCE BROKERS S.A.

National Insurance Brokers was founded in 1962 and since then it has acquired a leading position in the Greek market of intermediation in Marine and Aviation insurance, both in terms of premiums and commissions. Ethniki Insurance now holds 95% of the company's total shares, acquired by Alpha Bank in November 2007.

On 31 December 2006 the company's share capital was € 58,7 thous. (2.000 shares of € 29,35), while its share capital structure has as follows:

SHAREHOLDER	% SHAREHOLDING	NUMBER OF SHARES
Ethniki Insurance	95,00	1900
GEORGIOS KARAMANOS	5,00	100
Total	**100,00**	**2000**

Information relevant with the company can be found in the web site of Ethniki Insurance: http://www.ethniki-asfalistiki.gr/

Call center: +30 210 42 83 900

Email address: reception@nationalib.gr

5.3 Associate Company

EUROPA Non-Life S.A.

The company was founded in 1985 with registered offices in Athens (25 Filellinon st). Its duration expires in 2084 and it is registered in the registry of S.A`s of Athens District with the code number 12856/05/B/86/36.

EUROPA deals with Non-Life business and specializes in covering big corporate and industrial risks, whereas it has developed Technical Insurance to a great extent, undertaking important specialized construction projects in Greece, built by large domestic and foreign firms.

The company operates personal accidents, motor, transit, fire and other Non-Life Branches in co-operation with Reinsurance Companies such as SCORE RE, GREAT LAKES, CONVERIUM, GOTHAERE RUCK, FOLKSAM, SIRIOUS, LIBERTY and MUTUAL.

On 31 December 2006, the Company’s share capital amounted to € 5.490 thous. (3.000.000 shares of nominal price € 1,83 per share). The company’s Share Capital structure has as follows:

SHAREHOLDER	% SHAREHOLDING	NUMBER OF SHARES
Ethniki Insurance	30,0%	900.000
N. MAKROPOULOS	70,0%	2.100.000
Total	**100,0%**	**3.000.000**

The Company’s website is www.europe-aeega.gr

Call center: +30 210 3230 707

Email address: info@europe-aeega.gr

5.4 Intercompany transactions

TABLE OF INTERCOMPANY TRANSACTIONS AS AT 31.12.2006					
Company	**Ethniki Ins. Co.**	**Ethniki Cyprus Life**	**Ethniki Cyprus Non-Life**	**EUROPA**	**GARANTA S.A.**
Ethniki Ins. Co.			195		6.350
Ethniki Cyprus Life	165				
Ethniki Cyprus Non-Life					
Europa	517				
Garanta S.A.					

TABLE OF INTERCOMPANY BALANCES AS AT 31.12.2006					
Company	**Ethniki Ins. Co.**	**Ethniki Cyprus Life**	**Ethniki Cyprus Non-Life**	**EUROPA**	**GARANTA S.A.**
Ethniki Ins. Co.		56		35	132
Ethniki Cyprus Life	38				
Ethniki Cyprus Non-Life	307				
Europa	24				
Garanta S.A.	1.386				

As regards the Intercompany Transactions between National Bank of Greece and Ethniki Insurance Co., the deposits of the issuer to NBG as at 31 December 2006 amounted to €140.589 thous., the total income from NBG amounted to €13.204 thous., € 4.555 thous. of which concerned premiums, € 4.364 thous. interests on time deposits, € 2.090 thous. interest on bonds and €2.195 thous. concerned rentals. The amount of commissions paid from Ethniki Ins. Co. to NBG amounted to € 209 thousands.

Apart from the Intercompany Transactions described above, there were no other transactions between Ethniki Ins. Co. and the associated companies.

SECTION 6

ANNUAL FINANCIAL STATEMENTS 2006

Board of Directors' Annual Report for the financial year 2006

2006 Market Development

Developments in the Greek insurance market were radical in 2006, with Ethniki Insurance taking the first position with a 16% market share. This success is mainly attributed to the significant increase in the Life Business by 41%, versus an 18% for the market, while in Property & Casualty business gross written premiums for the Parent Company increased by 2%, versus 5% increase for the market.

The rehabilitation of the insurance market continued during 2006/2007, resulting in the withdrawal of the licenses of 6 insurance companies (4 in 2006 and 2 in 2007). The continuation of this policy, which the Ministry of Development is following steadily, is essential for the further rehabilitation of the market. The concern that this policy has created in the marketplace, especially amongst agents and clients, is to the benefit of the larger insurance companies including Ethniki Insurance, being the leader of the market.

The benefits will become evident, despite the fact that Ethniki Insurance initially only gained a small portion of the contracts from the companies whose licenses were revoked. The company has however succeeded in incorporating the better quality production from those companies, without offering price decreases in order to show temporary and impressive numbers.

Moreover the market evolution, through acquisitions by key international players in the market, such as AXA and Groupama, and the interest from others, without a doubt signals the beginning of a new cycle and potential of the market.

From the institutional framework point of view, the development of the new Independent Supervisory Authority is positive. The slightly strengthened tax incentives for insurance industry, announced at the end of 2006 and expected to take effect from January 1 2007, is another positive development.

Ethniki Insurance:

- having achieved portfolio restructuring
- having almost completed the reorganization of its internal procedures in conformity with its major shareholder
- having significantly reinforced its insurance provisions
- having renewed its human resources after the completion of an early retirement scheme
- having strengthened its broker network
- having activated the sales network through the agency beyond every expectation

- having expanded successfully in the neighboring Balkan countries and also,
- having accomplished a dynamic expansion in bancassurance and assurebanking,

aims at obtaining a significant portion of the new market share that will be created from the development of the market.

2006 results

The "Ethniki" Insurance Group's 2006 pre-tax profit amounted to €2.054 thous. and after tax loss of €2.341 thous., as compared with €25.155 after tax profit for the year ended 31 December 2005.
These results include certain non-recurring costs, which if excluded, the Group's pre-tax profit would amount to €37.621 thous. These costs include an amount of €11.376 thous., which relates to the early retirement scheme involving 98 employees and €24.191 thous., which relates to the reinforcement of outstanding claims reserves for the Motor Third Party Liability.

Developments in the bond market resulted in a reduction of total revenues from investments for the year. Total revenues from investments amounted to €65.816 thous. versus €87.878 thous. in 2005.
It should be noted, that revenues from investments in the Property & Casualty business in 2005 were increased by €7.019 thous. due to the recognition of portfolio capital gains during the first implementation of IFRS and by €6.192 thous. due to the sale of property.

It is evident that there was deterioration in the Property & Casualty business loss ratio in 2006. The loss ratio increased to 62% while the combined ratio increased to 104%. The increase in the above-mentioned ratio is mainly due to the further reinforcement of outstanding claims reserves for the Motor Third Party Liability, which if excluded, the ratios would be 54% and 95% respectively, versus 55% and 96% in 2005.
This reinforcement resulted from the analytical file by file review of the reserves.
This project was launched as a result of monthly analysis of relevant reports by the Motor Branch. Outstanding claims are now at a realistic level and no more reinforcement of provisions will be necessary.
The Parent Company has been audited for tax purposes up until the end of 2005.
Total equity capital for the Parent Company at 31 December 2006 amounted to €155.417 thous., €5.966,50 thous. lower than 50% of the share capital.
Thus the requirements of note 47 of Law 2190/1920 are met, however, it is estimated that the extraordinarily costs in 2006 were one-off and the Company expects the 2007 results will significantly strengthen total equity capital, thus alleviating the Company from the above-mentioned clause of the Law.
Taking the aforementioned into account the Company will not be distributing any dividend for 2006.

Premium Income

The Group's gross written premiums and related revenue for 2006 amounted to €724.088 thous., compared to €621,911 thous. in 2005 (excluding DAF contracts), an increase of 16%. Included in the above, is an amount of €343.507 thous. which represents the Life Business, versus €243.572 in 2005, showing an increase of 41%, while the remaining €380.581 thous. represents Property & Casualty, compared to €378.339 in 2005, showing an increase of 1%.

It is worth mentioning, that individual Life new premium income showed a 30% increase in 2006. Group Life premium income increased by 381% compared to 2005. This significant increase is attributed to the Bancassurance products «PROSTHETO+» and «FRONTIZO». The life coverage of respective mortgage borrowers continued with increased success and penetration percentage that reached 62% of new mortgage loans.

The above-mentioned products are exclusively distributed by National Bank of Greece network. Total premium income for Bancassurance Life amounted to €102.621 thous.
It should be further noted, that the results accomplished by Ethniki Insurance's network were impressive in selling mortgage loans, while Assurebanking in 2007 will expand in other financial products of National Bank of Greece Group, such as Consumer Loans, Credit cards, Mutual Funds and other products of periodical installments.

Property & Casualty group net earned premiums amounted to €314.996 thous., increasing roughly by 4% from 2005.
Fire net earned premium increased significantly for another consecutive year, by 14% compared to 2005.

Associated Companies
The Group's activities in Romania showed significant growth, with profits after tax for the subsidiaries GARANTA S.A. and NBG Assigurari S.A. amounting to €3.943 thous. versus €395 thous. in 2005.
The Company's presence in Cyprus remains profitable with profits after tax and dividends reaching €1.392 thous.
Audatex S.A. reported €329 thous. loss, while National Insurance Brokers S.A. reported €271 thous. profit after tax and before dividends.
The two new insurance companies in Bulgaria, in which the Group participates with 30% achieved profitability only after three months of operations, raising the expectations for the future.

Reorganization of Ethniki Insurance
Ethniki Insurance in its operation framework inside National Bank of Greece Group adopted successfully the new standards of Operation Administration and Company Control Committee, the New Responsibility Principles and the new standards concerning the independence of external auditors. All the above stem from Sarbanes Oxley Law, that applies to all the listed companies in the USA, given the fact that National Bank of Greece is listed on the NYSE.
Simultaneously the Company with the use of SAP - implementation of which began in 2007- resulted in transactions becoming faster, safer, of better quality and has resulted in a substantial saving of work hours, to achieve Ethniki Insurance's main objective, which is sales.

Outlook for 2007
The outlook for the Greek insurance market is highly promising, taking into account the expected increase in insurance penetration. The relative percentage for 2006 reached 2.6% for Greece, compared to 8% average for the eurozone countries.

The Group expects a significant increase in gross premium for 2007. The main growth driver remains Bancassurance Life, where 3 new products will be launched. Additional growth is expected in the Life Business, given that all premium income targets of the agency have been exceeded.
Strengthening of the first market position in Property & Casualty is expected in the coming year. The favorable conditions in the Greek insurance market in 2006, after the withdrawal of licenses from 6 insurance companies, have resulted in a more positive outlook for the Motor Branch.
Business growth will be based in the expanding the premium income from the Bancassurance network, in maintaining impressive results in agency and in exploiting synergies through cross-selling in the Company's portfolio, reaching 1 million clients.

Cost control remains an important target, with the planning of optimization of claims management with initiatives such as the cooperation with authorized car workshops. Similarly, a reduction of the expense ratio will be sought after 3 consecutive years of stabilization.

Explanatory Report to the Ordinary General Meeting of the Shareholders according to article 11a of Law 3371/2005

According to the article 30 of the Law 3461/106 A'/30-5-2006 regarding the incorporation of the Direction 2004/25/EK of the European Parliament into national Legislation, the new article 11a was added to the Law 3371/2005. According to this article, all listed companies are obliged to submit explanatory reports to the Ordinary General Meeting of the Shareholders providing further details on certain issues. The present explanatory report of the Board of Directors to the Ordinary General Meeting of the Company's Shareholders includes information concerning the issues of article 11a, paragr.1 of the Law 3371/2005.

A) Share capital structure

The share capital of the Company consists of 129.106.800 shares at nominal value of € 2,50 each, and amounts to € 322.767.000. The Company's shares are listed on the Athens Stock Exchange.

The rights of the shareholders is represented by the nominal value of the shares which they possess. Each share includes all the rights and obligations which are specified by the Law and the Company's Constitution, more specifically:

- The right to participate and vote in the General Meeting of the Shareholders.
- The right to receive dividends from the annual profits of the company which amounts to at least 6% of the issued capital after the reduction of the legal reserve.

The remainder is distributed as follows:

(i) A percentage share of no more than 6% is offered to the Board of Directors as a service fee.

(ii) A percentage share of no more than 5% is offered to the Company's Directors and other staff members as a service fee. This fee cannot be less than a month's remuneration, given that the remaining amount of profit is sufficient to cover the aforementioned.

The remaining amount is distributed partly or in total to the shareholders or it is raised as reserves after the decision of the General Assembly of Shareholders.

Every shareholder deserves a dividend as long as he/she is registered to the Company's list of shareholders at the date of determination of eligible persons for dividend. The share's dividend is paid to the shareholder within two (2) months from the date of the Ordinary General Meeting in which the financial statements were approved. The place and means of payment is announced in the Press. After five (5) years from the end of the year in which the General Meeting took place, the above right is lapsed.

- The preferential right in every share capital increase in cash and new shares issue.
- The right to obtain a copy of the financial statements, of the Auditors' reports and of the report of the Board of Directors.
- The Company's Shareholders' General Meeting reserves all the rights during a liquidation (according to article 35 of the Company's Articles of Association).

The Company's shareholders' liability is limited to the nominal value of the shares that they possess.

B) Limitations in the transaction of the Company's shares.

The transaction of the Company's shares comply to the respective provisions of the Law, as the Articles of Association set no other limitation.

C) Significant direct or indirect participation according to the P.D. 51/1992.

No significant direct or indirect participations exist with a percentage above 5% of the total number of shares.

D) Shares providing special control rights

No shares with special control rights exist.

E) Voting right restrictions

No restrictions regarding the voting right of the shareholders exist.

F) Shareholders' agreements

The Company is not aware of any agreements between its Shareholders that alter the transaction of shares or the voting right.

G) Rules regarding the appointment and replacement of BoD members and the modification of the Articles of Association

The Company's rules regarding the appointment and replacement of BoD members and the modification of the Articles of Association do not differ from the provisions of the Law 2190/1920.

H) Responsibility of the Board of Directors for the issue of new shares or the purchase of treasury shares.

1) In accordance with the clauses of article 13, par.1, elem.b of Law 2190/1920, the Company's Board of Directors has the right, following the decision of the General Meeting which is subject to the publication provisions of article 7b of Law 2190/1920, to increase the Company's share capital with the issue of new shares after the approval of at least the two thirds (2/3) of the Board of Directors' members. In such case, and according to article 7 of the Company's constitution, the share capital can increase up to an amount equal to the capital paid on the date that the Board of Directors was authorized by the General Meeting. The General Meeting can renew the aforementioned authority of the Board of Directors, every 5 years at the most.

2) In accordance with the clauses of article 13, par.9 of Law 2190/1920, and following the decision of the General Meeting, a share distribution plan can be established for the members of the Board of Directors and the personnel, in the form of stock options subject to special conditions of the decision. More particularly, the General Meeting's decision describes the maximum number of shares to be issued, which, according to the law, can not exceed the 1/10 of the existing shares if the beneficiaries exercise the option to buy shares in the specified price and under that special conditions.

The Board of Directors, with its decision, determines all other relevant details not subject to the General Meeting, issues the stock option certificates and the corresponding shares to the beneficiaries who exercised the option, increases the Company's share capital respectively and attests that fact.

I) Important agreements that are put into force, amended or expire in case of change in control following a public decision.

No agreements exist that are put into force, amended or expire in case of change in the Company's control following a public decision.

J) Contracts with the Board of Directors members or the top management personnel.

The Company, retains the right to denounce the contracts that holds with the executive members of the Board of Directors for reasons subject to its free judgment, by paying the legal compensation according to Law 2112/20, with the exception of Mr. Sryridon Leftheriotis, executive member of the Board of Directors and General Manager of the Company, where his contract termination is subject to the Company's Internal Employment Regulation. It should be mentioned that following the General Meeting decision of the shareholders on 31 May 2005, in case of denouncing the Company's contract with Mr Anastasios Pagonis, executive member of the Board of Directors and General Manager, the compensation paid should be equal to his annual gross salary (offsetting the estimated compensation as calculated following the Law 2112/20).

Moreover, the Company maintains the right to denounce the contract with Mr. Ioannis Vassilatos, Deputy General Manager for reasons subject to its free judgment, by paying either the estimated compensation as calculated following the Law 2112/20 or the annual gross salary, whichever is the higher at the termination date. On the contrary, in relation to Mr. Athanasios Andreopoulos, in case of contract termination the rules of the Company's Internal Employment Regulation are applied.

ANNUAL FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR 2006

1 JANUARY UNTIL 31 DECEMBER 2006

ON A COMPANY AND CONSOLIDATED BASIS

« THE ETHNIKI, HELLENIC GENERAL INSURANCE COMPANY S.A. »
General Registration Number: 12840/05B86/20
103-105 Syngrou Avenue
117 45 Athens

Income Statement					
		Group		Company	
	Note	31/12/2006	31/12/2005	31/12/2006	31/12/2005
		(in thousand €)			
Gross earned premiums and related revenue	4	724.088	621.911	703.285	603.745
Less:Ceded premiums	5	(66.844)	(79.713)	(63.229)	(72.864)
Net earned premiums and related revenue		**657.244**	**542.198**	**640.056**	**530.881**
Investment Income	6	36.015	38.672	35.179	37.440
Net realized gains from sale/maturity of financial assets	7	9.715	30.795	8.222	30.582
Net fair value gains of financial assets	8	20.086	18.411	18.630	17.601
Other income	9	10.849	7.176	5.423	4.655
		733.909	**637.252**	**707.510**	**621.159**
Benefits and claims incurred	10	(335.850)	(298.323)	(328.000)	(291.844)
Commission expenses	11	(70.266)	(69.266)	(68.602)	(67.720)
Change in insurance reserves		(152.238)	(83.663)	(152.112)	(83.596)
Selling and distribution expenses	12	(128.957)	(102.044)	(120.204)	(97.748)
Administrative expenses	13	(35.249)	(37.962)	(34.501)	(37.187)
Other expenses	16	(9.479)	(5.671)	(8.283)	(4.572)
Profit/(Loss) before share of associates results		**1.870**	**40.323**	**(4.192)**	**38.492**
Share of profit of associated companies		184	169	0	0
(Loss)/Profit before tax		**2.054**	**40.492**	**(4.192)**	**38.492**
Income tax expense	17	(4.395)	(15.337)	(3.411)	(15.087)
Net (loss)/profit for the year		**(2.341)**	**25.155**	**(7.603)**	**23.405**
Attributed to:					
- Equity holders of the Parent		**(2.691)**	**25.003**	**(7.603)**	**23.405**
- Minority interest		350	152	-	-
Basic & diluted earnings (losses) per share attributable to Parent (expressed in €s)	18	**(0,02)**	**0,29**	**(0,06)**	**0,27**

The notes in pages 60 to 101 are considered to be integral part of the Annual Financial Statements.

Balance Sheet					
		Group		Company	
	Note	31/12/2006	31/12/2005	31/12/2006	31/12/2005
		(in thousand €)			
ASSETS					
Property, plant and equipment	19	168.810	164.251	163.787	161.557
Investment properties	20	107.985	110.310	105.764	108.412
Intangible Assets	21	4.732	5.708	1.993	3.544
Deferred acquisition costs (DAC)		56.914	55.113	55.239	54.081
Investments in assosiates	22	3.921	1.895	18.141	12.323
Deferred tax asset	23	58.745	55.455	58.715	55.455
Financial assets available for sale	24	752.617	508.955	743.631	507.172
Financial assets at fair value through profit and loss	25	565.081	484.185	547.815	469.510
Receivables including insurance receivables	26	260.441	267.251	246.258	254.820
Reinsurers' receivables	27	97.489	80.135	76.453	67.934
Cash and cash equivalents	28	172.167	304.625	145.887	287.038
Total assets		**2.248.902**	**2.037.883**	**2.163.683**	**1.981.846**
EQUITY & LIABILITIES					
Equity					
Share capital	29	322.767	322.767	322.767	322.767
Share premium		38.732	38.732	38.732	38.732
Reserves	30	54.582	57.333	52.172	55.010
Retained earnings		(252.658)	(250.227)	(258.254)	(250.651)
		163.423	**168.605**	**155.417**	**165.858**
Minority interest in equity		**1.966**	**1.519**	**0**	**0**
Total equity		**165.389**	**170.124**	**155.417**	**165.858**
Liabilities					
Mathematical Reserves & Technical Provisions	31	1.733.566	1.537.128	1.679.442	1.499.971
Deffered Acquisition Cost (DAF)		152.557	141.393	152.557	141.393
Liabilities due to sales network and other liabilities	32	84.181	93.916	77.050	81.711
Liabilities due to reinsurance operations	33	37.721	17.748	24.108	15.464
Liabilities towards personnel	34	71.210	75.091	71.061	74.966
Deferred tax liability	23	**4.278**	**2.483**	**4.048**	**2.483**
Total Liabilities		**2.083.513**	**1.867.759**	**2.008.266**	**1.815.988**
Total Liabilities and Equity		**2.248.902**	**2.037.883**	**2.163.683**	**1.981.846**

The notes in pages 60 to 101 are considered to be integral part of the Annual Financial Statements.

Statement of Changes in Equity						
Group						
	Share Capital	**Share Premium**	**Reserves**	**Retained earnings (losses)**	**Minority Interest**	**Total Equity**
	(in thousand €)					
Balance as at 01/01/2005	**215.178**	**17.214**	**72.191**	**(272.845)**	**1.133**	**32.871**
Net Profit for the year	0	0	0	25.003	152	25.155
Net fair value gains / (losses) on financial assets available for sale	0	0	(15.149)	0	0	(15.149)
Share Capital Increase	107.589	21.518	0	0	0	129.107
Share capital increase expenses	0	0	0	(1.338)	0	(1.338)
Other			291	(1.047)	234	(522)
Balance as at 31/12/2005	**322.767**	**38.732**	**57.333**	**(250.227)**	**1.519**	**170.124**
Net (Loss)/Profit for the year	0	0	0	(2.691)	350	(2.341)
Net fair value gains / (losses) on financial assets available for sale	0	0	(2.838)	0	0	(2.838)
Other	0	0	87	260	97	444
Balance as at 31/12/2006	**322.767**	**38.732**	**54.582**	**(252.658)**	**1.966**	**165.389**

Statement of Changes in Equity					
Parent Company					
	Share Capital	**Share Premium**	**Reserves**	**Retained earnings (losses)**	**Total Equity**
	(in thousand €)				
Balance as at 01/01/2005	**215.178**	**17.214**	**70.159**	**(272.718)**	**29.833**
Net Profit for the year	0	0	0	23.405	23.405
Net fair value gains / (losses) on financial assets available for sale	0	0	(15.149)	0	(15.149)
Share capital increase	107.589	21.518	0	0	129.107
Share capital increase expenses	0	0	0	(1.338)	(1.338)
Balance as at 31/12/2005	**322.767**	**38.732**	**55.010**	**(250.651)**	**165.858**
Net (Loss)/Profit for the year	0	0	0	(7.603)	(7.603)
Net fair value gains / (losses) on financial assets available for sale	0	0	(2.838)	0	(2.838)
Balance as at 31/12/2006	**322.767**	**38.732**	**52.172**	**(258.254)**	**155.417**

The notes in pages 60 to 101 are considered to be integral part of the Annual Financial Statements.

Cash Flow Statement				
	Group		Parent Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)		(in thousand €)	
Profit/(loss) after tax	2.054	40.492	(4.192)	38.492
Depreciation and amortisation costs	9.719	9.338	9.304	9.094
Increase / (Decrease) in insurance provisions	194.637	99.962	178.313	93.560
Profits/(Losses) from valuation and sale of financial assets	(65.816)	(87.878)	(62.031)	(85.623)
Tax paid	(4.395)	(15.337)	(3.411)	(15.087)
Cash flows from operating activities before changes in operational assets	**136.199**	**46.577**	**117.983**	**40.436**
Changes in operating activities				
Purchase of tangible and intangible fixed assets	(11.381)	(32.823)	(8.531)	(31.022)
Sale of tangible and intangible fixed assets	1.500	16.780	1.458	16.780
Purchase of finacial assets	(539.023)	(1.475.463)	(530.666)	(1.472.134)
Sale of financial assets	313.995	1.400.997	309.272	1.397.975
Purchase of financial assets for UNIT LINKED products	(50.276)	(52.683)	(47.059)	(52.894)
Investment income	29.533	33.124	28.697	31.892
(Increase)/ Decrease of receivables	(33.423)	(39.792)	(22.806)	(27.067)
Increase / (Decrease) of liabilities	16.345	(32.990)	9.836	(40.950)
Net cashflows from operating activities	**(136.531)**	**(136.273)**	**(141.816)**	**(136.984)**
Cash flows from investing activities				
Sale of tangible and intangible fixed assets	(484)	(2.086)	0	0
Purchase of finacial assets	(1.925)	0	(5.817)	(2.450)
Other investment income	6.482	5.548	6.482	5.548
Net cashflows from investing activities	**4.073**	**3.462**	**665**	**3.098**
Changes in financial activities				
Share capital increase expenses	0	(1.338)	0	(1.338)
Share capital increase	0	129.107	0	129.107
Net cashflows from financial activities	**0**	**127.769**	**0**	**127.769**
Net increase in cash and cash equivalents	**(132.458)**	**(5.042)**	**(141.151)**	**(6.117)**
Cash and cash equivalents at the beginning of the period / year	**304.625**	**309.667**	**287.038**	**293.155**
Cash and cash equivalents at the end of the period / year	**172.167**	**304.625**	**145.887**	**287.038**

The notes in pages 60 to 101 are considered to be integral part of the Annual Financial Statements.

1. GENERAL INFORMATION

The Group of Ethniki Insurance (the Group) operates mainly in the insurance sector, providing a wide range of insurance services to corporations and individuals. The Group operates mainly in Greece, with subsidiaries in Greece, Romania and Cyprus and associated companies in Greece and Bulgaria.

The Group's Parent Company is the General Hellenic Insurance Company "THE ETHNIKI" (hereof Ethniki Insurance or Parent Company) that was incorporated in 1891. It is a subsidiary of the National Bank of Greece and it was listed on the Athens Stock Exchange in 1946. The National Bank of Greece has 76.74% participation in the Parent Company. Consequently, the present financial statements are consolidated in the NBG Group financial statements with the method of full consolidation. The Parent Company is registered in the Municipality of Athens and its Headquarters are located at Sygrou Avenue 103-105, 11745, Athens, Number of Registry 12840/05/B/86/20. According to its Articles of Association the main purpose of the Parent Company is to be engaged in activities, both locally and abroad, which relate to insurance, reinsurance and general financial services as stipulated by the Greek and European Legislation.

The following members compose the Company's Board of Administration:

Doucas-Pavlos I. Paleologos	Chairman & CEO Executive Member
Alexandros G. Tourkolias	First Vice-President Non-executive member
Spyridon T. Leftheriotis	Executive Member
Anastasios A. Pagonis	Executive Member
Aleksandros P. Georgitsis	Non-executive member
Anthimos K.Thomopoulos	Non-executive member
Ioannis S. Petsalakis	Non-executive member
Avraam E. Moisis	Non-executive member
Vasilios V. Panagiotopoulos	Non-executive member
Stefanos G. Pantzopoulos	Non-executive member
Nikolaos I. Kontosoros	Non-executive member
Konstantinos C. Lampropoulos	Independent non-executive member
Vassilios S. Fourlis	Independent non-executive member

The present financial statements of the Ethniki Insurance Group were authorized for issue in accordance with a resolution of the board of directors on 23 March 2007.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(a) Basis of Preparation of the Consolidated Financial Statements

The annual consolidated financial statements of the Group (the "financial statements") are prepared in accordance with International Financial Reporting Standards and International Accounting Standards (collectively, IFRS), and are stated in Euro, rounded to the nearest thousand (unless otherwise stated). The financial statements have been prepared under the historical cost convention as modified by the revaluation of available for sale investment securities and financial assets at fair value through profit and loss.

The accompanying annual consolidated financial statements for the year ended 31 December 2006 that constitute the Group's consolidated financial statements (hereinafter referred to as the financial statements.) have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. There are no standards that have been applied in advance of their effective date.

(b) Adoption of International Financial Reporting Standards (IFRS)

The Group adopted the requirements of IFRS for the first time for the purpose of preparing financial statements for the year ending 31 December 2005. Newly acquired subsidiaries that prior to their acquisition by the Group had been preparing their financial statements under local accounting principles (GAAPs), prepare their first IFRS financial statements for consolidation purposes by the Group, according to the IFRS 1 "First Time Adoption of IFRS".

2.2. Summary of Significant Accounting Policies

(a) Group Accounts

Business combinations: All acquisitions are accounted for using the purchase method of accounting as set out in IFRS 3 from the date on which the Group effectively obtains control of the acquiree. The Group has incorporated into its income statement the results of operations of the acquiree and has also recognised in the balance sheet the assets and assumed the liabilities and contingent liabilities of the acquiree as well as any goodwill arising on the acquisition. Acquisitions are accounted for at cost, being the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for the control of the acquiree plus any costs directly attributable to the acquisition. For the allocation of the cost of acquisition, all recognised assets and liabilities are measured at their fair values as at the date of acquisition and any minority interests are stated at the minority's proportion of the fair values of the assets and liabilities recognised in accordance with IFRS 3.

The consolidated financial statements combine the financial statements of the Parent Company and all its subsidiaries.

Subsidiaries: Subsidiaries which are those companies in which the Group directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over their financial and operating policies, have been fully consolidated. Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date that control ceases. All intra-group transactions, balances and unrealised surpluses and deficits on transactions between Group companies are eliminated on consolidation. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Associated undertakings: Investments in associates are accounted for by applying the equity method of accounting. These are undertakings over which the Group has between 20% and 50% of the voting rights, and over which the Group exercises significant influence, but which it does not control. Impairment charges are recognised for other than temporary declines in value.

Under the equity method of accounting, the investment is initially recorded at cost, and is increased or decreased by the proportionate share of the affiliate's profits or losses after the date of acquisition. Goodwill arising on the acquisition of an associate is included in the cost of the investment (net of any accumulated impairment loss). Dividends received from the associate during the year reduce the carrying value of the investments.

Investments in associates for which significant influence is intended to be temporary because such investments are acquired and held exclusively with a view to their subsequent disposal within twelve months from their acquisition, are recorded as assets held for sale. Unrealised gains and losses on transactions between the Group and its associated undertakings are eliminated to the extent of the Group's interest in the associated undertaking. Where necessary, the accounting policies used by the associate have been changed to ensure consistency with the policies adopted by the Group.

Investments in joint ventures: The Group has an interest in a joint venture which is a jointly controlled entity. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest. The Group recognizes the joint venture by applying the equity method of accounting. Under the equity method of accounting, the joint venture is initially recorded at cost, and is increased or decreased by the proportionate share of the affiliate's profits or losses after the date of acquisition. Dividends received from the joint venture during the year reduce the carrying value of the investments. The financial statements of the joint venture are prepared for the same reporting year as the parent company, using consistent accounting policies.

(b) Foreign currency translation

Items included in the financial statements of each entity of the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). The financial statements are presented in thousands of Euro (€), which is the functional currency of the Parent Company.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on debt securities and other monetary financial assets re-measured at fair value are included in foreign exchange gains and losses. Translation differences on non-monetary financial assets are a component of the change in their fair value. Depending on the classification of a non-monetary financial asset, translation differences are either recognised in the income statement (applicable for example for equity securities held for trading), or within shareholders' equity, if non-monetary financial assets are classified as available for sale investment securities.

When preparing the financial statements, assets and liabilities of foreign entities are translated at the exchange rates prevailing at the balance sheet date, while income and expense items are translated at average rates for the period. Differences resulting from the use of closing and average exchange rates and from revaluing a foreign entity's opening net asset balance at closing rate are recognised directly in foreign currency translation reserve within shareholders' equity.

When a monetary item forms part of a reporting entity's net investment in a foreign operation and is denominated in a currency other than the functional currency of either the reporting entity or the foreign operation, the exchange differences that arise in the individual financial statements of both companies are reclassified to equity upon consolidation.

When a foreign entity is sold, such translation differences are recognised in the income statement as part of the gain or loss on sale.Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(c) Regular way purchases and sales

In case of "regular way" purchases and sales of financial assets the Group uses "trade date" method of accounting.

(d) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to realize the asset and settle the liability simultaneously or on a net basis.

(e) Financial assets at fair value through profit and loss

All financial assets, acquired principally for the purpose of selling in the short term or if so designated by the management, are classified under this category which has the following two sub-categories:

(e1) Trading portfolio

The trading portfolio are securities (such as shares, debentures, mutual funds and other financial assets) which are acquired with the intention to earn profit from short-term price fluctuations or are a part of a portfolio with a short-term profit target.

The financial assets classified as held for trading are initially recorded at cost. Any acquisition cost relating to these financial assets is not capitalized but is taken directly to the income statement. After their initial recognition they are measured at fair value.

(e2) Financial assets at fair value through profit or loss

Upon initial recognition the Group may designate any financial asset as at fair value through profit or loss except for investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, when either:

-It eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or

-A group of financial assets, financial liabilities or both is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to key management personnel, for example the board of directors and chief executive officer.

The realized gains and losses from the sale or repurchase of these financial assets as well as their fair value adjustments are recorded in the income statement. The interest and dividend income earned by these financial assets is also recorded in the income statement.

(f) Investment Securities

Investment securities are classified as either available for sale or held to maturity investment securities based on management intention on purchase date. Investment securities are recognised at trade date, which is the date that the Group commits to purchase or sell the asset.

(f1) Available for sale investment securities

Available for sale investment securities are initially recorded at cost (including transaction costs) and subsequently re-measured at fair value.
Fair values are based on quoted bid prices in active markets, dealer price quotations or discounted expected cash flows. Fair values for unquoted equity investments are determined by applying recognised valuation techniques such as price/earnings or price/cash flow ratios, refined to reflect the specific circumstances of the issuer
Unrealised gains and losses arising from changes in the fair value of available for sale investment securities are reported in shareholders' equity, net of taxes (where applicable), until such investment is sold, collected or otherwise disposed of, or until such investment is determined to be impaired.

Available for sale investment securities may be sold in response to needs for liquidity or changes in interest rates, foreign exchange rates or equity prices. When an available for sale investment security is disposed of or impaired, the accumulated unrealised gain or loss included in shareholders' equity is transferred to the income statement for the period and reported as gains / losses from investment securities. Gains and losses on disposal are determined using the moving average cost method.

***(f2)* Held to maturity investment securities**

Held to maturity investment securities consist of securities with fixed or determinable payments, which the management has the positive intend and ability to hold to maturity. Held to maturity investment securities are carried at amortised cost using the effective interest rate method, less any provision for impairment. Amortised cost is calculated by taking into account any fees, points paid or received, transaction costs and any discount or premium on acquisition.

An investment security is considered impaired if its carrying amount exceeds its recoverable amount and there is objective evidence that the decline in price has reached a level that recovery of the cost value cannot be reasonably expected within the foreseeable future. The amount of the impairment loss for financial assets carried at amortised cost is calculated as the difference between the asset's carrying amount and the present value of expected future cash flows discounted at the financial instrument's original effective interest rate. For quoted financial assets re-measured to fair value the recoverable amount is the present value of expected future cash flows discounted at the current market rate of interest for a similar financial asset whereas for unquoted financial assets the recoverable amount is determined by applying recognised valuation techniques.

Interest earned whilst holding investment securities is reported as interest income. Dividends receivable are included separately in dividend income, when a dividend is declared.

(g) Insurance Contracts

IFRS 4 implementation: The Group and the Parent company adopted IFRS 4 as of 1 January 2005. On this date, contracts were classified as either insurance or investment contracts and a liability adequacy test was performed.

Classification of financial and insurance risk: In accordance with the requirements of IFRS 4 the Company classified its contracts into insurance contracts and investment contracts.

When an insurance contract contains both insurance and financial risk the Group does not unbundle the financial risk as the contracts were considered to be insurance contracts.

Insurance contracts are defined as those contracts that contain significant insurance risk at the inception of the contract, or those where at the inception of the contract there is a scenario with commercial substance where the level of insurance risk may be significant. The significance of insurance risk is dependant on both the probability of an insured event and the magnitude of its potential effect.

A contract which exposes the insurance company to financial risk without material insurance risk is not an insurance contract. Some contracts expose the company to financial risk over and above the accepted significant insurance risk.

The insurance contracts are categorized in two categories according to the nature of the insurance risk.

(g1) Life insurance contracts

Life insurance products insure, in their majority, events which are expected to occur in the long term. The associated premiums are recognized as revenue when they become due from the policyholder. The premiums shown have not been reduced by the related commissions.

No embedded derivatives are included in these contracts.

Traditional insurance contracts: This category contains contracts issued to cover the risk of death, whole life benefits, pension, disability, accidents, and illness on an individual as well as on a group basis.

Insurance contracts with discretionary participation features: The majority of traditional life insurance products incorporate profit participation formula. These contracts provide the policyholder with an additional benefit in addition to those guaranteed by the contract. The value and timing of these features are at the discretion of the company and in accordance with the contract terms and the returns of the investments related to these products.

Insurance contracts without discretionary participation features: An immaterial part of the traditional life portfolio consists of products without profit participation formula (term contracts).

Life insurance contracts at the risk of insurance contract holders (Unit Linked): These are investment contracts which transfer the financial risk to the policyholder. At the same time the insurer keeps some of the financial risk by providing a guaranteed return. These contracts, however also contain significant insurance risk as well (death cover, disability, accident and illness).

(g2) **Non-Life insurance contracts**

Premiums from several insurance contracts are recognized as revenue (written premium) on a pro rata basis over he related policy duration. At the balance sheet date the written premium for periods in the future, is carried over to the unearned premium reserve. The premiums are reported before the deduction of the related commissions.

No embedded derivatives are included in these contracts.

General insurance contracts – Motor Third Party Liability: This category contains the contracts that the company issues to cover motor third party liability.

General insurance contracts – Fire: This category contains the contracts that the company issues to cover risk of fire, earthquake and theft.

General insurance contracts – Other risks: This category contains the contracts which cover the risks of transportation, general public liability, credit, guarantees, road assistance, marine, crews and others.

(h) **Investment Contracts**

Deposit Administration Funds (DAF): This is the group policy by which an investment administration insurance is agreed according to which the insured benefit is provided either on the departure of the insured member for any reason from the policy or with the completion of a certain age. The insurance company pays out based on the sufficiency of the deposit-administered fund. In case of insufficiency in the account, the insured member has no claim against the insurance company. The administration of the account is performed either by the insurance company with or without guidance of the insured group. The responsibility of the insurance company ends when the funds of the account are zeroed even if the agreement in the form of investment administration insurance expires earlier.

(i) **Acquisition costs**

Commissions and other acquisition costs incurred during the financial period for securing new investment contracts and or renewing existing contracts but which are related to subsequent financial periods are reported in the balance sheet account "Deferred Acquisition Costs" and are amortized over the life of the contract.

(j) Insurance Contract Liabilities

Insurance reserves are the insurance company's net contractual obligations that are originated from the insurance contacts.
The insurance provisions are analyzed in the following categories:
Mathematical reserves: contain the life insurance and capitalization mathematical reserve and are the difference created on the financial statement date between the present value of the cash obligations that the insurance company has taken up for every life insurance contract, including the discretionary participation profit reserve, and the net present value of the premiums owed by the policy holder which are payable to the insurance company in the future. This difference is calculated using actuarial methods and according to the Ministerial decision 85538/7254/1970 in combination with the K3-3974/11.10.1999 Ministry of Development Decision or the corresponding legislation where the subsidiaries operate.
Unearned premium reserves: include the ratio of written premiums that relate to future periods for the contracts that are in force at the reporting date.
Unexpired risks reserve: it is the additional reserve created at each reporting date when the unearned premium reserve is not considered sufficient to cover the forecasted claims and expenses of the in force policies.
Outstanding claims reserve: it is the reserve calculated at each reporting date for the total cover of the insurance risk liabilities that have incurred before the balance sheet date, regardless of whether they have been reported or not, for which the equivalent claims have not been paid out or the exact amount has not been determined exactly or there is an uncertainty with regards to the level of responsibility of the insurance company. The amount of the

reserves is calculated according to the available information at the reporting date such as experts' reports, doctors' reports, and court rulings.
The outstanding claims reserve incorporates a reserve for incurred but not reported claims. The calculation is performed in accordance with the Ministerial Decision K3-3974/11.10.1999 or the corresponding legislation where the subsidiaries operate.
The outstanding claims reserve which relates to the motor third party liability is calculated in accordance with the Ministerial Decision K3-3975/11.10.1999 and the method which results in the highest reserve is taken into account.

Payable benefits: are the insurance benefits that are owed to the policyholders and for various reasons have not been paid off at the reporting date**.**

UNIT LINKED reserves: are the reserves intended to cover the obligations which are equal to the value of the financial assets placed for UNIT LINKED contracts whose value or return is dependant on these financial assets, for which the Group maintains the insurance and the guarantee return risk.
The estimation of the insurance reserves is performed at each reporting date according to the principles and rules of each insurance risk. Law 400/1970 is used as the basis for the insurance reserves calculation, as it has been amended to date, while the local regulations of the countries in which the subsidiaries operate are considered. In addition, the requirements of IFRS 4 are taken into consideration regarding as described in the paragraphs which follow.
The change in insurance reserves concerns the increase/decrease in relation to the prior year insurance reserves. The company's portion on the change of insurance reserves is transferred to the income statement and the remaining amount is charged to the reinsurance account according to the reinsurance treaties. The company's portion of insurance reserve account for the balance of which is transferred to the reinsurers, according to the reinsurance treaties.

An exception to the above, are the valuation adjustments performed on the Unit Linked contracts and any gain or loss from this valuation affects the level of these insurance reserves. In these cases the insurance company adjusts the insurance reserves in amounts equal to the gains or losses from valuation adjustments and the insurance reserve change is transferred to the corresponding income statement account.

Liability Adequacy Test: At each reporting date a liability adequacy test is performed to ensure the adequacy of the insurance liabilities. In performing the test current best estimates of future contractual cash flows claims handling and policy administration expenses, as well as investment income from the assets backing such liabilities are used. Any inadequacy is immediately charged to the income statement increasing the equivalent inadequate reserve.

(k) Reinsurance Treaties

The benefits resulting for the insurance company from the reinsurance treaties are recognized in the asset account "Receivables from reinsurers". Liabilities to the reinsurers mainly represent the payable reinsurance premiums.

The company reviews whether the receivables from the reinsurers have been impaired at the financial statement date and if this is the case it reduces their accounting value and recognizes the impairment loss in the income statement. Reinsurance assets are impaired only if there is evidence that the Group may not collect all amounts due under the terms of the contract and that this can be measured reliably.

(l) Insurance Receivables
Insurance receivables include premiums owing from clients, sales network agents and from legal cases. The Group has established criteria for granting credit to the sales network agents. Collections are generally expected within sixty days from the date of issue of the insurance contract. Insurance contracts are recognized in the financial statements on the date when the insurance contract is issued.

(m) Provision for impairment or insurance liabilities
A provision for the impairment of the insurance receivable is established if there is objective evidence that the Group will be unable to collect all amounts due on a contract according to the original contractual terms.

The Group assesses whether objective evidence of impairment exists for the portfolio of receivables that are considered individually significant. A receivable is subject to impairment test when the outstanding balance is in arrears for a period over ninety days and/or such qualitative indications exist, at the assessment date, which demonstrate that the customer will not be able to meet their obligations.
The balance of such allowance for doubtful accounts is appropriately adjusted at each balance sheet date in order to reflect the possible risks. Any amount written off with respect to customer accounts balance is charges against the existing allowance for doubtful accounts. It is the Group's policy not to write off an account until all possible legal action has been exhausted.

***(n)* Property and equipment**

Property and equipment include land and buildings, leasehold improvements and transportation and other equipment, held by the Group for use in the supply of services or for administrative purposes. Property and equipment are initially recorded at cost, which includes all costs that are required to bring an asset into working condition.

Subsequent to initial recognition, property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Costs incurred subsequent to the acquisition of an asset, which is classified as property and equipment are capitalised, only when it is probable that they will result in future economic benefits to the Group beyond those originally anticipated for the asset, otherwise they are expensed as incurred.

Depreciation of an item of property and equipment begins when it is available for use and ceases only when the asset is derecognised. Therefore, the depreciation of an item of property and equipment that is retired from active use does not cease unless it is fully depreciated. Property and equipment are depreciated on a straight-line basis over their estimated useful lives as follows:

Land	No depreciation
Buildings used in operation	Not exceeding 50 years
Buildings (other than those used in operation)	Not exceeding 50 years
Leasehold improvements	Residual lease term, not exceeding 10 years
Furniture and related equipment	Not exceeding 12 years
Motor vehicles	Not exceeding 10 years
Hardware and other equipment	Not exceeding 5 years

The Group periodically reviews land and buildings for impairment. Where the carrying amount on an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

***(o)* Investment property**

Investment property includes land and buildings, owned by the Group (or held through a leasing agreement, either finance or operating) with the intention of earning rentals or for capital appreciation or both, and is initially recorded at cost, which includes transaction costs. A property interest that is held by the Group under an operating lease is classified and accounted for as investment property when a) the property would otherwise meet the definition of an investment property or b) the operating lease is accounted for as if it were a finance lease.

Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and any accumulated impairment losses.

Investment property is depreciated on a straight-line basis over its estimated useful life, which approximates the useful life of similar assets included in property and equipment. Investment property is periodically reviewed for impairment.

***(p)* Intangible assets**

Intangible assets include goodwill, computer software and other intangible assets that comprise of separately identifiable intangible items arising from acquisitions.

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired entity at the date of acquisition. Subsequent to initial recognition, goodwill is stated at cost less accumulated impairment losses. Management tests goodwill for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

Any excess, as at the date of the exchange transaction, of the acquirer's interest in the fair values of the identifiable assets and liabilities acquired over the cost of the acquisition, should be recognised as negative goodwill. Once it has been established that negative goodwill exists, the Group a) reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination and b) recognizes immediately in the income statement any profit or loss remaining after the reassessment.

Computer software includes costs that are directly associated with identifiable and unique software products controlled by the Group that are anticipated to generate future economic benefits exceeding costs beyond one year. Expenditure, which enhances or extends the performance of computer software programs beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Computer software development costs recognised as assets, are amortised using the straight-line method over their useful lives, not exceeding a period of 5 years.

Expenditure on starting up an operation or branch, training personnel, advertising and promotion and relocating or reorganizing part or the entire Group is recognised as an expense when it is incurred.

At each balance sheet date, management reviews intangible assets and assesses whether there is any indication of impairment. If such indications exist an analysis is performed to assess whether the carrying amount of intangible assets is fully recoverable. A write-down is made if the carrying amount exceeds the recoverable amount.

***(q)* Leases**

(q1) A Group company is the lessee

Leases where the Group has substantially all the risks and rewards of ownership of the asset are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other liabilities. The interest element of the finance cost is charged to the income statement over the lease period. All assets acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Leases where a significant portion of the risks and rewards of ownership of the asset are retained by the lessor, are classified as operating leases. The total payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

The determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset.

(q2) A Group Company is the lessor

Finance leases: When assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return. Finance lease receivables are included in loans and advances to customers.

Operating leases: Assets leased out under operating leases are included in the balance sheet based on the nature of the asset. They are depreciated over their useful lives on a basis consistent with similar owned property. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

***(r)* Cash and Cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than 3 months maturity from the balance sheet date.

***(s)* Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

***(t)* Employee benefits**

Group companies operate various retirement benefit plans in accordance with local conditions and practices in their respective countries. Such plans are classified as pension plans or other post-retirement benefit plans.

Pensions plans

Defined benefit plans: A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. For defined benefit plans, the pension liability is the present value of the defined benefit obligation at the balance sheet date minus the fair value of the plan assets, including any adjustments for unrecognised actuarial gains/losses and past service costs. The Group follows the "corridor" approach of IAS 19 "Employee Benefits" according to which a certain amount of actuarial gains and losses remains unrecognised and is amortised over the average remaining service lives of the employees participating in the plan.

The defined benefit obligation is calculated by independent actuaries on an annual basis using the projected unit credit method. The present value of the defined obligation is determined by the estimated future cash outflows using interest rates of government securities, which have terms to maturity approximating the terms of the related liability. Pension costs are charged or credited to the income statement over the service lives of the related employees.

Defined contribution plans: A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees' benefits relating to employee service in the current and prior periods. Group contributions to defined contribution plans are charged to the income statement in the year to which they relate and are included in staff costs.

Other post-retirement benefit plans

Group employees participate in plans, which provide for various health benefits including post-retirement healthcare benefits. Such plans are also classified as either defined contribution or defined benefit plans. Obligations under other defined benefit post-retirement plans are valued annually by independent qualified actuaries.

***(u)* Income taxes**

Income tax payable on profits, based on the applicable tax laws in each jurisdiction, is recognised as an expense in the period in which profits arise. Deferred income tax is fully provided, using the liability method, on all temporary differences arising between the carrying amounts of assets and liabilities in the consolidated balance sheet and their amounts as measured for tax purposes.

The principal temporary differences arise from insurance reserves, provisions for pensions and revaluation of certain assets. Deferred tax assets relating to the unused tax losses carried forward are recognised to the extent that it is probable that sufficient taxable profits will be available against which these losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted at the balance sheet date.

Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the difference will not reverse in the foreseeable future. Deferred tax asset is recognised for all deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint ventures, to the extent that, it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

***(v)* Share Capital**

Share issue costs: Incremental external costs directly attributable to the issue of new shares, other than on a business combination, are deducted from equity net of any related income taxes.

Dividends on ordinary shares: Dividends on ordinary shares are recognised as a liability in the period in which they are approved by the Annual General Meeting of the Shareholders of the Parent Company and its subsidiaries.

***(x)* Segment Information**

The Group presents segmental information on the basis of the most significant insurance related activities and other activities.

***(y)* Assets and liabilities held for sale and discontinued operations**

Assets (or disposal groups) are classified as held for sale if their carrying amount is recovered principally through a sale transaction rather than through continuing use. Immediately before classification as held for sale, the measurement of the assets (and all assets and liabilities in a disposal group) is effected in accordance with the applicable IFRS's. Upon initial classification as assets held for sale, they are measured at their lower of carrying amount and fair value less costs to sell and are classified separately from other assets in the balance sheet. Offsetting of assets and liabilities is not permitted.

Impairment losses on initial classification as held for sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement.

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is classified as held for sale or is a subsidiary acquired exclusively with a view to resale. Classification as discontinued operations occurs upon disposal or when the operations meet the criteria to be classified as held for sale. Discontinued operations are presented on the face of the income statement.

***(z)* Related party transactions**

Related parties include entities, which the Group has the ability to exercise significant influence in making financial and operating decisions. Related parties include, directors, their close relatives, companies owned or controlled by them and companies over which they can influence the financial and operating policies. All transactions entered into with related parties are made on substantially the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with unrelated parties and do not involve more than a normal amount of risk.

***(aa)* Earnings per share**

A basic earnings per share (EPS) ratio is calculated by dividing the net profit or loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

A diluted earnings per share ratio is computed using the same method as for basic EPS, but the determinants are adjusted to reflect the potential dilution that could occur if convertible debt securities, options, warrants or other contracts to issue ordinary shares were converted or exercised into ordinary shares.

***(ab)* Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits related to the transaction will flow to the Group. Revenue recognition from insurance contracts is described in note g.

***Interest Income*:** Revenue is recognized as interest accrues.

Dividends: The revenues from dividends are recognized when the company's right to receive the payment is established.

***Rental income*:** rental income arising on investment properties is accounted on a systematic basis over the period of the lease.

(ac) Impairment of Assets:

(ac1) Non financial assets: The Group at each balance sheet date examines whether there are indications of impairment for the non-financial assets. With the exception of goodwill, which is tested for impairment on an annual basis, the carrying values of other non current assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Whenever the carrying value of an asset exceeds its recoverable amount an impairment loss is recognized in the income statement. The recoverable amount is measured as the higher of net selling price and value in use. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, after deducting any direct incremental disposal costs, while value in use is the present value of estimated future cash flows expected to arise from continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

(ac2) Financial assets: At each reporting date the Group assesses any potential indicative factor regarding whether a financial asset or group of financial assets has been impaired. The financial assets that are reviewed for impairment (provided that the relative indications exist) are assets stated at cost (investments in subsidiaries and associates in the separate balance sheet), assets measured at amortized cost (non current receivables) and available for sale investments. The recoverable amount of investments in subsidiaries and associates is determined similarly with the non-financial assets. The recoverable amount of the remaining financial assets is generally determined, for the purpose of performing the related impairment tests, based on the estimated future cash flows discounted either at the initial effective interest rate of the financial asset or the group of financial assets, or at the current market rate of return for a similar financial asset. The resulting impairment losses are recognized to the consolidated income statement.

(αd) **De-recognition of Financial Assets and Liabilities**

(ad1) Financial assets: A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized where:

• the rights to receive cash flows from the asset have expired;

• the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or

• the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay. Where continuing involvement takes the form of a written and/or purchase option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

(ad2) Financial liabilities: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

(ae) Reclassifications

Certain prior year amounts of the Financial Statements have been reclassified for better presentation purposes. The most significant of which is as follows:

(i) An amount of Euro 320.396 in the Group Balance Sheet as at 31 December 2005 (Parent Company: 309.463) has been transferred from Investments for the benefit of life insurance policyholders who bear the investment risk (Unit Linked) to Financial Assets at Fair through profit and loss. Also, the respective provision has been transferred to the Insurance Provisions line in the Balance Sheet. All the above reclassifications had no effect in the results of the year ended 31 December 2005.

(ii) All purchases and sales of tangible assets and intangible assets as well as financial assets for the year ended 31 December 2005, formed part of the cash flows from Investing Activities, whereas in 2006 they form part of cash flows from operating activities.

2.3 Adoption of New Accounting Principles
Within 2006 the Group has adopted certain new standards, interpretations and amendments of standards. These standards and the relative impact on the financial statements was the following:

(i) IAS 19 (Amendment), Employee Benefits (effective from 1 January 2006): This amendment introduces the option of an alternative recognition approach for actuarial gains and losses. It may impose additional recognition requirements for multi-employer plans where insufficient information is available to apply defined benefit accounting. It also adds new disclosure requirements. The Group did not change its accounting policy with respect to the recognition of actuarial gains and losses and the Group does not participate in multi-employer plans.

(ii) IAS 39 (Amendment), Cash Flow Hedge Accounting of Forecast Intragroup Transactions (effective from 1 January 2006): The amendment allows the foreign currency risk of a highly probable forecast intragroup transaction to qualify as a hedged item in the consolidated financial statements, provided that: (a) the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction; and (b) the foreign currency risk will affect consolidated profit or loss. This amendment does not have any impact in the consolidated financial statements.

(iii) IAS 39 and IFRS 4 (Amendment), Financial Guarantee Contracts (effective from 1 January 2006): This amendment requires issued financial guarantees, other than those previously asserted by the entity to be insurance contracts, to be initially recognised at their fair value and subsequently measured at the higher of: (a) the unamortised balance of the related fees received and deferred, and (b) the expenditure required to settle the commitment at the balance sheet date. The amendment had no significant impact on the financial statements of the Group.

(iv) IAS 39 (Amendment), The Fair Value Option (effective from 1 January 2006): This amendment changes the definition of financial instruments classified at fair value through profit or loss and restricts the ability to designate financial instruments as part of this category. This amendment, except as mentioned in note 2.2. (ae), did not have any impact in the Group's consolidated financial statements.

(v) IAS 21 (Amendment), The Effects of changes in Foreign Exchange Rates (effective from 1 January 2006): According to this amendment all exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognized in a separate component of equity in the consolidated financial statements regardless of the currency in which the monetary item is denominated. The amendment had no significant impact on the financial statements of the Group.

(vi) IFRS 6, Exploration for and Evaluation of Mineral Resources (effective from 1 January 2006): This amendment does not have any impact in the consolidated financial statements.

(vii) IFRIC 3, Emission Rights: IFRIC 3 has not been adopted by the EU and has subsequently been withdrawn by the IASB. IFRIC 5 is not relevant to the Group's operations.

(viii)IFRIC 4, Determining whether an Arrangement contains a Lease (effective from 1 January 2006): IFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. IFRIC 4 did not impact the accounting policy of the existing business arrangements.

(ix) IFRIC 5, Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (effective from 1 January 2006): IFRIC 5 is not relevant to the Group's operations.

2.4. New Standards and Interpretations
Up to the date of the approval of the financial statements certain new IFRS, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 January 2007 or later periods. The Group's management estimate in relation to the effects of the adoption of the new standards and interpretations is as follows:

(i) IFRS 7, Financial Instruments: Disclosures, and a complementary amendment to IAS 1,Presentation of Financial Statements – Capital Disclosures::(effective for financial years beginning on or after 1 January 2007) IFRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk. It replaces IAS 30, Disclosures in the Financial Statements of Banks and Similar Financial Institutions, and disclosure requirements in IAS 32, Financial Instruments: Disclosure and Presentation. It is applicable to all entities that report under IFRS. The amendment to IAS 1 introduces disclosures about the level of an entity's capital and how it manages capital. The impact of the above changes is limited to certain disclosures. The Group will be applying IFRS 7 and the amendments of IAS 1 for the financial years commencing after 1 January 2007.

(ii) IFRS 8, Operating Segments: (effective for financial years beginning on or after 1 January 2009) IFRS 8 replaces IAS 14 *Segment Reporting* and adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. This information may be different from that reported in the balance sheet and income statement and entities will need to provide explanations and reconciliations of the differences. The Group is in the process of assessing the impact this new standard will have on its financial statements. The Group will apply this standard from 1 January 2009.

(iii) IFRIC 7, Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies: (effective for financial years beginning on or after 1 March 2006) IFRIC 7 requires entities to apply *IAS 29 Financial Reporting in Hyper-inflationary Economies* in the reporting period in which an entity first identifies the existence of hyperinflation in the economy of its functional currency as if the economy had always been hyperinflationary. IFRIC 7 is not relevant to the Group's operations.

(iv) IFRIC 8, Scope of IFRS 2: (effective for financial years beginning on or after 1 May 2006). IFRIC 8 clarifies that IFRS 2 *Share-based payment* will apply to any arrangement when equity instruments are granted or liabilities (based on the value of an entity's equity instrument) are incurred by an entity, when the identifiable consideration appears to be less that the fair value of the instruments given. IFRIC 8 is not relevant to the Group's operations.

(v) IFRIC 9, Reassessment of Embedded Derivatives: (effective for financial years beginning on or after 1 June 2006) IFRIC 9 requires an entity to assess whether a contract contains an embedded derivative at the date an entity first becomes a party to the contract and prohibits reassessment unless there is a change to the contract that significantly modifies the cash flows. IFRIC 9 is not relevant to the Group's operations.

(vi) IFRIC 10, Interim Financial Reporting and Impairment: (effective for financial years beginning on or after 1 November 2006). This Interpretation may impact the financial statements should any impairment losses be recognised in the interim financial statements in relation to available for sale equity investments, unquoted equity instruments carried at cost and goodwill as these may not be reversed in later interim periods or when preparing the annual financial statements. The implication of this IFRIC is not expected to affect significantly the Group. This Interpretation is expected to be adopted by the EU in the near future.

(vii) IFRIC 11, IFRS 2-Group and Treasury Share Transactions: (effective for financial years beginning on or after 1 March 2007) This Interpretation requires arrangements whereby an employee is granted rights to an entity's equity instruments to be accounted for as an equity-settled scheme by an entity even if the entity chooses or is required to buy those equity instruments from another party, or the shareholders of the entity provide the equity instruments needed. The Interpretation also extends to the way in which subsidiaries, in their separate financial statements, account for schemes when their employees receive rights to equity instruments of the parent. This Interpretation, which is expected to be adopted by the EU in the near future, is not relevant to the Group's operations.

(viii) IFRIC 12, Service Concession Arrangements: (effective for financial years beginning on or after 1 January 2008) The interpretation outlines an approach to account for contractual arrangements arising from entities providing public services. It provides for the operator should not account for the infrastructure as property, plant and equipment, but recognize a financial asset and / or an intangible asset. This Interpretation, which is expected to be adopted by the EU in the near future, is not relevant to the Group's operations.

2.5. Significant Accounting Judgements and Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates, and judgements which may affect the reported values of assets, liabilities and contingent assets and liabilities at the balance sheet date as well as the reported income and expenses for the period ended.

Estimates and best knowledge and judgment of the facts existing at balance sheet date form the basis in the following areas: valuation of non listed portfolio, staff leaving indemnities, insurance liabilities, impairment of receivables, unaudited tax years and open legal actions. Although the estimates are based on best knowledge and judgment of the facts existing at the balance sheet date, the future actual outcome may differ significantly from these estimates, and this may have a material affect on the financial statements.

Significant accounting judgments and related uncertainty: The principle judgments and estimates referring to events the development of which could significantly affect the items of the financial statements during theforthcoming twelve months period are as follows:

(a) Valuation of Insurance Liabilities

Life Insurance Contracts

Life insurance contract estimates are initially made at inception of the contract, where the Group determines the key assumptions applicable to the type of life insurance contract. A margin for risk and adverse deviation is generally included. Subsequently, new estimates are developed at each reporting date to determine whether the liabilities are adequate in the light of the latest current estimates.

Non-life Insurance Contracts

Besides the claim-by-claim procedure a number of statistical and actuarial techniques are employed for the estimation of the ultimate cost of claims and the calculation of the corresponding reserves. These techniques are based on the historical claim cost development and assumptions for the average claim cost, future inflation and amendments in the underlying legal framework. This process includes the calculation of the provision for claims that have not been reported to the Group until the valuation date.

(b) Provisions for income taxes:

Current income tax liabilities for the current and prior periods are measured, in accordance with IAS 12, at the amounts expected to be paid to the taxation authorities and includes provision for current income taxes reported in the respective income tax returns and the potential additional tax assessments that may be imposed by the tax authorities upon settlement of the open tax years. Accordingly, the final settlement of the income taxes might differ from the income taxes that have been accounted for in the financial statements.

3. SEGMENTAL REPORTING

The Group is organized in the following primary business segments:

Life Insurance: The insurance contracts offered by the Group include whole life, endowment, term assurance, term assurance with survival benefit, pension, unit-linked, rider benefits attached to insurance policies and mortgage endowments.

Non-Life Insurance – Motor Third Party Liability: It concerns insurance contracts that cover the risk of motor third party liability.

Non-Life Insurance – Fire: It concerns insurance contracts that cover the risk of fire, earthquake and theft.

Non-Life Insurance – Other branches: Includes cargo insurance, general third part liability, credit business, guarantees, road assistance, legal protection, group DAF contracts and other.

SEGMENTAL INCOME REPORT

Group 2006	Note	LIFE	MOTOR TPL	FIRE	OTHER BRANCHE	TOTAL
		(in thousand €)				
Net earned premiums and related revenue	4,5	342.248	162.943	57.296	94.757	657244
Income and Profit from sale or net fair value of financial assets	6,7,8	47.291	11.883	3.828	2.814	65816
Benefits and claims incurred	10	(144.046)	(131.338)	(21.081)	(39.385)	(335.850)
Commission expenses	11	(38.205)	(20.084)	(9.406)	(2.571)	(70.266)
Mathematical and other insurance provisions		(152.238)	0	0	0	(152.238)
Profit per branch		**55.050**	**23.404**	**30.637**	**55.615**	**164706**
Other income/(expense)	9	3.423	720	96	6.610	10849
Administrative, selling - distribution and other expenses	12,13,16	(67.267)	(53.194)	(19.172)	(34.052)	(173.685)
Profit/(Loss) before affiliate companies' results		**(8.794)**	**(29.070)**	**11.561**	**28.173**	**1.870**
Investments in affiliated companies and associates						184
Profit/(Loss) before Tax						**2.054**

Group 2005	Note	LIFE	MOTOR TPL	FIRE	OTHER BRANCHES	TOTAL
		(in thousand €)				
Net earned premiums and related revenue	4,5	239.679	183.967	39.105	79.447	542.198
Income and Profit from sale or net fair value of financial assets	6,7,8	70.272	14.533	2.906	167	87.878
Benefits and claims incurred	10	(132.654)	(123.149)	(7.782)	(34.738)	(298.323)
Commission expenses	11	(29.818)	(25.492)	(9.262)	(4.694)	(69.266)
Mathematical and other insurance provisions		(83.663)	0	0	0	(83.663)
Profit per branch		**63.816**	**49.859**	**24.967**	**40.182**	**178.824**
Other income/(expense)	9	2.213	1.923	187	2.853	7.176
Administrative, selling - distribution and other expenses	12,13,16	(55.813)	(49.613)	(11.840)	(28.411)	(145.677)
Profit/(Loss) before affiliate companies' results		**10.216**	**2.169**	**13.314**	**14.624**	**40.323**
Investments in affiliated companies and associates						169
Profit/(Loss) before Tax						**40.492**

Company 2006	Note	LIFE	MOTOR TPL	FIRE	OTHER BRANCHE	TOTAL
		(in thousand €)				
Net earned premiums and associated income	4,5	339.098	158.974	57.296	84.688	640056
Income,Profit and (Loss) from sale or net fair value of financial assets	6,7,8	44.654	10.622	3.828	2.927	62031
Benefits and claims paid	10	(142.174)	(128.458)	(21.081)	(36.287)	(328.000)
Earned commissions	11	(37.144)	(19.067)	(9.406)	(2.985)	(68.602)
Mathematical and other insurance provisions		(152.112)	0	0	0	(152.112)
Profit per branch		**52.322**	**22.071**	**30.637**	**48.343**	**153373**
Investments in affiliated companies and associates	9	3.423	1.057	381	562	5423
Administrative, selling - distribution and other expenses	12,13,16	(62.304)	(53.194)	(19.172)	(28.318)	(162.988)
Profit / (Loss) before Tax		**(6.559)**	**(30.066)**	**11.846**	**20.587**	**(4.192)**

Company 2005	Note	LIFE	MOTOR TPL	FIRE	OTHER BRANCHE	TOTAL
		(in thousand €)				
Net earned premiums and associated income	4,5	236.587	180.623	39.105	74.566	530.881
Income,Profit and (Loss) from sale or net fair value of financial assets	6,7,8	68.850	13.700	2.906	167	85.623
Benefits and claims paid	10	(130.716)	(121.377)	(7.782)	(31.969)	(291.844)
Earned commissions	11	(29.342)	(25.505)	(8.428)	(4.445)	(67.720)
Mathematical and other insurance provisions		(83.596)	0	0	0	(83.596)
Profit per branch		**61.783**	**47.441**	**25.801**	**38.319**	**173344**
Investments in affiliated companies and associates	9	2.213	1.923	187	332	4.655
Administrative, selling - distribution and other expenses	12,13,16	(53.037)	(49.613)	(11.840)	(25.017)	(139.507)
Profit/(Loss) before Tax		**10.959**	**(249)**	**14.148**	**13.634**	**38492**

4. GROSS EARNED PREMIUM AND RELATED REVENUE

	Group		Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Gross written premium and related income	343.507	243.572	339.775	239.850
Gross earned premium - Life	**343.507**	**243.572**	**339.775**	**239.850**
Gross written premium and related income	160.485	181.367	155.231	177.236
Change in unearned premium reserve	7.075	7.088	7.574	7.372
Gross earned premium - Motor	**167.560**	**188.455**	**162.805**	**184.608**
Gross written premium and related income	85.564	75.111	85.564	75.111
Change in unearned premium reserve	(4.900)	(4.854)	(4.900)	(4.854)
Gross earned premium - Fire	**80.664**	**70.257**	**80.664**	**70.257**
Gross written premium and related income	147.628	125.397	129737	111313
Change in unearned premium reserve	(15.271)	(5.770)	(9.696)	(2.283)
Gross earned premium - Other Non-Life	**132.357**	**119.627**	**120.041**	**109.030**
Gross earned premium - Total	**724.088**	**621.911**	**703.285**	**603.745**

5. CEDED PREMIUMS

	GROUP		PARENT	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Insurance premium ceded to reinsurance	(1.259)	(3.893)	(677)	(3.263)
Premium Ceded - Life	**(1.259)**	**(3.893)**	**(677)**	**(3.263)**
Insurance premium ceded to reinsurance	(5.289)	(3.022)	(4.503)	(2.519)
Change in earned premium reserves	672	(1.466)	672	(1.466)
Premium Ceded - Motor	**(4.617)**	**(4.488)**	**(3.831)**	**(3.985)**
Insurance premium ceded to reinsurance	(22.887)	(22.884)	(22.887)	(22.884)
Change in earned premium reserves	(481)	(8.268)	(481)	(8.268)
Premium Ceded - Fire	**(23.368)**	**(31.152)**	**(23.368)**	**(31.152)**
Insurance premium ceded to reinsurance	(48.005)	(44.368)	(40.795)	(35.540)
Change in earned premium reserves	10.405	4.188	5.442	1.076
Premium Ceded - Other non-life	**(37.600)**	**(40.180)**	**(35.353)**	**(34.464)**
Premium Ceded - Total	**(66.844)**	**(79.713)**	**(63.229)**	**(72.864)**

6. INVESTMENT INCOME

	Group		Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Financial Assets held for trading				
Dividends	27	75	27	75
Interest	4.724	3.827	4.724	3.827
Total	**4.751**	**3.902**	**4.751**	**3.902**
Financial Assets available for sale				
Dividends	2.729	2.316	2.729	2.316
Interest	16.710	15.578	16.710	15.578
Total	**19.439**	**17.894**	**19.439**	**17.894**
Other investments				
Rental income	8.015	6.893	8.015	6.893
Proceeds from the sale of property investment	78	6.192	78	6.192
DAF	(2.732)	(4.057)	(2.732)	(4.057)
Short-term deposits	6.074	6.662	5.484	6.403
Other	390	1.186	144	213
Total	**11.825**	**16.876**	**10.989**	**15.644**
Total investment income	**36.015**	**38.672**	**35.179**	**37.440**

7. NET REALIZED GAINS FROM SALE / MATURITY OF FINANCIAL ASSETS

	Group		Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Financial Assets held for trading				
Shares	2.311	3.467	1.497	3.431
Bonds	0	3.839	0	3.839
Mutual Funds	0	35	0	35
Total	**2.311**	**7.341**	**1.497**	**7.305**
Financial Assets available for sale				
Shares	7.018	13.404	7.018	13.404
Bonds	201	10.050	(478)	9.873
Mutual Funds	185	0	185	0
Total	**7.404**	**23.454**	**6.725**	**23.277**
Total net realised gains from sale/maturity of financial assets	**9.715**	**30.795**	**8.222**	**30.582**

8. NET FAIR VALUE GAINS OF FINANCIAL ASSETS

	Group		Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Financial Assets held for trading				
Shares	2.095	977	719	257
Bonds	(1.318)	1.144	(1.324)	1.138
Mutual Funds	96	84	22	0
Total	**873**	**2.205**	**(583)**	**1.395**
Other investments				
Unit-Linked valuation	19.213	16.206	19.213	16.206
Total	**19.213**	**16.206**	**19.213**	**16.206**
Total net fair value gains of financial assets	**20.086**	**18.411**	**18.630**	**17.601**

9. OTHER INCOME

	Group		Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Foreign exchange gains	2.387	1.411	1.521	1.411
Unit-linked fees	2.090	2.213	2.090	2.213
Survey fees	1.041	1.133	0	0
Research fees	511	437	511	437
Commissions from NBG loans	390	65	390	65
Professional grants	385	159	385	159
Loan staff renumeration	206	72	206	72
Profit from sale of tangible assets	52	74	41	74
Other	3.787	1.612	279	224
Total	**10.849**	**7.176**	**5.423**	**4.655**

10. BENEFITS AND CLAIMS INCURRED

GROUP

	TOTAL	REINSURERS	GROUP	TOTAL	REINSURERS	GROUP
	31/12/2006			31/12/2005		
	(in thousand €)					
Life Insurance	(145.026)	1.490	(143.536)	(132.469)	6.595	(125.874)
Non-Life Insurance - Motor	(119.758)	4.113	(115.645)	(128.122)	5.222	(122.900)
Non-Life Insurance - Fire	(17.016)	3.721	(13.295)	(12.794)	5.644	(7.150)
Non-Life Insurance - Other	(67.382)	29.666	(37.716)	(51.457)	21.318	(30.139)
Insurance benefits & claims paid	**(349.182)**	**38.990**	**(310.192)**	**(324.842)**	**38.779**	**(286.063)**
Life Insurance	(1.182)	690	(492)	(6.584)	(196)	(6.780)
Non-Life Insurance - Motor	(15.856)	391	(15.465)	1.638	(1.887)	(249)
Non-Life Insurance - Fire	(14.572)	6.873	(7.699)	1.342	(1.974)	(632)
Non-Life Insurance - Other	(326)	(1.676)	(2.002)	(8.544)	3.945	(4.599)
Change in pended claims	**(31.936)**	**6.278**	**(25.658)**	**(12.148)**	**(112)**	**(12.260)**
Total	**(381.118)**	**45.268**	**(335.850)**	**(336.990)**	**38.667**	**(298.323)**

PARENT COMPANY

	TOTAL	REINSURERS	COMPANY	TOTAL	REINSURERS	COMPANY
	31/12/2006			31/12/2005		
	(in thousand €)					
Life Insurance	(142.859)	1.177	(141.682)	(130.238)	6.302	(123.936)
Non-Life Insurance - Motor	(116.865)	3.347	(113.518)	(126.414)	5.185	(121.229)
Non-Life Insurance - Fire	(17.016)	3.721	(13.295)	(12.794)	5.644	(7.150)
Non-Life Insurance - Other	(52.510)	17.860	(34.650)	(46.075)	18.159	(27.916)
Insurance benefits & claims paid	**(329.250)**	**26.105**	**(303.145)**	**(315.521)**	**35.290**	**(280.231)**
Life Insurance	(1.182)	690	(492)	(6.584)	(196)	(6.780)
Non-Life Insurance - Motor	(15.910)	1.198	(14.712)	2.068	(2.216)	(148)
Non-Life Insurance - Fire	(14.572)	6.873	(7.699)	1.342	(1.974)	(632)
Non-Life Insurance - Other	3.136	(5.088)	(1.952)	(7.460)	3.407	(4.053)
Change in pended claims	**(28.528)**	**3.673**	**(24.855)**	**(10.634)**	**(979)**	**(11.613)**
Total	**(357.778)**	**29.778**	**(328.000)**	**(326.155)**	**34.311**	**(291.844)**

11. COMMISSION EXPENSES

GROUP

	COMMISSION EXPENSES	REINSURANCE COMMISSION EXPENSES	TOTAL	COMMISSION EXPENSES	REINSURANCE COMMISSION EXPENSES	TOTAL
	31/12/2006			31/12/2005		
	(in thousand €)					
Life Insurance	(38.411)	206	(38.205)	(31.004)	1.186	(29.818)
Non-Life Insurance - Motor	(16.857)	43	(16.814)	(25.550)	58	(25.492)
Non-Life Insurance - Fire	(10.615)	85	(10.530)	(9.329)	67	(9.262)
Non-Life Insurance -Other	(16.556)	11.839	(4.717)	(12.641)	7.947	(4.694)
Total	**(82.439)**	**12.173**	**(70.266)**	**(78.524)**	**9.258**	**(69.266)**

PARENT COMPANY

	COMMISSION EXPENSES	REINSURANCE COMMISSION EXPENSES	TOTAL	COMMISSION EXPENSES	REINSURANCE COMMISSION EXPENSES	TOTAL
	31/12/2006			31/12/2005		
	(in thousand €)					
Life Insurance	(37.214)	70	(37.144)	(30.314)	972	(29.342)
Non-Life Insurance - Motor	(15.840)	43	(15.797)	(25.549)	44	(25.505)
Non-Life Insurance - Fire	(10.615)	85	(10.530)	(8.495)	67	(8.428)
Non-Life Insurance -Other	(13.879)	8.748	(5.131)	(12.392)	7.947	(4.445)
Total	**(77.548)**	**8.946**	**(68.602)**	**(76.750)**	**9.030**	**(67.720)**

12. SELLING AND DISTRIBUTION EXPENSES

	Note	GROUP		COMPANY	
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
		(in thousand €)			
Salaries	14	(77.125)	(59.314)	(72.726)	(56.791)
Third Party Fees		(14.193)	(10.753)	(12.204)	(10.346)
Advertisment Expenses		(4.812)	(3.877)	(4.496)	(3.590)
Taxes / Duties		(257)	(363)	(249)	(362)
Depreciation	15	(7.238)	(7.140)	(6.848)	(6.896)
Telecommunication Expenses		(2.684)	(2.731)	(2.472)	(2.589)
Rents		(3.909)	(4.239)	(3.695)	(4.085)
Subscription Contributions		(178)	(149)	(175)	(149)
Other		(18.561)	(13.478)	(17.339)	(12.940)
Total		**(128.957)**	**(102.044)**	**(120.204)**	**(97.748)**

13. ADMINISTRATIVE EXPENSES

	Note	GROUP		COMPANY	
		31/12/2006	31/12/2005	31/12/2006	31/12/2005
		(in thousand €)			
Salaries	14	(21.944)	(21.317)	(21.928)	(21.317)
Other - Third Party Fees		(4.892)	(7.935)	(4.558)	(7.854)
Depreciations	15	(2.481)	(2.198)	(2.456)	(2.198)
Telecommunication Expenses		(1.600)	(1.446)	(1.597)	(1.446)
Rents		(913)	(1.844)	(913)	(1.844)
Other Expenses		(3.419)	(3.222)	(3.049)	(2.528)
Total		**(35.249)**	**(37.962)**	**(34.501)**	**(37.187)**

14. PAYROLL AND STAFF EXPENSES

The total payroll and staff expenses that is included in the administrative expenses and disposals is analysed as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Salaries and wages	(58.315)	(51.487)	(54.714)	(49.187)
Social security contributions	(20.200)	(18.688)	(19.386)	(18.465)
Expenses for defined benefits	(20.554)	(10.456)	(20.554)	(10.456)
Total	**(99.069)**	**(80.631)**	**(94.654)**	**(78.108)**

An amount of € 11.376 concerning the early retirement scheme is included in the € 20.554 thous. for expenses for defined benefits (refer also in Note 34). In 31 December 2006 the total number of employees was 1.417 (out of which 1.248 in the Parent Company), as compared to 1.347 (1.213 in the Parent Company) in the previous year.

15. DEPRECIATION

The total Depreciation cost that is included in the administrative expenses and disposals is analysed as follows:

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Investment Properties	(2.691)	(2.650)	(2.648)	(2.648)
Property, plant and equipment	(5.077)	(4.545)	(4.756)	(4.319)
Intangible assets	(1.951)	(2.143)	(1.900)	(2.127)
Total	**(9.719)**	**(9.338)**	**(9.304)**	**(9.094)**

16. OTHER EXPENSES

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Financial Expenses	(1.448)	(1.483)	(1.279)	(1.354)
Expenses from interest payable to reinsurers	(1.251)	(1.540)	(1.248)	(1.516)
Exchange rate differences	(1.910)	(1.142)	(1.017)	(1.142)
Provisions for doubtfull debt	(4.451)	(500)	(4.451)	(500)
Other	(419)	(1.006)	(288)	(60)
Total	**(9.479)**	**(5.671)**	**(8.283)**	**(4.572)**

17. INCOME TAX EXPENSE

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Income Tax (Current Year)	(5.890)	(3.084)	(5.106)	(2.834)
Deferred Tax	1.495	(12.253)	1.695	(12.253)
Total	**(4.395)**	**(15.337)**	**(3.411)**	**(15.087)**

The Parent Company has been audited for tax purposes up to the 2005. AUDATEX HELLAS SA has been audited up to 2004. The Romanian subsidiary SOCIETATE COMERCIALA GARANTA ASIGURARI S.A. has been tax audited up to 2002, while the recently acquired NBG ASIGURARI S.A. also located in Romania has never been audited from 2001 to 2005.

Regarding the tax audit of Ethniki Insurance (Cyprus) Ltd (Life), the audited income tax statements till December 2005 have been submitted to the relevant Income Tax office. National Insurance Brokers S.A. has been audited up to 31 December 2002.

Company	Unaudited Fiscal Years
“THE ETHNIKI” Hellenic General Insurance Co S.A. (Parent Company)	2006
Ethniki Life Insurance (Cyprus) Limited	2006
Societate Comerciala Garanta Asigurari S.A.	2003 – 2006
Audatex Hellas S.A.	2005 – 2006
National Insurance Brokers S.A.	2003 – 2006
NBG Asigurari S.A.	2001 – 2006

The Management of Parent Company considers that its tax obligations are fulfilled and it has complied with the relevant provisions of the tax legislation, taking into account the non-deductable tax expenses in a conservative way. In the event of additional tax being levied, the additional tax will be offset with the tax loss brought forward (refer also in Note 23).

In case the Parent Company distributes the tax-free reserves to the shareholders, it will be subject to income tax at the applicable tax rate at the date of distribution. In case of the distribution from retained earnings, no income tax will be imposed.

18. EARNINGS PER SHARE

	Group		Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Profits after taxes	(2.341)	25.155	(7.603)	23.405
Average number of shares issued during the financial year	129.106.800	87.603.975	129.106.800	87.603.975
Basic and diluted earnings per share (€)	(2.691)	25.003	(7.603)	23.405
Earnings proportional to the Parent Company	-0,02	0,29	-0,06	0,27
Earnings per share proportinal to the Parent Company	-0,02	0,29	-0,06	0,27

SHAREHOLDERS OF THE COMPANY		
	NUMBER OF SHARES	%
NATIONAL BANK OF GREECE S.A.	99.072.917	76,74
DIETHNIKI MUTUAL FUNDS MANAGEMENT COMPANY (5)	2.779.034	2,15
M/F INSURANCE ORGANISATIONS - JOINT DOMESTIC	1.504.700	1,17
"ETHNIKI INSURANCE" EMPLOYEE INSURANCE FUND	1.476.496	1,14
ALPHA BANK M/F	1.362.939	1,06
OTHER SHAREHOLDERS (8.607)	22.910.714	17,74
Total	**129.106.800**	**100,00**

19. PROPERTY, PLANT AND EQUIPMENT

Group							
	Property	**Buildings**	**Transpor-tation**	**Equipment**	**Improvements in third party leases**	**Property under development**	**Total**
	(in thousand €)						
Acquisition cost	63.278	84.306	1.787	29.492	2.441	29.783	211.087
Accumulated depreciation and impairment	0	(19.823)	(862)	(23.832)	(2.319)	0	(46.836)
Net book value as at 31/12/2005	**63.278**	**64.483**	**925**	**5.660**	**122**	**29.783**	**164.251**
Plus:							
Additions / Tranfer	2.048	21.451	198	1.513	103	(14.666)	10.647
Less:							
Disposals / Transfer	(242)	(994)	(75)	15	0	0	(1.296)
Depreciation charge for the year	0	(2.697)	(237)	(2.040)	(103)	0	(5.077)
Others	(6)	174	117	0	0	0	285
Net Value as at 31/12/2006	**65.078**	**82.417**	**928**	**5.148**	**122**	**15.117**	**168.810**

Parent Company							
	Property	**Buildings**	**Transpor-tation**	**Equipment**	**Improvements in third party leases**	**Property under development**	**Total**
	(in thousand €)						
Acquisition cost	63.250	82.112	1.503	27.994	2.441	29.783	207.083
Accumulated depreciation and impairement	0	(19.477)	(714)	(23.016)	(2.319)	0	(45.526)
Net book value as at 31/12/2005	**63.250**	**62.635**	**789**	**4.978**	**122**	**29.783**	**161.557**
Plus:							
Additions / Tranfer	1.700	19.729	150	1.318	103	(14.666)	8.334
Less:							
Disposals / Transfer	(242)	(994)	(70)	(42)	0	0	(1.348)
Depreciation charge for the year	0	(2.657)	(180)	(1.816)	(103)	0	(4.756)
Net Value as at 31/12/2006	**64.708**	**78.713**	**689**	**4.438**	**122**	**15.117**	**163.787**

"Property" acquisition costs include €6.250 thous. related to a Company's property (Elliniko plot – 35th street), used by the School Building Organisation to build a school, after an expropriation decision of both the Ministry of Finance and Ministry of National Education and Religious Affairs. After a court ruling against this action, the Company considered together with the School Building Organisation S.A. alternatives, including the provision of a substitute property of equal value. However, since the School Building Organisation S.A. withdrew this alternative proposal, the Management of the Company unanimously decided at the 2071/19.12.2006 meeting, the following: (a) to lodge a complaint against the School Building Organisation S.A. and the Greek Government for the land of 4.100 s.m. with the additional request to receive a compensation in case the property cannot be returned to the Company, in respect to articles 1097 and 1098 AK and (b) to lodge lawsuit against the Elliniko Municipality based on the same reasoning, for the other 944 s.m. of the plot that were arbitrarily occupied.

20. **INVESTMENT PROPERTIES**

	Group			Company		
	Land	Buildings	Total	Land	Buildings	Total
	(in thousand €)					
Acquisition cost	48.550	82.183	**130.733**	48.315	79.952	**128.267**
Acumulated Depreciation	0	(20.423)	**(20.423)**	0	(19.855)	**(19.855)**
Net book value 31/12/2005	**48.550**	**61.760**	**110.310**	**48.315**	**60.097**	**108.412**
Plus:						
Other	18	348	**366**	0	0	**0**
Less:						
Depreciation charged for the year	0	(2.691)	**(2.691)**	0	(2.648)	**(2.648)**
Net book value 31/12/2006	**48.568**	**59.417**	**107.985**	**48.315**	**57.449**	**105.764**

For the financial year ended at the 31 December 2006, rental income reached €6.482 thous. (respectively € 5.548 thous. at the 31 December 2005).

The Parent Company in order to fulfill its obligation for insurance investment that derives from the insurance law has registered a prenotation of mortgage of € 253.072 thous on its property. Parent Company's property present value reaches € 293.822 thous. (Notes 19 and 20). Apart from this prenotation of mortgage there is no other engagement or surety on the Parent Company's property against other obligations.

Future rental revenues and expenses are analysed below:

	Up to 1 year	1 to 5 years	More than 5 years
	(in thousand €)		
Revenues	6.820	19.929	24.799
Expenses	1.826	6.254	3.143

21. INTANGIBLE ASSETS

	Group		Parent Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Software	2.162	3.622	1.993	3.544
Goodwill	2.570	2.086	0	0
Total	**4.732**	**5.708**	**1.993**	**3.544**

The increase in the account "subsidiary companies goodwill" resulted from NBG ASIGURARI's acquisition cost that amounted to € 484 thous. and registered in this particular account of the Assets in the Group's Consolidated Balance Sheet. In the Parent Company's Balance Sheet the above cost is included in the account "Investments to associated companies". The acquiring company has the obligation to annually reassess the recoverable value of the goodwill in order to test for impairment.

The software's depreciation for the period ended in 31 December 2006 was € 1.951 thous. concerning the Group and € 1.900 thous. concerning the Parent Company.

22. INVESTMENTS IN ASSOCIATES

Participation	Country of Incorporation	31/12/2006 % Participation	31/12/2006 Book Value	31/12/2005 % Participation	31/12/2005 Book Value
	(in thousand €)				
Group					
EVROPI AEGA	GREECE	30,000%	2.001	30,000%	1.895
UBB-AIG INSURANCE AND REINSURANCE COMPANY	BULGARIA	30,000%	919	-	0
UBB-AIG LIFE INSURANCE COMPANY	BULGARIA	30,000%	1.001	-	0
Total			**3.921**		**1.895**
Company					
SOCIETATE COMERCIALA GARANTA ASIGURARI S.A.	ROMANIA	93,265%	3.828	93,265%	2.636
ETHNIKI ASFALISTIKI KYPROY LTD	CYPRUS	89,089%	4.119	89,089%	4.119
AUDATEX HELLAS S.A.	GREECE	70,000%	1.062	70,000%	1.061
NATIONAL BROKERS S.A.	GREECE	95,000%	2.450	95,000%	2.450
NBG ASIGURARI S.A.	ROMANIA	99,988%	2.700	-	0
EVROPI AEGA	GREECE	30,000%	2.057	30,000%	2.057
UBB-AIG INSURANCE AND REINSURANCE COMPANY	BULGARIA	30,000%	912	-	0
UBB-AIG LIFE INSURANCE COMPANY	BULGARIA	30,000%	1.013	-	0
Total			**18.141**		**12.323**

The consolidation of the affiliated companies is performed according to IAS 27 (Full Consolidation). The consolidation of the related company EVROPI AEGA, as well as the Company's participation in the joint-venture companies UBB-AIG Life and UBB-AIG was performed according to IAS 28 and 31 respectively (Equity Method). On 15 February 2006, the Company acquired NBG Asigurari S.A., a former subsidiary of Alpha Bank Group, which is consolidated for the first time in the present financial statements. All required procedures have been already undertaken for S.C. GARANTA ASIGURARI S.A. to merge NBG ASIGURARI S.A.

On 22 February 2006 the Parent Company along with United Bulgarian Bank AD (U.B.B. AD), an NBG subsidiary in Bulgaria and American International Group Inc. (A.I.G.) have founded a Life and a Non-Life Insurance company in Bulgaria. Ethniki Insurance and U.B.B. will each hold a 30% share of the companies' share capital. As regards the Life Company, the remaining 40% as well as the management will be held by American Life Insurance Company (ALICO), whereas in the case of the General Insurance & Reinsurance Company, the remaining 40% will be held by AIG Central Europe & CIS Insurance Holdings Corporation. Total share capital for the Life Insurance Company is € 3.068 thous. (Leva 6.000.000) and for the Non-Life Insurance Company € 2.761 thous. (Leva 5.400.000). Both companies are full operating since 1 October 2006.

23. DEFERRED TAX

	Group		Parent Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Intangible assets	104	154	104	154
Provisions for bad debts	2.758	2.338	2.758	2.338
Depreciation of sold real estate	10.498	0	10.498	0
Unutilised tax losses	3.533	3.443	3.503	3.443
Retirement Benefits to personel	41.852	49.520	41.852	49.520
Insurance provisions	58.745	55.455	58.715	55.455
Deferred tax assets	**1.603**	**1.662**	**1.603**	**1.662**
Depreciation of tangible assets	2.373	711	2.373	711
Depreciation of investments in real estate	(140)	(115)	(140)	(115)
Other temporary differences	442	225	212	225
Deferred tax liabilites	**4.278**	**2.483**	**4.048**	**2.483**
Total	**54.467**	**52.972**	**54.667**	**52.972**

24. FINANCIAL ASSETS AVAILABLE FOR SALE

	Group		Parent Company	
	30/09/2006	31/12/2005	30/09/2006	31/12/2005
	(in thousand €)			
BONDS				
Government bonds	286.350	208.294	277.364	206.511
Corporate listed bonds	166.229	110.657	166.229	110.657
Total Bonds	452.579	318.951	443.593	317.168
SHARES				
Listed	139649	90260	139649	90260
Non Listed	30	30	30	30
Total Shares	139.679	90.290	139.679	90.290
MUTUAL FUNDS				
Domestic market	129796	76815	129796	76815
EU countries	30563	22899	30563	22899
Total Mutual Funds	160.359	99.714	160.359	99.714
Total	**752617**	**508955**	**743631**	**507172**

25. FINANCIAL ASSETS AT FAIR VALUE

	Group		Parent Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Bonds				
Government bonds	30.447	31.900	29.052	30.438
Corporate listed bonds	107.442	117.380	107.442	117.380
Shares				
Listed	22.688	13.830	21.681	12.229
Non Listed	86	87	0	0
Mutual Funds				
Domestic market	15.650	592	15.022	0
Financial assets held for trading	**176.313**	**163.789**	**173.197**	**160.047**
Mutual Funds	352.752	255.924	352.135	255.598
Bonds	22.501	35.314	19.277	33.485
Shares	2.528	1.900	0	0
Short-term securities	5.709	6.693	0	0
Cash and cash equivalents	3.206	20.380	3.206	20.380
Other securities	2.072	185	0	0
Financial Assets at Fair Value through P&L - Unit-Linked	**388.768**	**320.396**	**374.618**	**309.463**
Total	**565.081**	**484.185**	**547.815**	**469.510**

26. RECEIVABLES INCLUDING INSURANCE RECEIVABLES

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Insurance receivables	217.307	208.778	202.733	195.948
Provision for doubtful receivables	(16.472)	(12.186)	(15.376)	(11.279)
Insurance receivables	**200.835**	**196.592**	**187.357**	**184.669**
Mortgage loans to staff	15.081	14.543	15.081	14.543
Loans to staff & associates	4.810	3.560	4.810	3.560
Loans to life insurers	3.839	4.049	3.839	4.049
Loans	**23.730**	**22.152**	**23.730**	**22.152**
Other debtors	16.494	20.747	15.945	20.380
Earned interest and commissions	11.735	14.799	11.735	14.799
Receivables from non-life legal claims	2.984	3.581	2.984	3.581
Other receivable income	2.576	2.079	2.420	1.938
Claims from amicable claim settlement	1.402	1.343	1.402	1.343
Other taxes	438	4.806	438	4.806
Receivables from assets sold	247	1.152	247	1.152
Other reeivables	35.876	48.507	35.171	47.999
Total	**260.441**	**267.251**	**246.258**	**254.820**

27. REINSURERS' RECEIVABLES

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Receivables from incurred claims	26.105	16.084	26.105	16.084
Reinsurance share in insurance reserves	68.979	62.737	46.212	50.536
Receivables from reinsurance activities	2.405	1.314	4.136	1.314
Total	**97.489**	**80.135**	**76.453**	**67.934**

28. CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Cash	4.461	3.197	3.705	3.066
Current accounts	18.776	7.376	15.102	5.619
Short-term deposits in Banks	148.930	294.052	127.080	278.353
Total	**172.167**	**304.625**	**145.887**	**287.038**

29. SHARE CAPITAL

Nominal value of the Parent Company's shares is € 2,5 per share, while the share capital is paid in full and amounts to € 322.767 thous. and the number of shares is 129.106.800.

30. RESERVES

	GROUP		COMPANY	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Statutory reserve	25.125	25.110	25.074	25.074
Special reserve	17	17	17	17
Extraordinary reserve	1.205	1.205	1.205	1.205
Financial assets available for sale	15.691	18.577	15.691	18.577
Special tax-free reserve under specific law	5.000	5.000	5.000	5.000
Tax free reserves	2.371	2.371	2.371	2.371
Specially taxed reserves	832	832	832	832
Other reserves	4.341	4.221	1.982	1.934
Total	**54.582**	**57.333**	**52.172**	**55.010**

31. MATHEMATICAL RESERVES AND TECHNICAL PROVISIONS

Group						
	Group	Reinsurer	Total	Group	Reinsurer	Total
	31/12/2006			31/12/2005		
	(in thousand €)					
LIFE RESERVES						
Mathematical reserves	752.804	2.464	755.268	670.307	2068	672.375
Outstanding claims reserves	33.824	1.820	35.644	32.656	1287	33.943
Other insurance provisions	7.735	197	7.932	7.043	20	7.063
Total reserves - Life	**794.363**	**4.481**	**798.844**	**710.006**	**3.375**	**713.381**
UNIT LINKED contract reserves	388768	0	388768	320396	0	320396
Additional reserve for UNIT LINKED products	20.271	0	20.271	16.293	0	16.293
Total UL reserves	**409.039**	**0**	**409.039**	**336.689**	**0**	**336.689**
Total	**1.203.402**	**4.481**	**1.207.883**	**1.046.695**	**3.375**	**1.050.070**
NON-LIFE INSURANCE RESERVES						
Unearned premium reserves	125.659	35.601	161.260	124.113	22.687	146.800
Other insurance provisions	295.187	69.236	364.423	273.227	67.031	340.258
Total reserves - Non-Life	**420.846**	**104.837**	**525.683**	**397.340**	**89.718**	**487.058**
Total	**1.624.248**	**109.318**	**1.733.566**	**1.444.035**	**93.093**	**1.537.128**

Company						
	Group	Reinsurer	Total	Group	Reinsurer	Total
	31/12/2006			31/12/2005		
	(in thousand €)					
LIFE RESERVES						
Mathematical reserves	751.162	706	751.868	668.469	701	669.170
Outstanding claims reserves	33.584	1.228	34.812	32.311	538	32.849
Other insurance provisions	7.015	0	7.015	7.038	0	7.038
Total reserves - Life	**791.761**	**1.934**	**793.695**	**707.818**	**1.239**	**709.057**
UNIT LINKED contract reserves	374.618	0	374.618	309.463	0	309.463
Additional reserve for UNIT LINKED products	20.271	0	20.271	16.293	0	16.293
Total UL reserves	**394.889**	**0**	**394.889**	**325.756**	**0**	**325.756**
Total	**1.186.650**	**1.934**	**1.188.584**	**1.033.574**	**1.239**	**1.034.813**
NON-LIFE INSURANCE RESERVES						
Unearned premium reserves	115.819	21.305	137.124	116.510	15.673	132.183
Other insurance provisions	290.611	63.123	353.734	268.994	63.981	332.975
Total reserves - Non-Life	**406.430**	**84.428**	**490.858**	**385.504**	**79.654**	**465.158**
Total	**1.593.080**	**86.362**	**1.679.442**	**1.419.078**	**80.893**	**1.499.971**

GROUP

Change in Life Insurance Reserves			
	Group		
	31/12/2006	31/12/2005	
Change in Life Insurance Reserves (2006)			
Residual at beginning of year	1.050.070	927.804	
IFRS4 Implementation	-	25.140	
Adjusted residual	-	952.944	
Increase in reserves	302.839	229.595	
Claims paid and other changes	-145.026	-132.469	
Residual at year end	**1.207.883**	**1.050.070**	
Change in Non-Life Insurance Reserves (2006)	**Total**	**Reinsurers part**	**Group's Part**
Residual	487.058	89.718	397.340
Incurred claim	228.321	39.705	188.616
Claims paid	-204.156	-37.500	-166.656
Change in insurance reserve	14.460	12.914	1.546
Residual at year end	**525.683**	**104.837**	**420.846**
Change in Non-Life Insurance Reserves (2005)	**Total**	**Reinsurers part**	**Group's Part**
Residual at year's start	413.343	91.873	321.470
IFRS4 Implementation	63.000	10.000	53.000
Adjusted residual	476.343	101.873	374.470
Incurred claim	189.626	24.635	164.991
Claims paid	-187.993	-32.184	-155.809
Change in insurance reserve	9.082	-4.606	13.688
Residual at year end	**487.058**	**89.718**	**397.340**
Outstanding claims reserve (2006)	**Total**	**Reinsurers part**	**Group's Part**
Outstanding claims	353.954	68.424	285.530
IBNR	10.469	812	9.657
Total	**364.423**	**69.236**	**295.187**
Outstanding claims reserve (2005)	**Total**	**Reinsurers part**	**Group's Part**
Outstanding claims	329.827	66.074	263.753
IBNR	10.431	957	9.474
Total	**340.258**	**67.031**	**273.227**

PARENT

Change in Life Insurance Reserves		
	Parent Company	
	31/12/2006	31/12/2005
Change in Life Insurance Reserves (2006)		
Residual at beginning of year	**1.034.813**	**913.546**
IFRS4 Implementation	-	25.140
Adjusted residual	-	**938.686**
Increase in reserves	295.880	226.365
Claims paid and other changes	(142.859)	(130.238)
Residual at year end	**1.187.834**	**1.034.813**

Change in Non-Life Insurance Reserves (2006)	**Total**	**Reinsurers part**	**Parent's Part**
Residual	465.158	79.654	385.504
Incurred claim	207.150	24.070	183.080
Claims paid	(186.391)	(24.928)	(161.463)
Change in insurance reserve	4.941	5.632	(691)
Residual at year end	**490.858**	**84.428**	**406.430**

Change in Non-Life Insurance Reserves (2005)	**Total**	**Reinsurers part**	**Parent's Part**
Residual at year's start	404.416	88.099	316.317
IFRS4 Implementation	63.000	10.000	53.000
Adjusted residual	**467.416**	**98.099**	**369.317**
Incurred claim	183.248	19.202	164.046
Claims paid	(185.283)	(28.988)	(156.295)
Change in insurance reserve	-223	(8.659)	8.436
Residual at year end	**465.158**	**79.654**	**385.504**

Outstanding claims reserve (2006)	**Total**	**Reinsurers part**	**Parent's Part**
Outstanding claims	343.265	62.311	280.954
IBNR	10.469	812	9.657
Total	**353.734**	**63.123**	**290.611**

Outstanding claims reserve (2005)	**Total**	**Reinsurers part**	**Parent's Part**
Outstanding claims	322.544	63.024	259.520
IBNR	10.431	957	9.474
Total	**332.975**	**63.981**	**268.994**

32. LIABILITIES DUE SALES NETWORK AND OTHER LIABILITIES

	Group		Parent Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Liabilities to agents	32.329	39.390	32.049	30.641
Expenses payable and future income	15.724	14.086	12.950	12.633
Creditors and suppliers	4.185	3.822	2.305	3.113
Tax liabilities	17.249	20.490	16.942	20.308
Income tax	711	1.922	0	1.593
Dividends payable	131	159	131	159
Third party receivable obligations	1.837	2.040	1.837	2.016
Amounts due to public insurance agencies	5.659	4.819	5.620	4.795
Other liabilities	5.623	5.097	4.731	4.565
Other provisions	733	2.091	485	1.888
Total	**84.181**	**93.916**	**77.050**	**81.711**

33. LIABILITIES DUE TO REINSURANCE OPERATIONS

	Group		Parent Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	(in thousand €)			
Liabilities due to reinsurers	37.679	16.772	23.878	14.488
Liabilities due to reinsurance activities	42	976	230	976
Total liabilities due to reinsurance activities	**37.721**	**17.748**	**24.108**	**15.464**

34. LIABILITIES DUE TO PERSONNEL

According to contracts 2361, 2740 and 3002 issued by the Parent Company, an amount is given to each employee on retirement, unless the reason of retirement is full or partly due to disability and the employee has or will receive relevant compensation from the Group Life contract, also issued by the Parent Company. These contracts cover permanent total disability from illness, death, as well as permanent total or partly disability from accident. Claims residuals as well as provisions for staff's compensation are analysed as follows:

	Group		Parent Company	
	31/12/2006	31/12/2005	31/12/2006	31/12/2005
	in thousand €)			
Present value of financed obligations	84.630	84.602	84.511	84.602
Fair value of plan assets	(11.204)	(7.674)	(11.204)	(7.674)
Present value of non financed obligations	19.989	20.901	19.959	20.776
Unrealised actuarial losses	(21.657)	(21.991)	(21.657)	(21.991)
Unrealised past service cost	(548)	(747)	(548)	(747)
Pension programs	**71.210**	**75.091**	**71.061**	**74.966**
Defined benefit expenses are as follows:				
Current service cost	4.252	4.037	4.252	4.037
Interest cost	4.171	5.290	4.171	5.290
Actuarial gains (losses)	890	0	890	0
Expected planned assets investment return	(188)	(977)	(188)	(977)
Current realised service cost	53	57	53	57
Voluntary exit	11.376	2.049	11.376	2.049
Total	**20.554**	**10.456**	**20.554**	**10.456**
Basic Assumptions				
Discount rate	**4,50%**	**4,25%**	**4,50%**	**4,25%**
Expected revenue rate from DAF contracts	**4,50%**	**4,00%**	**4,50%**	**4,00%**
Future salary increases	**4,50%**	**4,50%**	**4,50%**	**4,50%**
Future pension increases	**3,00%**	**3,00%**	**3,00%**	**3,00%**

35. MANAGEMENT OF INSURANCE AND FINANCIAL RISK

(a) Insurance Risk

The Group issues contracts that transfer insurance risk or financial risk or both. The risk under any one insurance contract is the possibility that the insured event occurs and the claim results. By the very nature of an insurance contract, risk is based on fortuity and is therefore unpredictable.

The principal risks that the Group faces under its insurance contracts are that the actual claims and benefit payments or the timing thereof, differ from expectations. This could occur because the frequency or severity of claims is greater than estimated. Therefore the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The reinsurance arrangements include proportional, excess of loss and catastrophe coverage. Reinsurance is purchased in accordance with the Group's risk appetite.

(1) Life insurance contracts

Life insurance contracts offered by the Group include whole life, endowment, term assurance, term assurance with survival benefit, pension, unit-linked, rider benefits attached to insurance policies and mortgage endowments

These contracts insure events associated with human life (for example, death or survival) over a long duration while short duration life insurance contracts protect the Group's customers from the consequences of events (such as death or disability) that would affect on the ability of the customer or his/her dependants to maintain their current level of income. Guaranteed benefits paid on occurrence of the specified insurance event are either fixed or linked to the extent of the economic loss suffered by the policyholder.

The main risks that the Group is exposed to are as follows.

Mortality risk – risk of loss arising due to policyholder death experience being different than expected.

Morbidity risk – risk of loss arising due to policyholder health experience being different than expected.

Longevity risk – risk of loss arising due to the annuitant living longer than expected.

Investment return risk – risk of loss arising from actual returns being different than expected.

Expense risk – risk of loss arising from expense experience being different than expected.

Policyholder decision risk – risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected.

Key assumptions

Material judgment is required in determining the liabilities and in the choice of assumptions. Assumptions in use are based on past experience, current internal data, external market indices and benchmarks which reflect current observable market prices and other published information.

Life insurance contract estimates are initially made at inception of the contract, where the Group determines the key assumptions applicable to the type of life insurance contract, such as future deaths, voluntary terminations, investment returns and administration expenses. These assumptions are used for calculating the liabilities during the life of the contract. A margin for risk and adverse deviation is generally included. Subsequently, new estimates are developed at each reporting date to determine whether the liabilities are adequate in the light of the latest current estimates. The initial assumptions are not altered if the liabilities are considered adequate. If the liabilities are not adequate, the assumptions are altered to reflect the latest current estimates.

The key assumptions to which the estimation of liabilities is particularly sensitive are as follows.

Mortality

Assumptions are based on appropriate standard industry and national tables, according to the type of contract written, reflecting the recent historical experience of the Group and thus reflecting the best estimate for that year. Assumptions are differentiated by sex.

Morbidity rates

The rate of recovery from disability is derived from industry experience studies, adjusted where appropriate for the Group's own experience.

Investment return

Investment returns affect the assumed level of future benefits due to the contract holders and the selection of the appropriate discount rate. These estimates are based on current market returns as well as expectations about future economic and financial developments.

Expenses

Operating expenses assumptions reflect the projected costs of maintaining and servicing in-force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation if appropriate.

Lapse and surrender rates

Lapses relate to the termination of policies due to non-payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Group's experience and vary by product type.

Discount rate

Life insurance liabilities are determined as the sum of the discounted value of the expected benefits and future administration expenses directly related to the contract, less the discounted value of the expected theoretical premiums that would be required to meet these future cash outflows.

Liability Adequacy Test

As of 1 January 2005, with the adoption of IFRS 4 "Insurance Contracts", the Group performs a liability adequacy test at the end of each reporting period to assess the adequacy of its insurance liabilities, which are estimated according to the provisions of local insurance law.
The process followed for the liability adequacy test performed as at 31 December 2006 and the results of this test are set out below:
Life business comprises of the following four main categories:

i. Individual traditional policies *(whole life, endowment, pure endowment, term, pension plans):*
The test was based on an analysis of the sensitivity of liabilities to changes in mortality, lapses, interest rate and expenses for the expected remaining term of insurance contracts. No additional liabilities resulted from the above process.

ii. Unit-linked contracts
Analysis considered both risks associated to parameters (mortality, lapses, interest rate, expenses) and risks associated to guaranteed return at the end of the contract terms. No additional liabilities resulted from the above process.

iii. Pension beneficiaries that stem from Deposit Administration Funds ("DAF")
The process followed was similar to that of individual traditional policies (the only difference being that expenses were not a factor). The test produced a liability that exceeded reserves.

iv. Hospitalisation riders
The test was based on assumptions for future lapses, premiums increase, average incurred claim, and medical inflation. The premium increase rate was increased by 0,5% as compared to 2005.

(2) Non life Insurance Contracts

The group provides products that cover a large range of general insurance contracts that provide against personal, commercial and industrial risks and other risks related to property damage and third party liability.
For the mitigation of the risk exposure to the risk arising from an unexpected number of claims or unusually large claims, an appropriate proactive policy is applied to all business units:
Underwriting process
The criteria for the acceptance of insurance are such that a geographical dispersion of risks and their diversification to different activity sectors are ensured. Furthermore where necessary, policy limits and claim deductibles are applied in order to reduce the Group's share of the risk. In addition, in many cases insurance contracts include exclusion clauses for risks whose probability of occurrence and financial consequences are difficult to estimate (such as general third party liability or environmental risks with discernable causing events).

Claims handling

The Group's policy for claims handling is focused on the timely settlement of claims and the prevention of fraudulent cases being accepted by the Group. This is achieved by using appropriate infrastructure of the available information systems, reliable claim assessment procedures and the responsible departments utilizing qualified personnel with a high degree of ethical standing.

Provisions for Outstanding *Claims*
A strict policy is applied for the determination of the provision for claims that for any reason have not been settled and are going to be paid in the future. This policy has been followed by setting a prudent initial

provision depending on the seriousness of the particular case and the regular revision of this provisions according to the information that is gradually submitted (particular attention is given to judicial cases).
Besides the claim-by-claim procedure a number of statistical and actuarial techniques are employed for the estimation of the ultimate cost of claims and the calculation of the corresponding reserves. These techniques are based on the historical claim cost development and assumptions for the average claim cost, future inflation and amendments in the underlying legal framework. This process includes the calculation of the provision for claims that have not been reported to the Group until the valuation date.

Reinsurance *Policy:*
The selection of the optimal reinsurance coverage varies depending on the nature of the risks involved, the solvency position of the Group and its capacity to absorb losses arising from extreme events. The structure of the reinsurance program ensures the protection against high frequency of claims, exceptional claims or concentration of claims. The Group is particularly concerned with the coverage of catastrophic events, arising from natural perils, such as earthquakes.

Liability Adequacy Test

As of 1 January 2005, with the adoption of IFRS 4 "Insurance Contracts", the Group performs a liability adequacy test at the end of each reporting period to assess the adequacy of its insurance liabilities, which are estimated according to the provisions of local insurance law.
The process followed for the liability adequacy test performed as at 31 December 2006 and the results of this test are set out below:
As regards the motor branch, historical data was examined on a per claim basis for each accident year over the most recent five years. Claims are split into three main categories: motor TPL – property damage, motor TPL – bodily injury and motor own vehicle damage. Individual bodily injury claims exceeding €300 thousand were examined separately. Projections of paid claims, incurred claims and average incurred claims were performed for each group.
The process took into account the increase in reserves for specific claim files, which resulted from revising outstanding claims on a case per case basis, in accordance with local insurance law, during 2005 and 2006. The outcome was that a larger part of the total liability estimated with the liability adequacy test was covered by the reserves estimated in accordance to local law, hence rendering the additional liability lower than the additional liability as at 1 January 2006.

(b) Financial Risk

The Group and the Parent company is exposed to financial risk through its financial assets and liabilities, insurance and other receivables, insurance and other liabilities, reinsurance receivables and liabilities, available for sale investments and financial assets at fair value through profit and loss. Management periodically controls and revises the relative policies and procedures in connection with financial risk management, which are summarized below:

(b1) **Concentration** ***of Credit Risk:***
The Group does not have significant concentration of credit risk with any of its counterparties. The major exposure on credit risk is reflected by the amount of each asset. The main source of credit risk is the reinsurers, since they may be unable to cover their part of the insurance obligation or of the insurance claims that have already been attributed to the policyholders. Other counterparties contributing to the credit risk are policyholders that do not pay the premiums due and the Group's counter parties (agents and others).

The Group has a policy of entering into contracts with parties that are well qualified and, given the high level of credit quality of its derivative counter parties, the Group does not believe it is necessary to enter into collateral arrangements.

(b2) Fair Value:
The carrying amounts reflected in the accompanying balance sheets for cash and cash equivalents, receivables, and current liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of marketable securities are based on their quoted market prices at the balance sheet date.

(b3) Liquidity Risk:

The Group manages its liquidity risk by on-going monitoring of its cash flows. The Group budgets and follows up its cash flows and appropriately acts for available cash deposits and credit lines with the banks.

LIQUIDITY RISK							
GROUP							
	Under monition	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Tangible assets						168810	168.810
Investment properties						107985	107.985
Intangible assets						4732	4.732
Investments in associates						3921	3.921
Financial assets available for sale					18.992	733625	752.617
Financial assets at fair value via results		1490	2980	18.408	182.757	359446	565.081
Insurance debtors		19.725	75.056	177.534	75.561	10.054	357.930
Cash and cash equivalents		6.810	165.357				172.167
Other assets		1340	2.678	26.648	45.988	39.005	115.659
Total assets	**0**	**29.365**	**246.071**	**222.590**	**323.298**	**1.427.578**	**2.248.902**
Mathematical reserves and technicla provisions	232.672	31289	61.810	278.143	465174	664.478	1.733.566
DAF	152.557						152.557
Liabilities due to personnel					14.240	56.970	71.210
Deferred Tax Liabilities						4278	4.278
Other liabilities		10158	20317	91427			121.902
Total liabilities	**385.229**	**31.289**	**61.810**	**369.570**	**479.414**	**725.726**	**2.083.513**
Net exposure	**(385.229)**	**(1.924)**	**184.261**	**(146.980)**	**(156.116)**	**701.852**	**165.389**

(b4) Interest Rate Risk:
The Group is not exposed to significant interest rate risk from interest rate fluctuations, due to the Group not having any long term loans. However, the Group and the Parent company closely monitor the consequences of interest rate risk analyzing the duration of its security portfolio along with its relevant liabilities in combination with the money market developments. The Group's policy is to invest a significant part of its portfolio in fixed interest rate bonds with matching duration to that of its liabilities.
It is the Group's policy to continuously monitor the trends in interest rates as well as the financing needs of the Group.

(b5) Foreign Exchange Risk:
The Group has limited foreign exchange risk exposure as it does not conduct a significant portion of its transactions in foreign currencies. However the Group is subject to exchange rate risk arising mainly from the reinsurance liabilities that have been contracted in foreign currencies. Additional exchange rate risk source is the translation of the subsidiary accounts in Romania and Cyprus according to annual average currency rates.

The Group and the Parent Company match receivables and liabilities denominated in the same currency in order to minimize exchange rate risk.

It is the policy of the Group that Management closely monitors on continuous basis the Group's exposure to foreign currency risk.

(b6)* Market *Risk:
Market risk refers to the probability of losses due to changes or fluctuations in the market prices of securities, interest rates and exchange rates that directly influence the valuations of securities. The Group and the Parent company use modern methods for the measurement of market risk such as the Value-at-Risk.

The Value-at-Risk measure assesses potential losses on a portfolio over a given future time period with a given degree of confidence. It does not however assess losses arising from exceptionally unusual changes.

***(b7)* Guarantee risk**

Due to the long term cover that the life insurance contracts offer, the interest rate plays a significant role in the calculation of the premiums. The interest rate that is used in these calculations is referred to as technical interest rate. An inappropriate choice in the technical interest rate is a factor which may lead to a surplus or deficit of the mathematical reserve.

In its effort to reduce this risk, the Parent company, uses a conservative technical interest rate on its pricings, which is lower than the highest acceptable rate as determined by the Ministry of Development.

36. RELATED PARTY DISCLOSURES

The annual Financial Statements include the Financial Statements of Ethniki Insurance and its subsidiaries. Participations in associated companies are shown in Note 22.
Ethniki Insurance mainly offers reinsurance services to its associated companies. The terms of these reinsurance contracts are equivalent to the contracts that the Parent Company agrees with third parties.
Total claims as at 31 December 2006 amount to € 187.416 thous., total liabilities amount to € 3.244 thous., total income € 12.239 thous. and total expenses € 6.262 thous. During 2006 the cost of fees and benefits to the Management of the Group and the Parent Company amounted to € 2.672 thous. and € 1.920 thous. respectively.

37. CONTINGENCIES AND COMMITMENTS

(a) Legal Proceedings
The Group's companies are subject to legal proceedings in the normal course of business. The Management as well as the Legal Councillors do not believe that such proceedings will have a material effect on the Group's results and financial position.

(b) Letter of Guarantee
The Parent Company has issued letters of Guarantee amounted to € 1.677 thous. concerning its participation in public tendering for new insurance business.

38. EVENTS AFTER BALANCE SHEET DATE

No significant issues to be noted.

Athens, 23 March 2007

Chief Executive Offiver	Vice President	Deputy General Manager	Financial Director	Chief Actuary	Chief accountant
D. PALAIOLOGOS S 095068	A.I. TOURKOLIAS S 655972	I BASSILATOS F 070376	K. ARGYROPOULOS Lic.No 44382 / A Class	S. GRIBOGIANNIS S 280823	G. PETOUSIS Lic.No. 990 / A Class

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of "THE ETHNIKI, HELLENIC GENERAL INSURANCE COMPANY S.A."

Report on the Financial Statements

We have audited the accompanying financial statements of "The Ethniki, Hellenic General Insurance Company S.A." ("The Company") as well as the consolidated financial statements of the company and its subsidiaries ("The Group"), which comprise the stand alone and consolidated balance sheet as at December 31, 2006, and the stand alone and consolidated income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as these were adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Greek Auditing Standards which are harmonised with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the accompanying stand alone and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as of December 31, 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as these were adopted by the European Union.

Without qualifying our opinion we draw your attention to the fact that the equity of the Company on December 31, 2006 fell below one half of its paid-in share capital and, therefore, the provisions of (Greek) Company Law 2190/1920 are applicable.

Report on Other Legal and Regulatory Requirements

The content of Directors Report is consistent with the above financial statements.

Athens, 29 March 2007

The Certified Public Accountant

Andreas Ch. Barlikas
RN SOEL 13991
Deloitte
Hadjipavlou Sofianos & Cambanis S.A.
250 – 254 Kifissias Avenue
152 31 Chalandri
Reg. No. SOEL: E 120

ETHNIKI

FIRST IN INSURANCE

"THE ETHNIKI" HELLENIC GENERAL INSURANCE COMPANY S.A.

FINANCIAL DATA AND INFORMATION FOR THE YER ENDED 31 DECEMBER 2006
(amounts in thousand EUR)
(Published in accordance with the article 135 of Law 2190, for enterprises preparing annual stand-alone and consolidated financial statements in accordance with IFRS)

The following information are published for general disclosure reasons, regarding the financial position and performance of both "THE ETHNIKI" General Hellenic Insurance Company S.A. and its Group of Companies. Before any investment decision or financial transaction is carried out, the reader is strongly encouraged to refer to the Company's official website (www.ethniki-asfalistiki.gr), where all Financial Statements prepared in accordance with International Accounting Standards (IAS), the International Financial Reporting Standards (IFRS) as well as the report of Chartered Auditor Accountant are available.

COMPANY'S DESCRIPTION

Headquarters Address:	Syngrou Av. 103-105, 11745 Athens
Code Number of S.A.	12900/05/B/86/20
Supervisory Authority:	Ministry of Development
Website:	www.ethniki-asfalistiki.gr
Date of Financial Statements' Approval:	23.03.2007
The Chartered Auditor Accountant:	Andreas X. Barlikas (SOEL Reg. No.13991)
Auditing Company:	Deloitte Hatzipavlou, Sofianos and Kambanis S.A. Chartered Auditor Accountant S.A.
Form of Auditors' Report:	In accordance with - Emphasis on Matter
Issue Date of Auditors' Report:	29.03.2007
Board of Directors:	
Dracas - Pavlos I. Paleologos	President and Managing Director
Alexandros G. Tourkolias	Vice-president
Spyridon T. Laftheriotis	Executive Member
Anastasios A. Fagonis	Executive Member
Alexandros P. Georgiadis	Non executive member
Anthimos K. Thomopoulos	Non executive member
Ioannis S. Pentakis	Non executive member
Avraam E. Moissis	Non executive member
Vassilios V. Panagiotopoulos	Non executive member
Stefanos G. Pantzopoulos	Non executive member
Nikolaos I. Kontonaras	Non executive member
Vassilios S. Fourlis	Independent member
Konstantinos Ch. Lamprapoulos	Independent member

BALANCE SHEET

	GROUP		PARENT COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
ASSETS				
Investment properties	107.985	110.510	105.764	108.412
Investment risk	388.768	320.796	374.618	309.463
Investments in associated companies	3.921	1.895	18.141	12.323
Financial assets and other investments	928.930	672.744	916.828	667.219
Total investments (a)	1.429.604	1.105.345	1.415.351	1.097.417
Premium receivables	260.835	196.592	187.357	184.669
Reinsurers' receivables	97.489	80.135	76.453	67.934
Other receivables	175.265	181.227	172.855	179.687
Total receivables (b)	473.589	457.954	436.665	432.290
Net Intangible assets	4.732	5.708	1.993	3.544
Net Property, plant and equipment	168.810	164.251	163.787	161.557
Cash and cash equivalents	172.167	304.625	145.887	287.038
Total other assets (c)	345.709	474.584	311.667	452.139
TOTAL ASSETS (a)+(b)+(c)	2.248.902	2.037.883	2.163.683	1.981.846
LIABILITIES				
Liabilities due to reinsurance operations	37.721	17.748	24.108	15.464
Other liabilities	312.226	312.883	304.716	300.553
Total liabilities (a)	349.947	330.631	328.824	316.017
Mathematical Reserves and Technical Provisions	775.539	688.668	772.139	685.463
Outstanding Claims reserves	399.683	373.517	388.162	365.824
Unearned premium reserves - Net retention	161.260	146.800	157.124	152.183
Other insurance reserves - Net retention	397.084	328.143	382.017	316.501
Total technical provisions - Net retention (b)	1.733.566	1.537.128	1.679.442	1.499.971
Sharecapital/ Equity (c)	163.423	168.605	155.417	165.858
Minority Rights (d)	1.966	1.519	0	0
Total equity capital (e) = (c) + (d)	165.389	170.124	155.417	165.858
TOTAL LIABILITIES (a)+(b)+(e)	2.248.902	2.037.883	2.163.683	1.981.846

INCOME STATEMENT

	GROUP		PARENT COMPANY	
	01.01-31.12.2006	01.01-31.12.2005	01.01-31.12.2006	01.01-31.12.2005
Life insurance				
Net earned premiums and other related revenues	342.248	239.679	339.108	236.587
Minus: Commission expenses	(38.205)	(29.818)	(37.144)	(29.542)
Minus: Benefits and claims incurred - Net retention	(144.046)	(132.654)	(142.174)	(130.716)
Change in insurance reserves - Net retention	(152.238)	(83.663)	(152.112)	(85.596)
Net life investment income	47.299	[illegible]	44.654	68.850
Life insurance profits (a)	55.058	63.516	52.321	61.783
Non-Life insurance				
Net earned premiums and other related revenues	314.996	302.519	301.958	294.294
Minus: Commission expenses	(32.061)	(39.448)	(31.458)	(38.578)
Minus: Benefits and claims incurred - Net retention	(191.804)	(165.609)	(185.826)	(161.128)
Net Non-Life investment income	18.525	17.606	17.377	16.773
Non-Life insurance profits (b)	109.656	115.068	101.051	111.361
Selling, administrative and other expenses (c)	173.685	145.677	162.988	139.507
Other Income / (expenses) (d)	11.033	7.345	5.423	4.655
Profit/(Loss) before tax (a)+(b)-(c)+(d)	2.054	40.492	(4.192)	38.492
Minus Income tax expense	(4.395)	(15.337)	(3.411)	(15.087)
Net profit (loss) for the year	(2.341)	25.155	(7.603)	23.405
Attributed to:				
Equity holders of the Parent	(2.691)	25.003	(7.603)	23.405
Minority Interest	350	152	-	-
Basic & diluted earnings (losses) per share attributable to Parent (in Euro)	(0,02)	0,29	(0,06)	0,27

STATEMENT OF CHANGES IN EQUITY

	GROUP		PARENT COMPANY	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
Balance as at year's beginning (1/1/2006 and 1/1/2005 respectively)	170.124	32.871	165.858	29.833
Net Profit for the year	(2.341)	25.155	(7.603)	23.405
Net fair value gains on financial assets available for sale	(2.838)	(15.149)	(2.838)	(15.149)
Share Capital Increase	0	129.107	0	129.107
Share Capital increase expenses	0	(1.338)	0	(1.338)
Other	444	(522)	0	0
Net Equity at year end (31.12.2006 & 31.12.2005 respectively)	165.389	170.124	155.417	165.858

CASH FLOW STATEMENT

	GROUP		PARENT COMPANY	
	01.01-31.12.2006	01.01-31.12.2005	01.01-31.12.2006	01.01-31.12.2005
Net cash inflows / (outflows) from operating activities (a)	(136.531)	(136.273)	(141.816)	(136.984)
Net cash inflows / (outflows) from investing activities (b)	4.073	3.462	665	3.068
Net cash inflows / (outflows) from financial activities (c)	0	127.769	0	127.768
Net increase (decrease) in cash and cash equivalents (a)+(b)+(c)	(132.458)	(5.042)	(141.151)	(6.117)
Cash and cash equivalents at the beginning of the year	304.625	309.667	287.038	293.155
Cash and cash equivalents at the end of the year	172.167	304.625	145.887	287.038

ADDITIONAL NOTES:

1. The consolidation includes the Companies stated below:

a) Full Consolidation

Company's Name	Location	% share	Unaudited fiscal years
1. «THE ETHNIKI» HELLENIC GENERAL INSURANCE COMPANY S.A. (PARENT	Greece	100,00	2006
2. ETHNIKI LIFE INSURANCE (CYPRUS) LT	Cyprus	89,08	2006
3. SOCIETATE COMERCIALA GARANTA ASIGURARI SA	Romania	93,27	2003-2006
4. AUDATEX HELLAS S.A.	Greece	70,00	2005-2006
5. NATIONAL INSURANCE BROKERS S.A.	Greece	95,00	2003-2006
6. NBG ASIGURARI SA	Romania	99,99	2001-2006

On 15 February 2006, Ethniki has acquired 99,99% of NBG ASIGURARI S.A. for a price of 2.700 thous.

b) Net Equity

Company's Name	Location	% share
1. EVROPI A.E.G.A.	Greece	30,00
2. UBB-AIG INSURANCE AND REINSURANCE COMPANY	Bulgaria	30,00
3. UBB-AIG LIFE INSURANCE COMPANY	Bulgaria	30,00

2. Starting from January 1st 2004, the financial statements are prepared in accordance with the International Financial Reporting Standards, while IFRS 4 is implemented since January 1st 2005.
3. The consolidated financial statements of A.E.E.G.A. "THE ETHNIKI" are consolidated in the financial statements of THE NATIONAL BANK OF GREECE S.A., by the method of full consolidation. In 31 December 2006, the National Bank of Greece had 76,74% participation in the Parent Company.
4. The Parent Company's and Group's total number of employees was as follows:

Group		Parent Company	
31.12.2006	31.12.2005	31.12.2006	31.12.2005
1.417	1.347	1.248	1.215

5. The Parent Company in order to fulfil its obligation for insurance investment that derives from the insurance law has registered a prenotation of mortgage €253.072 thous. on its property.
6. There are no legal cases estimated to have material impact on the Group's results and financial position.
7. Total claims as at 31 December 2006 amount to€ 187.416 thous., total liabilities amount to € 5.244 thous., total income € 12.239 thous., total expenses € 6.262 thous., the cost of fees and benefits to the Management of the Group and the Parent Company amount to € 2.672 thous. and € 1.920 thous. respectively.
8. On 22 February 2006 the Parent Company signed an agreement with United Bulgarian Bank AD (U.B.B. AD), a subsidiary of National Bank of Greece in Bulgaria and American International Group Inc (AIG), for the incorporation of a Life Insurance Company and a Non-Life Insurance Company in Bulgaria. Ethniki Insurance and U.B.B. AD will each hold a 30% share of the companies' share capital. As regards the Life Company, the remaining 40% as well as the management will be held by American Life Insurance Company (Alico), whereas in the case of the General Insurance and Reinsurance Company, the remaining 40% will be held by AIG Central Europe & CIS Insurance Holding Corporation. Total share capital for the Life Insurance Company is € 3.068 thous. (Bulgarian Leva 6.003 thous.) and for the Non-Life Insurance Company is € 2.761 thous. (Bulgarian Leva 5.400 thous.). The two companies are full operating since 1 October 2006.

Athens, 23 March 2007

President and Managing Director	Vice-president	Deputy General Manager	Finance Director	Chief Actuary	Chief Accountant
Dracas - Pavlos I. Paleologos S 095868	Alexandros G. Tourkolias P 655972	Ioannis G. Vassiliou F 070376	Konstantinos S. Argyropoulos Lic.No 44302/ A Class	Spyridon E. Grivogiannis S 250823	Georgios X. Pronnis Lic.No 9910/ A Class

Appendix

A. Key figures 2006-2005

	Group		Parent Company	
(in thous. €)	**2006**	**2005**	**2006**	**2005**
Gross earned premiums & related revenue	737.184	625.447	710.307	603.510
Ceded premiums	77.440	74.167	68.862	64.206
Net earned premiums & related revenue	657.244	542.198	640.056	530.881
Benefits and Claims paid	335.850	298.323	328.000	291.844
Mathematical reserves & technical provisions	1.733.566	1.537.128	1.679.442	1.499.971
Administrative, selling & distribution expenses	164.206	140.006	154.705	134.935
Investment income	65.816	87.878	62.031	85.623
Profit / (Loss) before tax	1.870	40.323	(4.192)	38.492
Income tax expense	(4.395)	(15.337)	(3.411)	(15.087)
Net Profit / (Loss) for the year	(2.341)	25.155	(7.603)	23.405
Tangible & intangible assets	281.527	280.269	271.544	273.513
Financial assets	1.317.698	993.140	1.291.446	976.682
Total assets	2.248.902	2.037.883	2.163.683	1.981.846
Total equity	165.389	170.124	155.417	165.858
Retention Ratio	89,5%	88,2	90,3%	89,4%
Expense Ratio	22,3%	22,4%	21,8%	22,4%
Combined Ratio P&C	104,9%	95,4%	105,7%	96,0%
Combined Ratio P&C (excluding one-off expenses)	95,0%	95,4%	95,3%	96,0%
Solvency Ratio	-	-	2,86	3,14
Net Profit / (Loss) over Assets Ratio	(0,1)%	1,23%	(0,35)%	1,94%
Net Profit / (Loss) over Equity Ratio	(1,4)%	14,79%	(4,9)%	23,2%
Staff number as at 31-12	1417	1347	1.248	1.213
Share price as at 31-12	-	-	5,58	5,30
Market Value as at 31-12	-	-	720.415.944	684.266.040
Number of Shares	-	-	129.106.800	129.106.800

B. Securities List, 31st December 2006

A) TRADING PORTFOLIO

a.SHARES	PIECES	COST PRICE	COST VALUE	PRICE 31/12/2006	FAIR VALUE
HELLENIC TELECOM. ORG.	400.000	18,43	7.373.653,39	22,76	9.104.000,00
ELLINIKI TECHNODOMIKI TEB	5.500	7,96	43.790,00	8,46	46.530,00
EMPORIKI BANK	375.881	25,13	9.444.686,04	23,30	8.758.027,30
ALUMINIUM OF GREECE	175.000	17,76	3.107.926,64	18,14	3.174.500,00
HELLENIC EXCHANGES	3.500	14,08	49.270,00	13,94	48.790,00
METKA	3.000	9,07	27.195,00	10,20	30.600,00
MARFIN	1.100	40,60	44.656,00	39,98	43.978,00
ATTICA HOLDINGS	5.500	4,03	22.170,00	4,00	22.000,00
VIVARTIA	3.000	13,58	40.742,00	14,44	43.320,00
MOTOR OIL	3.500	20,05	70.170,00	19,52	68.320,00
TERNA	1.000	10,46	10.455,12	12,80	12.800,00
HERACLES GEN. CEMENT COMPANY	500	15,15	7.575,00	16,24	8.120,00
ATH. WATER SUPPLY & SEWAGE COMPANY	3.000	6,90	20.710,00	7,22	21.660,00
EUROBANK PROPERTIES	17.500	15,22	266.300,34	17,02	297.850,00
TOTAL			**20.529.299,53**		**21.680.495,30**

b.BONDS	NOMINAL VALUE	COST PRICE	COST VALUE	PRICE 31/12/2006	FAIR VALUE
PIRAEUS GR. (2004-2007)	5.000.000,00	100,00%	5.000.000,00	100,145%	5.007.250,00
EMPORIKI GR. (2004-2014)	12.000.000,00	100,00%	12.000.000,00	101,550%	12.186.000,00
HELLENIC REPUBLIC BOND (2005-15)	30.000.000,00	101,17%	30.351.000,00	96,840%	29.052.000,00
EFG HELLAS PLC (2006-13)	10.000.000,00	100,00%	10.000.000,00	100,000%	10.000.000,00
ALPHA CR. GR. (2004-2009)	30.000.000,00	100,00%	30.000.000,00	100,080%	30.024.000,00
EFG HELLAS PLC (2004-2009)	20.000.000,00	100,00%	20.000.000,00	100,299%	20.059.800,00
EFG HELLAS PLC (2004-2014)	30.000.000,00	100,00%	30.000.000,00	100,550%	30.165.000,00
TOTAL			**137.351.000,00**		**136.494.050,00**

c. MUTUAL FUNDS	SHARES	COST PRICE	COST VALUE	PRICE 31/12/2006	FAIR VALUE
DELOS DELTA SMART	898.777,662	10,0136	9.000.000,00	10,0284	9.013.301,91
DELOS DELTA SKY	299.589,562	10,0137	3.000.000,00	10,0509	3.011.144,73
DELOS SYNTHESIS BEST BLUE	295.374,436	10,1566	3.000.000,00	10,1489	2.997.725,61
TOTAL			**15.000.000,00**		**15.022.172,25**

TRADING PORTFOLIO: PERCENTAGE ALLOCATION			
	COST VALUE	FAIR VALUE	% OF FAIR VALUE
SHARES	20.529.299,53	21.680.495,30	12,52%
BONDS	137.351.000,00	136.494.050,00	78,81%
MUTUAL FUNDS	15.000.000,00	15.022.172,25	8,67%
TOTAL	**172.880.299,53**	**173.196.717,55**	**100,00%**

B) AVAILABLE FOR SALE PORTFOLIO

a. SHARES	PIECES	COST PRICE	COST VALUE	PRICE 31/12/2006	FAIR VALUE
AGRICULTURAL BANK OF GREECE	265.000	4,97	1.317.187,48	3,90	1.033.500,00
ALPHA BANK	1.450.000	21,20	30.743.230,45	22,90	33.205.000,00
PIRAEUS BANK	200.000	17,89	3.577.224,04	24,42	4.884.000,00
GENIKI BANK	180.000	9,97	1.794.025,00	8,80	1.584.000,00
EFG EUROBANK ERGASIAS	1.000.000	25,57	25.573.551,69	27,44	27.440.000,00
BANK OF GREECE	142.223	88,97	12.653.582,00	96,85	13.774.297,55
HELLENIC PETROLEUM	500.000	10,76	5.381.951,72	10,44	5.220.000,00
COCA-COLA E.E.E.	92.000	25,20	2.318.674,34	29,60	2.723.200,00
TITAN CEMENT COMPANY (O)	65.000	24,91	1.618.838,70	41,30	2.684.500,00
TITAN CEMENT COMPANY (P)	169.052	31,36	5.301.056,58	33,70	5.697.052,40
PUBLIC POWER CORPORATION	89.890	19,80	1.779.455,70	19,20	1.725.888,00
OPAP	800.000	28,51	22.804.790,09	29,28	23.424.000,00
COSMOTE	650.000	16,94	11.008.557,50	22,40	14.560.000,00
ALPHA TRUST ANDROMEDA	550.000	2,66	1.462.975,94	3,08	1.694.000,00
RINET	200	23,97	4.794,13	23,97	4.794,13
COOPER BANK XANTHI	12	293,47	3.521,64	356,75	4.281,00
MTDC S.A GREECE	24	146,74	3.521,64	134,77	3.234,48
AMYLLUM HELLAS	28.144	0,91	25.498,46	0,64	18.012,16
ΣΥΝΟΛΟ			**127.372.437,10**		**139.679.759,72**

b. BONDS	NOMINAL VALUE	COST PRICE	COST VALUE	PRICE 31/12/2006	FAIR VALUE
P.P.C S.A (1997-2012)	13.206.162,88	100,000%	13.206.162,88	100,050%	13.212.765,96
RENTAI FRANCAIS	2,76	100,000%	2,76	100,000%	2,76
OTE PLC (2006-2009)	12.000.000,00	100,000%	12.000.000,00	100,100%	12.012.000,00
HELLENIC REPUBLIC I/L BOND (2003-25)	30.000.000,00	115,306%	34.591.669,12	112,500%	33.750.000,00
FRANCE OAT (1992-2022)	46.800.000,00	120,196%	56.251.616,83	148,028%	69.277.104,00
HELL.SEC. (2000-08)	358.328,10	100,000%	358.328,10	100,000%	358.328,10
HELL.SEC. (2000-11)	1.500.000,00	100,372%	1.505.578,26	106,440%	1.596.600,00
HELL. REP.(2005-20)	2.000.000,00	100,000%	2.000.000,00	80,000%	1.600.000,00
HELL. REP.(2005-24)	10.000.000,00	100,000%	10.000.000,00	88,000%	8.800.000,00
HELL. REP.(2005-25)	30.000.000,00	100,000%	30.000.000,00	83,000%	24.900.000,00
HELL. REP.(2006-21)	10.000.000,00	100,000%	10.000.000,00	98,000%	9.800.000,00
HELL. REP.(2006-18)	5.000.000,00	100,000%	5.000.000,00	99,980%	4.999.000,00
BTP (1997-2027)	3.000.000,00	116,547%	3.496.405,93	128,766%	3.862.980,00
PIRAEUS GROUP CAP LTD (2004-perp.)	5.000.000,00	100,000%	5.000.000,00	101,500%	5.075.000,00
DEUTSCHE BK CAP (2005-perp.)	20.000.000,00	100,000%	20.000.000,00	87,850%	17.570.000,00
EFG BANK (2004-perp.)	38.000.000,00	100,132%	38.050.000,00	81,951%	31.141.380,00
CALYON FINANCE LTD (2006-26)	10.000.000,00	100,000%	10.000.000,00	100,000%	10.000.000,00
HELLENIC REPUBLIC BOND (2006-2016)	45.000.000,00	100,085%	45.038.100,00	95,340%	42.903.000,00
EUROPEAN INVESTMENT BANK (2005-2020)	30.000.000,00	100,000%	30.000.000,00	84,125%	25.237.500,00
HELLENIC REPUBLIC BOND (2005-15)	80.000.000,00	102,012%	81.609.500,00	96,840%	77.472.000,00
ETE FUND PLUS $ LIBOR (2006-16)	20.000.000,00	100,000%	20.000.000,00	100,000%	20.000.000,00
ETE FUND PLUS £ VS EURO 10Y IRS (2006-26)	25.000.000,00	100,000%	25.000.000,00	100,000%	25.000.000,00
EGNATIA FIN. PLC (2005-2008)	5.000.000,00	100,000%	5.000.000,00	100,500%	5.025.000,00
SUM	**441.864.493,74**		**458.107.363,88**		**443.592.660,82**

c. MUTUAL FUNDS	SHARES	COST PRICE	COST VALUE	PRICE 31/12/2006	FAIR VALUE
DELOS EUROBOND-INTERNATIONAL BOND FUND	9.019.491,534	5,8681	52.927.300,00	6,1724	55.671.909,54
DELOS INCOME-DOMESTIC BOND FUND	283.955,384	8,8042	2.500.000,00	8,8170	2.503.634,62
DELOS TOP-30	3.359.916,022	2,2871	7.684.460,75	2,6116	8.774.756,68
DELOS FINANCIAL BOND-INTERNATIONAL BOND FUND	1.964.868,158	10,1788	20.000.000,00	10,7729	21.167.328,18
DELOS STRATEGIC INVESTMENTS-INTERNATIONAL BALANCED FUND	89.787,529	10,4052	934.254,82	11,4208	1.025.445,41
DELOS SYNTHESIS YELLOW	959.402,736	10,4232	10.000.000,00	10,7687	10.331.520,24
DELOS SYNTHESIS GREEN	1.071.049,208	10,2703	11.000.000,00	10,5089	11.255.549,02
DELOS INTERNATIONAL EQUITY FUND	1.760.331,002	4,3600	7.675.012,22	4,4980	7.917.968,85
NBG ARB. STR. FUND	8.833,220	1.132,0900	10.000.000,00	1.228,5700	10.852.229,10
NBG EUROPEAN ALLSTARS	10.222,753	978,2101	10.000.000,00	1.410,2700	14.416.841,87
NBG SOCIALLY RESPONSIBLE	3.986,700	1.254,1701	5.000.000,00	1.327,8300	5.293.659,86
DELOS EUROPEAN EQUITY FUND	2.077.198,933	4,9671	10.317.574,43	5,3671	11.148.534,39
SUM			**148.038.602,22**		**160.359.377,76**

AVAILABLE FOR SALE PORTFOLIO: PERCENTAGE ALLOCATION			
	COST VALUE	**FAIR VALUE**	**% OF FAIR VALUE**
SHARES	127.372.437,10	139.679.759,72	18,78%
BONDS	458.107.363,88	443.592.660,82	59,65%
MUTUAL FUNDS	148.038.602,22	160.359.377,76	21,56%
TOTAL	**733.518.403,20**	**743.631.798,30**	**100,00%**

SUMMARY REPORT

	COST VALUE	FAIR VALUE	% OF FAIR VALUE
TRADING PORTFOLIO	172.880.299,53	173.196.717,55	18,8909%
AVAILABLE FOR SALE PORTFOLIO	733.518.403,20	743.631.798,30	81,1091%
TOTAL	**906.398.702,73**	**916.828.515,85**	**100,0000%**

UNIT LINKED

		Cost Value		Market Value as at 31/12/2006	
	Shares	Cost Price	Total Cost Value	Price per Share	Total Market Value
1. UNIT LINKED - ETHNIKI & PENSION					
DELOS EUROBOND-INTERNATIONAL BOND FUND	7.495.050,784	5,7371	43.000.000,00	6,1724	46.262.451,46
DELOS EUROPEAN EQUITY FUND	1.852.526,802	5,4534	10.102.499,03	5,3671	9.942.696,60
DELOS INTERNATIONAL EQUITY FUND	1.242.870,571	5,4708	6.799.461,03	4,4980	5.590.431,83
DELOS INTERNATIONAL BOND FUND	185.428,989	10,7858	2.000.000,00	10,9298	2.026.701,76
DELOS DOMESTIC INCOME FUND	2.039.049,844	8,3372	17.000.000,00	8,8170	17.978.302,47
DELOS USA BOND-INTERNATIONAL BOND FUND	1.061.702,617	5,6513	6.000.000,00	5,4267	5.761.541,59
DELOS CORPORATE BONDS FUND	466.692,179	10,7137	5.000.000,00	10,8272	5.052.969,56
NBG INCOME PLUS SUB - FUND	4.932,766	1.013,6301	5.000.000,00	1.084,9800	5.351.952,45
DELOS FINANCIAL BOND-INTERNATIONAL BOND FUND	2.482.170,123	10,0718	25.000.000,00	10,7729	26.740.170,52
DELOS STRATEGIC INVESTMENTS-INTERNATIONAL BALANCED FUND	360.909,853	11,0831	4.000.000,00	11,4208	4.121.879,25
NBG GROWTH STRATEGY II	12.000,000	1.000,0000	12.000.000,00	1.130,2200	13.562.640,00
NBG HELLENIC ALLSTARS /B	14.800,3924	1.081,0524	15.999.999,99	1.955,6200	28.943.943,39
NBG EUROPEAN ALL STARS SUB FUND	26.051,8830	1.017,2009	26.500.000,00	1.410,2700	36.740.189,04
NBG GLOBAL HEDGED BOND/B	148,7990	1.094,6003	162.875,43	1.113,4600	165.681,73
NBG STRATEGIC BOND/B	607,5920	1.097,6001	666.893,02	1.115,2500	677.616,98
NBG INTERNATIONAL GLOBAL EQUITY	1.970,8700	1.014,7803	2.000.000,00	1.399,2000	2.757.641,30
NBG INTERN.SICAV EMERG EUROBOND	1.827,3670	1.094,4709	2.000.000,00	1.086,0900	1.984.685,03
DELOS DELTA SKY	52.325,3450	10,0118	523.870,89	10,0509	525.916,81
DELOS DELTA SMART	202.160,5270	10,0112	2.023.870,90	10,0284	2.027.346,63
DELOS SYNTHESIS BEST YELLOW	474.463,8180	10,5382	5.000.000,00	10,7687	5.109.358,52
DELOS SYNTHESIS BEST GREEN	1.553.485,5370	10,2994	16.000.000,00	10,5089	16.325.424,16
DELOS SYNTHESIS BEST BLUE	79.392,6460	10,0765	800.000,00	10,1489	805.748,02
DELOS SYNTHESIS BEST RED	943.043,1050	10,8160	10.200.000,00	11,2547	10.613.667,23
DB PLATINUM IV BALANCED CURR.HARVEST EURO FUND	400,0000	9.979,0000	3.991.600,00	10.383,1800	4.153.272,00
DEUTSCHE BANK CHINA GROWTH BASKET NOTE	50.000,0000	98,7650	4.938.250,00	98,9800	4.949.000,00
OTE BOND 5.8.2003 - 2013	10.000,00	100,0000%	10.000.000,00	101,32600%	10.336.709,59
E.F.G. HELLAS PLC BOND	40,00	100,0000%	2.000.000,00	100,0000%	2.021.738,90
CASH AND CASH EQUIVALENTS					2.162.403,55
SUM 1			**238.709.320,29**		**272.692.080,37**
2. UNIT LINKED - INVEST.FUND					
DELOS EUROBOND-INTERNATIONAL BOND FUND	1.300.000,000	5,2172	6.782.299,85	6,172400	8.024.120,00
DELOS DOMESTIC INCOME FUND	938.967,673	6,9645	6.539.473,59	8,817000	8.278.877,97
DELOS CORPORATE BONDS FUND	793.376,704	10,7137	8.500.000,00	10,827200	8.590.048,25
DELOS BLUE CHIPS	150.426,0310	0,8034	1.427.377,56	17,300800	2.602.490,68
DELOS EUROPEAN EQUITY FUND	534.875,8920	4,9170	2.630.000,00	5,367100	2.870.732,40
DELOS INTERNATIONAL EQUITY FUND	382.910,5840	4,3091	1.650.000,00	4,498000	1.722.331,81
DELOS SYNTHESIS BEST GREEN	248.882,5170	10,0449	2.500.000,00	10,508900	2.615.481,48
NBG EMERGING EUROBOND	915,4400	1.092,3709	1.000.000,00	1086,090000	994.250,23
DELOS TOP 30	1.776.673,042	2,7608	2.592.343,64	2,611600	4.639.959,32
DEUTSCHLAND I/L	2.000,000	2,5108	1.992.000,00	97,259%	1.969.569,08
CASH AND CASH EQUIVALENTS					109.343,24
SUM 2			**35.613.494,64**		**42.417.204,46**

3. UNIT LINKED - ETHNIKI & CHILD					
DELOS EUROBOND-INTERNATIONAL BOND FUND	1.256.590,497	5,9455	7.471.080,66	6,1724	7.756.179,18
ATTICA DOMESTIC BOND FUND	8.124,580	3,2509	26.412,33	5,2032	42.273,81
DELOS BLUE CHIPS	60.461,920	24,2690	1.467.351,43	17,3008	1.046.039,59
DELOS DOMESTIC BALANCED FUND	372.463,663	19,0670	7.101.748,38	21,4041	7.972.249,49
DELOS SYNTHESIS BEST YELLOW	198.343,829	10,0835	2.000.000,00	10,7687	2.135.905,19
ATTICA DOMESTIC BALANCED FUND	17.638,317	6,6553	117.388,11	8,3868	147.929,04
DELOS CORPORATE BONDS FUND	1.689.107,1449	10,0645	17.000.000,00	10,8272	18.288.300,88
DELOS TOP 30	1.370.707,970	1,4591	2.000.000,00	2,6116	3.579.740,93
NBG HELLENIC ALL STARS FUND/B	1.354,757	1.476,2795	2.000.000,01	1.955,6200	2.649.389,88
NBG EUROPEAN ALL STARS FUND/B	1.673,066	1.195,4101	2.000.000,00	1.410,2700	2.359.474,79
NBG SYN. ARB. STRATEGY FUND	1.766,644	1.132,0900	2.000.000,00	1.228,5700	2.170.445,82
DB PLATINUM IV BALANCED CURR.HARVEST EURO FUND	100,000	9.979,0000	997.900,00	10.383,1800	1.038.318,00
DELOS DELTA SKY	25.536,502	10,0118	255.666,35	10,0509	256.664,83
DELOS DELTA SMART	75.481,562	10,0113	755.666,35	10,0284	756.959,30
DELOS EUROPEAN EQUITY FUND	735.805,628	5,0285	3.700.000,00	5,3671	3.949.142,39
DELOS INTERNATIONAL EQUITY FUND	232.834,291	4,2949	1.000.000,00	4,4980	1.047.288,64
DELOS SYNTHESIS BEST RED	183.355,030	10,9078	2.000.000,00	11,2547	2.063.605,86
CASH AND CASH EQUIVALENTS					934.364,03
SUM 3			**51.893.213,62**		**58.194.271,65**
4. UNIT LINKED - MAGNA LINKED					
DELOS DOMESTIC BALANCED FUND	61.392,9550	15,0106	921.544,2500	21,4041	1.314.060,95
SUM 4			**921.544,2500**		**1.314.060,95**
TOTAL SUM 1+2+3+4			***327.137.572,80***		***374.617.617,43***

*Including accrued interest

C. Published Corporate Information during the financial year 2006

Table of references according to the Article 10 of L. 3401/2005

Corporate Announcements

Subject	Website Link	**Date**
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalistiki.gr	8.2.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalistiki.gr	8.2.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalistiki.gr	8.2.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalistiki.gr	8.2.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalistiki.gr	8.2.2006
ETHNIKI INSURANCE COMPANY, U.B.B. AND A.I.G. ARE JOINING FORCES IN BULGARIA	www.ase.gr www.ethniki-asfalistiki.gr	21.2.2006
INTENDED CORPORATE ACTIONS AND FINANCIAL STATEMENTS RELEASE ANNOUNCEMENT PLAN FOR 2006	www.ase.gr www.ethniki-asfalistiki.gr	27.2.2006
FINANCIAL RESULTS 2006	www.ase.gr www.ethniki-asfalistiki.gr	28.2.2006
CHANGE OF THE ECONOMIC DIRECTOR	www.ase.gr www.ethniki-asfalistiki.gr	2.3.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalistiki.gr	10.3.2006
STATEMENT OF APPLICATION OF RIGHT ISSUE PROCEEDS	www.ase.gr www.ethniki-asfalistiki.gr	20.3.2006
ANNOUNCEMENT ANNUAL MEETING WITH GREEK ANALYSTS	www.ase.gr www.ethniki-asfalistiki.gr	21.3.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (PARENT)	www.ase.gr www.ethniki-asfalistiki.gr	23.3.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (CONSOLIDATED)	www.ase.gr www.ethniki-asfalistiki.gr	23.3.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (PARENT)	www.ase.gr www.ethniki-asfalistiki.gr	30.3.2006
PRESENTATION TO ANALYSTS THE NEW BUSINESS PLAN 2006-2008	www.ase.gr www.ethniki-asfalistiki.gr	4.4.2006
ANNUAL MEETING WITH GREEK ANALYSTS	www.ase.gr www.ethniki-asfalistiki.gr	11.4.2006
NEW BUSINESS PLAN 2006 – 2008	www.ase.gr www.ethniki-asfalistiki.gr	18.4.2006
PRESENTATION IN LONDON NEW BUSINESS PLAN 2006 – 2008	www.ase.gr www.ethniki-asfalistiki.gr	2.5.2006
CHANGE OF DATE ORDINARY ANNUAL GENERAL MEETING	www.ase.gr www.ethniki-asfalistiki.gr	4.5.2006
INVITATION FOR ANNUAL GENERAL MEETING OF SHAREHOLDERS	www.ase.gr www.ethniki-asfalistiki.gr	5.5.2006
RELEASE OF THE ANNUAL REPORT FOR THE YEAR 2005	www.ase.gr. www.ethniki-asfalistiki.gr	15.5.2006
PRESS RELEASE	www.ase.gr www.ethniki-asfalistiki.gr	26.5.2006

ORDINARY ANNUAL GENERAL MEETING OF SHAREHOLDERS	www.ase.gr www.ethniki-asfalistiki.gr	29.5.2006
CHANGE OF THE BOARD OF ADMINISTRATION	www.ase.gr www.ethniki-asfalistiki.gr	30.5.2006
ANNUAL GENERAL MEETING OF THE SHAREHOLDERS	www.ase.gr www.ethniki-asfalistiki.gr	30.5.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (CONSOLIDATED)	www.ase.gr www.ethniki-asfalistiki.gr	30.5.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (PARENT)	www.ase.gr www.ethniki-asfalistiki.gr	30.5.2006
QUARTER 1 FINANCIAL STATEMENTS	www.ase.gr www.ethniki-asfalistiki.gr	31.5.2006
EXTENSION OF DEADLINE FOR THE DISPOSAL OF REGISTERED PAPER SHARES WHICH HAVE NOT BEEN SUBMITTED FOR DE-MATERIALIZATION	www.ase.gr www.ethniki-asfalistiki.gr	13.6.2006
CHANGE OF INTERNAL CONTROL	www.ase.gr www.ethniki-asfalistiki.gr	13.6.2006
PARTICIPATION IN EKAB’S PUBLIC TENDERING	www.ase.gr www.ethniki-asfalistiki.gr	19.6.2006
EXPRESS OF INTEREST FOR ACQUISITION OF AN INSURANCE COMPANY IN SERBIA	www.ase.gr www.ethniki-asfalistiki.gr	22.6.2006
COMPLETION OF THE TAX CONTROL FOR THE FISCAL YEARS 2003 AND 2004	www.ase.gr www.ethniki-asfalistiki.gr	12.7.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalistiki.gr	17.7.2006
EXTENSION OF DEADLINE FOR THE DISPOSAL OF REGISTERED PAPER SHARES WHICH HAVE NOT BEEN SUBMITTED FOR DEMATERIALIZATION	www.ase.gr www.ethniki-asfalistiki.gr	21.7.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalistiki.gr	26.7.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalistiki.gr	11.8.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (PARENT)	www.ase.gr www.ethniki-asfalisiki.gr	31.8.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (CONSOLIDATED)	www.ase.gr www.ethniki-asfalisiki.gr	31.8.2006
PRESS RELEASE 1 HO6 RESULTS	www.ase.gr www.ethniki-asfalisiki.gr	1.9.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (CONSOLIDATED)	www.ase.gr www.ethniki-asfalisiki.gr	1.9.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (PARENT)	www.ase.gr www.ethniki-asfalisiki.gr	1.9.2006
NEW INVESTOR RELATIONS WEBSITE	www.ase.gr www.ethniki-asfalisiki.gr	27.9.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalisiki.gr	27.9.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalisiki.gr	23.10.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalisiki.gr	26.10.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalisiki.gr	30.10.2006
PARTICIPATION IN MOD’S PUBLIC TENDERING	www.ase.gr www.ethniki-asfalisiki.gr	9.11.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalisiki.gr	28.11.2006
FINANCIAL STATEMENTS IN ACCORDANCE	www.ase.gr	30.11.2006

WITH IAS (CONSOLIDATED)	www.ethniki-asfalisiki.gr	
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS (PARENT)	www.ase.gr www.ethniki-asfalisiki.gr	30.11.2006
PRESS RELEASE 9MONTH RESULTS 2006	www.ase.gr www.ethniki-asfalisiki.gr	30.11.2006
ANNOUNCEMENT ETHNIKI'S NEW BOARD OF DIRECTORS	www.ase.gr www.ethniki-asfalisiki.gr	1.12.2006
WITHDRAWAL OF INTEREST	www.ase.gr www.ethniki-asfalisiki.gr	1.12.2006
PARTICIPATION IN MOD'S PUBLIC TENDERING	www.ase.gr www.ethniki-asfalisiki.gr	20.12.2006
ANNOUNCEMENT OF TRANSACTIONS	www.ase.gr www.ethniki-asfalisiki.gr	21.12.2006
ANNOUNCEMENT PARTICIPATION IN EKAB'S SECOND PUBLIC TENDERING	www.ase.gr www.ethniki-asfalisiki.gr	28.12.2006

Quarterly announcements of results

FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS 1st QUARTER 2006	www.ase.gr www.ethniki-asfalistiki.gr	31.5.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS 1st SEMESTER 2006	www.ase.gr www.ethniki-asfalistiki.gr	1.9.2006
FINANCIAL STATEMENTS IN ACCORDANCE WITH IAS 9MONTH 2006	www.ase.gr www.ethniki-asfalistiki.gr	30.11.2006

Annual Reports

ANNUAL REPORT 2005	www.ase.gr www.ethniki-asfalistiki.gr	15.5.2006
ANNUAL BULLETIN 2005	www.ase.gr www.ethniki-asfalistiki.gr	15.5.2006

Affiliate Companies'Websites

The annual financial statements 2006, the auditing reports of the Certified Public Accounting Auditors as well as the Reports issued by the Board of Directors of the affiliate companies AUDATEX HELLAS S.A. and NATIONAL INSURANCE BROKERS S.A. are available at www.ethniki-asfalistiki.gr

The respective reports as regards the following subsidiaries are available at:

α) THE ETHNIKI GENERAL INSURANCE (CYPRUS) LTD: www.ethnikiinsurance.com/

β) S.C. GARANTA S.A. (ROMANIA): www.garanta.ro

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