ANNUAL BULLETIN

FISCAL YEAR 2005

Pursuant to the decision

No. 7/372/15.02.2006 of the Capital Market Commission

Athens, March 2006

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1. GENERAL INFORMATION

This Annual Bulletin contains all information and financial data necessary for an accurate assessment of the assets, financial condition, results from operations and prospects of the Bank and the Group of ASPIS BANK S.A.

This Annual Bulletin was compiled according to the stipulations of decision No.7/372/15-02-2006 of the Capital Market Commission.

2. REPORT OF THE BOARD OF DIRECTORS

In 2005, most of banks including ASPIS BANK, under the challenge of adapting IFRS, managed to maintain their constant development as well as their high profitability, continuing in playing a major role in the general development of the country. The interest in sectors with potentially high profits as well as for further potential developments, such as plain banking activities and in particular retail banking still remains the main supplier of their profits. The re-scheduling of their strategies in order to improve operational performance resulted in an increase in net profits and in maintaining their capitalization and liquidation at groups to sufficient levels.

Beyond the actions taken by financial institutions for selecting and implementing strategic business plans, profitability for Greek banks complies with the favorable macroeconomic environment in terms of credit development. More specifically, based on information for 31 December of 2005, the Greek economy maintained its developing power during 2005 by combining a rate development up to 3.7%, where despite the fact that this rate seems to be slow-developed, it is double in terms of figures compared to the Euro-zone's rate, which varied around 1.3% in 2005. This development continues to rely on domestic demand, which is mainly supplied from private consumption. On the other side, following the opposite route, investments decreased due to the decrease of public investments especially after the Olympic Games.

Taking into consideration the low nominal interest rates and the even lower actual interest rates in Greece due to the high inflation, expansion in loans continued in Greece, which can be explained from the annual increase in total funding (including securitized loans), which reached 18.5% in 2005 compared to 16.7% in 2004. As a result, loans to households and businesses in 2005 almost reached 78% of GNP compared to 72% in 2004. The increase in loans for 2005 mainly resulted from households, maintaining a high integration rate reaching 27% compared to 30.5% in 2004. Respectively, household loans (including securitized loans) increased by 6.5% and finally reached a 38.5% of GNP. The increase in housing loans experienced a slow-developed rate, but maintained at high levels by reaching 32%. On the other side, consumption, experienced similar integration rates despite the fact that it showed a higher slow-developed rate compared to housing loans, but, it managed to reach 28%. Corporate loans increased, but with a lower rate compared to 2004, whereas loans to households in 2005 increased by 6% compared to 7.5% in 2004. Respectively, loans to businesses decreased and reached a 39% of GNP in 2005 compared to 39.7% in 2004.

Despite the high growth rates of loans for households and the much lower growth rates of businesses' loans, it is worth mentioning that loans per households as well as businesses is far below from the respective figures for the EU whereas in 2005, households almost reached a 52% of Euro-zone's GNP and businesses reached 51%. This fact, in accordance with the fact that Banks operate in a secured and stabilized environment, creates further development potentials for the banking sector, however, it depends upon the effective management of credit risks by Banks. Consequently, with a well-structured credit policy, Banks will be able to secure themselves against potential negative processes in a macro-economical level, such as an immediate increase in interest rates at Euro-zone or the interception of the economy growth rate, which will influence negatively the private sector's expenses in terms of consumption and investment. Beyond the mitigating risk for Banks in order to secure their income, it is important in maintaining high standards to improve operational performance by controlling operation costs effectively and improving performance by personnel.

ASPIS BANK'S DEVELOPMENT

In the age of challenges in the post-Olympic environment, ASPIS BANK maintained its stable organizational restructuring route, and continued to expand and develop based on experience from the last five years. This stable profitable and development route relies on stable fundamentals of sufficient capitalization and of a high quality portfolio, which is shown from the Bank's and Group's financial results. Following the three strategic axises, which are illustrated upon the support of our presence in the Greek banking sector, by maintaining up to a high level the rates of increase in income with a simultaneous improvement in operational performance. All the above resulted in a historic high achievement in terms of profitability. In accordance with the first strategic axis, the implementation of the plan of relocating branches that were close to other branches, which as a result, were derived from the purchase of other banking networks, and from opening new branches. The Bank at the moment has a network of 67 branches in 27 cities apart from Athens and Thessaloniki.

By taking into consideration the maintaining of the high increase in income, loans as the main supplier of income, on a consolidated basis showed an increase rate of 16%, where loans to households increased by 13% and loans to businesses increased by 22%. Total assets increased by 12% in 2005. Additionally, the Bank's market share in SME was further enhanced, which resulted in its continuing integration. Consequently, our orientation for pure banking activities led to positive results, which on a consolidated basis, net profits from interests and commissions increased by 17% and 18% respectively. These two main sources of income resulted in an increase in operating income by 13%.

In terms of implementing the third axis, this acts parallel with the other two strategic axises, in improving infrastructure, performance, and stabilizing operating expenses. As a result, operating expenses decreased by 4% with a simultaneous decrease of all other sources of expenses. Consequently, the efficiency index decreased by 14% and reached 80%. The Bank in terms of improving its infrastructure, started to design and implement a new software, which it will secure a more effective operation as well as it will improve the quality of the services provided.

Beyond improving profitability, the Bank's capital sources were further increased from the issue of a sub-ordinated bond loan (Lower Tier 2) value of EUR 50,000,000 in February 2005. The increase in capitalization indemnifies the Bank's funding in terms of developing its activities, this is reflected in equity, which increased by 13%, and to the increase in the efficiency index of equity (after taxes and minority interests), reaching a 10.4%.

Targets and potentials

By building on our strong fundamentals and with a vision in continuing our presence in the banking sector, our successful and stable route of expansion is carried on. Our targets for next year are the following:

- Give emphasis to sectors that have high potentials in terms of profitability and integration such as by funding middle-sized businesses.
- To maintain position in the market concerning housing loans, where the Bank due to its many years of experience in this sector has advantages against other competitors.
- Utilization of the integration potentials in terms of capital management and to improve its presence in this area, in co-operation with ABN AMRO.
- Further utilization in terms of co-operation between the Bank and the insurance companies of ASPIS GROUP to increase constantly cross-sales.
- Increase in income by investing in schemes that indemnify excellent utilization of human resources.
- Constant improvement and development of new products and services by giving emphasis to integrated banking solutions applied on customers' needs.
- Further expansion of the Bank's network of branches so ASPIS BANK to have a strong presence in all big cities.
- In addition, the investments in technology for the further improvement of its fundamentals will be carried on.

In 2006, our integration plans will carry on covering all sectors so to create long-term values to meet our Shareholders' standards.

Athens, 27 February 2006

President of Board of Directors and Managing Director

Konstantinos V. Karatzas

3. FINANCIAL STATEMENT AND AUDITOR'S REPORT

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Auditor's Report

(Translated from the original in Greek)

To the Shareholders of
ASPIS BANK A.T.E.

We have audited the accompanying financial statements of ASPIS BANK A.T.E. (the "Bank") which comprise the balance sheet as at 31 December 2005, and the 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. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' Report with the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accompanying financial statements give a true and fair view, of the Bank's financial position as of 31 December 2005, and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards, that have been adopted by the European Union and the Board of Directors' Report is consistent with the accompanying financial statements.

Without qualifying our opinion we draw attention to note 9 to the financial statements, that explains that the tax obligations of the Bank for the years from 2003 to 2005 have not yet been audited by the tax authorities and accordingly its tax obligations for those years are not considered final. The outcome of a tax audit can not presently be determined.

Athens, 27 February 2006

KPMG Kyriacou Certified Auditors AE

Nikolaos Vouniseas
Certified Auditor Accountant
AM SOEL 18701

	Note	2005	2004
Interest and similar income		86 196	77 670
Interest expense and similar charges		(40 686)	(37 683)
Net interest income	**4**	**45 510**	**39 987**
Fee and commission income	**5**	25 534	19 795
Fee and commission expense		(528)	(609)
Net fee and commission income		**25 006**	**19 186**
Dividend income		44	80
Net trading income	**6**	5 906	6 756
Net gain/(loss) on disposal of non-trading financial instruments		5	(480)
Other operating income		2 202	2 954
Operating expenses	**7**	(63 037)	(65 521)
Impairment losses on loans and advances		(2 247)	(2 024)
Profit before tax		13 389	938
Income tax expense	**9**	(3 341)	(2 176)
Profit/(loss) after tax		10 048	(1 238)
Basic and diluted earnings per share (euro per share)	**10**	0.21	(0.03)

PRESIDENT OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR	VICE PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF FINANCIAL OFFICER
KONSTANTINOS V. KARATZAS	**STYLIANOS A. ARGYROS**	**EVANGELOS V. STATHOPOULOΣ**
ID No I013419	**ID No S206517**	**ID No S045074**
		LICENCE No OEE 523 1ST CLASS

The attached notes on pages 13 to 57 form part of these financial statements.

Assets	**Note**	**2005**	**2004**
Cash and balances with Central Bank	**11**	66 319	175 869
Loans and advances to banks	**12**	331 182	228 297
Trading securities	**13**	1 820	697
Derivative financial instruments	**14**	134	-
Loans and advances to customers	**15**	1 403 632	1 159 195
Investment in subsidiaries	**16**	30 493	30 493
Investment securities			
- available-for-sale	**17**	18 873	17 307
- held-to-maturity	**18**	52 393	51 056
Property, plant and equipment	**19**	25 271	26 754
Intangible assets	**20**	2 242	2 269
Deferred tax assets, net	**21**	4 948	7 085
Other assets	**22**	49 743	34 468
Total assets		**1 987 050**	**1 733 490**
Liabilities			
Deposits from banks	**23**	190 730	15 585
Deposits from customers	**24**	1 573 361	1 568 300
Derivative financial instruments	**14**	145	82
Current income tax liability		281	1 457
Other liabilities	**25**	39 709	26 801
Employee benefits	**26**	2 194	2 326
Subordinated liabilities	**27**	49 613	-
Total Liabilities		**1 856 033**	**1 614 551**
Equity			
Share capital	**28**	143 561	143 021
Share premium		5 584	5 590
Other reserves	**29**	(4 019)	(5 515)
Accumulated deficit		(14 109)	(24 157)
Total equity		**131 017**	**118 939**
Total liabilities and equity		**1 987 050**	**1 733 490**

The attached notes on pages 13 to 57 form part of these financial statements.

	2005	2004
Operating activities		
Profit before taxes	13 389	938
Adjustments for non-cash items		
Depreciation and amortization	4 888	5 320
Impairment losses	2 247	2 024
Changes in provisions	563	420
Other non-cash items	(6 767)	(2 987)
Increase in fair value of trading investments	(64)	562
(Gain)/ loss on the sale of investments, property and equipment	19	18
	14 275	6 295
Changes in operating assets and liabilities		
Trading securities	(156)	480
Derivative financial instruments	(75)	82
Loans and advances to customers	(246 684)	(172 479)
Other assets	(15 275)	181 834
Deposits from banks	175 145	(11 276)
Deposits from customers	5 061	72 764
Other liabilities	11 732	(166 078)
Cash flows from operating activities	**(55 977)**	**(88 378)**
Investing activities		
Proceeds from sale of investments	254	191
Proceeds from sale of property and equipment	459	3 494
Acquisition of investments	1 882	133 398
Acquisition of property and equipment	(3 494)	(5 667)
Dividends received	44	80
Cash flows from investing activities	**(855)**	**131 496**
Financing activities		
Net proceeds from issue of subordinated liabilities	49 613	-
Proceeds from the issue of shares	535	36 010
Cash flows from financing activities	**50 148**	**36 010**
Net increase/ (decrease) in cash flows	(6 684)	79 128
Cash and cash equivalents at 1 January	404 166	325 222
Effect of exchange rate fluctuations on cash and cash equivalents	19	(184)
Cash and cash equivalents at 31 December	**397 501**	**404 166**
Cash flows from operating activities include:		
Interest received	86 196	77 670
Interest paid	40 686	37 683
Income taxes paid	1 457	907
Dividends received	44	80
Cash and cash equivalents consist of:		
Cash and balances with Central Bank	66 319	175 869
Loans and advances to banks	331 182	228 297
	397 501	404 166

The attached notes on pages 13 to 57 form part of these financial statements

	Share Capital	Share Premium	Reserves	Available for sale reserve	Accumulated deficit	Total
Balance at 1 January 2004	**107 266**	**5 335**	**3 363**	**(7 638)**	**(22 919)**	**85 407**
Share capital increase (net)	35 755	255	-	-	-	36 010
Valuation of available for sale Securities	-	-	-	(1 240)	-	(1 240)
Loss for the year	-	-	-	-	(1 238)	(1 238)
Balance at 31 December 2004	**143 021**	**5 590**	**3 363**	**(8 878)**	**(24 157)**	**118 939**
Share capital increase (net)	540	-6	-	-	-	534
Valuation of available for sale Securities	-	-	-	1 362	-	1 362
Cash flow hedge	-	-	134	-	-	134
Profit for the year	-	-	-	-	10 048	10 048
	143 561	**5 584**	**3 497**	**(7 516)**	**(14 109)**	**131 017**

The attached notes on pages 13 to 57 form part of these financial statements

General Information

ASPIS BANK S.A. (previously ASPIS MORTGAGE BANK S.A.) was founded by Pavlos D.Psomiadis and the AEGON BV insurance company, under the name "ASPIS BANK", as a Banking Societé Anonyme in 1992 and received its license by the Bank of Greece (decision no. 487/2.12.91 of the Currency and Credit Commission), and the Ministerial Council (no. 5/8, GG 1/13.1.92, issue 1) Act according to law. According to this license, the Bank operated in accordance with mortgage banks laws until 3 August 2001. The Bank of Greece (PDBG 2478/3-8-2001) abolished the special legal framework for mortgage banks. On 3 September 2001, the Currency and Credit Commission of the Bank of Greece approved the modification of the Articles of Association of ASPIS BANK, which from thereafter engages in all banking operations defined by law. The Ministry of Development, as per decision no. K2-13660/26-10-2001, approved the modification of the Bank's Articles of Association regarding its name, and received its current name of ASPIS BANK S.A. The Regular Shareholders' Meeting on 1 June 2001 had already approved the aforementioned modifications of articles 1 (regarding the name) and 4 (regarding the purpose) of the Bank's Articles of Association. ASPIS BANK maintains a Head Office in the Municipality of Athens, at 4 Othonos St., 105 57 Athens, and is registered in the Societé Anonyme Registry under no. 26699/06/B/92/12. The Bank was established for a term of ninety-nine (99) years from the date it was registered in the Societé Anonyme Registry.

According to article 4 of the Bank's Articles of Association its exclusive purpose is to carry out on its behalf or on the behalf of third parties all banking activities allowed under current legislation. The following are the main activities that Bank may perform:

- Accepting, with or without interest, all types of deposits or other returnable funds denominated in euros, foreign currency.
- Issuing loans and credit of all types, providing guarantees and acquiring or transferring claims, as well as intermediating in the financing of business enterprises or in business collaborations.
- Assuming debt, credit or guarantees and issuing debt securities in order to draw funds.
- Providing bill payment, fund transfer and export trade financing facilities.
- Safekeeping, management and administration of all types of securities, bonds, financial products and assets in general, including asset portfolios, transacting trades of these assets on behalf of the Bank or of third parties, as well as providing related financial and consulting services.
- The establishment or participation in domestic or foreign companies of any type engaged in the money market, capital market and the broader banking and investment sector in general.

- The issuance and management of means of payment (credit and debit cards, travel and

  bank cheques, etc.)
- Underwriting services, participation in the issuance and sale of

  securities, the coverage of issues and the provision of related services.
- Providing consulting services to business enterprises regarding their capital structure and

  business strategy, as well as services regarding mergers, spin-offs and acquisitions, and

  related issues.
- Providing reorganization and financial restructuring services.
- Factoring corporate receivables.
- Providing business-related information, including credit rating services.
- Providing safe-deposit box services.
- Representing third parties that have or pursue objectives similar to those mentioned

  above and in general engaging in any type of action, transaction, work or activity pursuant

  to the above or contributing to the advancement of the objectives of the Bank, as stated in

  the Articles of Association.
- Actively participating, as a member, in organized stock markets, having received a

  relevant license from the Bank of Greece.

To achieve its objectives, the Bank may cooperate with other legal entities, business enterprises or individuals, including those that pursue similar objectives, as well as participate in the aforementioned legal entities and business enterprises, in compliance with the provisions of banking legislation or any other applicable laws.

Fitch Ratings recently gave ASPIS BANK a BB+ rating while certifying its risk management systems.

The Board of Directors approved the annual financial statements on 27 February 2006.

Significant Accounting Principles

The accounting principles applied for the preparation of the financial statements are as follows:

Statement of compliance

The financial statements for the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by International Standards Board (IASB) as adopted by the European Union. These are the Bank's first financial statements and IFRS 1 has been applied. An explanation of the how the transition to IFRS has affected the reported financial position and financial performance of Bank is provided in note 34.

Basis of preparation

The financial statements are presented in euro, rounded to the nearest thousand. They are prepared on the historical cost basis except for the following assets and liabilities are stated at their fair value: financial instruments held for trading, financial instruments classified as available-for-sale, and derivative financial instruments.

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and the associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Deviations to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Investments in subsidiaries and associates

Investments in subsidiaries and associates are stated at cost which includes transaction costs, less impairment loss where considered necessary.

Foreign currency transactions

Transactions in foreign currencies are translated to euro at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to euro at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised to the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies, that are stated at fair value are translated to euro at the foreign exchange rates ruling at the dates that the values were determined.

Financial instruments

(a) Classification

Instruments at fair value through profit or loss. This category has two sub categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. These include derivative contracts that are not designated and effective hedging instruments.

Loans and receivables are loans and receivables created by the Bank providing money to a debtor other than those created with the intention of short-term profit taking.

Held-to-maturity assets are financial assets with fixed or determinable payments and fixed maturity that the Bank has the intent and ability to hold to maturity. These include certain purchased loans and advances to banks and customers, and certain debt investments.

Available-for-sale assets are financial assets that are not held for trading purposes, loans and receivables, or held to maturity. Available-for-sale include certain debt and equity investments.

(b) Recognition

The Bank recognises financial assets held for trading, available-for-sale and held-to-maturity, on the date it commits to purchase the assets. From this date any gains and losses arising from changes in fair value of the assets are recognised. Loans and receivables are recognised when cost is advanced to the borrowers.

(c) Measurement

Financial instruments are measured initially at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Subsequent to initial recognition all trading instruments and all available-for-sale assets are measured at fair value, except that any instrument that does not have a quoted market price in an active market and whose fair value cannot be reliably measured is stated at cost, including transaction costs, less impairment losses.

All non-trading financial liabilities, loans and receivables and held-to-maturity assets are measured at amortised cost less impairment losses. Amortised cost is calculated on the effective interest rate method. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument and amortised based on the effective interest rate of the instrument.

(d) Fair value measurement principles

The fair value of financial instruments is based on their quoted market price at the balance sheet date without any deduction for transaction costs. If a quoted market price is not available, the fair value of the instrument is estimated using pricing models or discounted cash flow techniques.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimate and the discount rate is a market related rate at the balance sheet date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market related measures at the balance sheet date.

The fair value of derivatives that are not exchange-traded is estimated at the amount that the Bank would receive or pay to terminate the contract at the balance sheet date taking into account current market conditions and current creditworthiness of the counterparties.

(e) Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of available-for-sale assets are recognised directly in equity. When the financial assets are sold, collected or otherwise disposed of the cumulative gain or loss recognised in equity is transferred to the income statement.

Gains and losses arising from a change in the fair value of instruments at fair value through profit or loss are recognised in the income statement.

(f) Hedge accounting

Where there is a hedging relationship between a derivative instrument and a related item being hedged, the hedging instrument is measured at fair value. The treatment of any resultant gains and losses is set out below.

A hedging relationship exists where:

- at the inception of the hedge there is formal documentation of the hedge;
- the hedge is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is highly effective throughout the reporting period; and
- for hedges of a forecasted transaction, the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect net profit or loss.

The fair value of derivative hedging instruments is calculated in the same way as the fair value of trading instruments (refer accounting policy 2.5d).

When a derivative financial instrument hedges the exposures to changes in the fair value of a recognised asset or liability, the hedged item is at fair value in respect of the risk being hedged. Gains and losses on remeasurement of both the hedging instrument and the hedged items are recognised in the income statement. These amount are included in gains less losses from non-trading instruments.

Where a derivative financial instrument hedges the exposure to variability in the cash flow of recognised assets or liabilities or anticipated transactions or firm commitments, the effective part of any gain or loss on remeasurement of the hedging instrument is recognised directly in equity. The ineffective part of any gain or loss is recognised in the income statement.

Repurchase agreements

The Bank enters into agreements for the purchases (sales) of investments and to resell (repurchase) substantially the identical investments at a certain date in the future at a fixed price. Investments purchased subject to commitments to resell them at future dates are not recognised.The amounts paid are recognised in loans to either banks or customers. The receivables are shown as collateralised by the underlying security. Investments sold under repurchase agreements continue to be recognised in the balance sheet and are measured in accordance with the accounting policy for either assets held for trading or available-for-sale as appropriate. The proceeds from the sale of the investments are reported as liabilities to either banks or customers.

The difference between the sale and repurchase considerations is recognised on an accrual basis over the period of the transaction and is included in interest.

Property, plant and equipment

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes expenditure that is attributable to the acquisition of the items.

Land and buildings that had been revalued to fair value on 1 January 2004, the date of transition to IFRS are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the property, plant and equipment. Land is not depreciated.

The estimated useful lives are as follows:

Own property	50 years
Leasehold improvements	12 years
Furniture and equipment	7 – 8 years

The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is higher of the assets fair value less costs to sell and value in use.

Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the income statement.

Certain items of property that had been revalued at fair value prior to 1 January 2004, the date of transition to IFRSs, are measured on the basis of deemed cost being the revalued amount at the date of that revaluation.

Intangible assets

Intangible assets consists of software that has been acquired by the Bank and stated at cost less accumulated amortisation and impairment losses (see accounting policy 2.9).

Amortisation is charged to the income statement on a straight-line basis over the estimated useful life of the software which is between 4-10 years.

Impairment

(a) Assets carried at amortised cost

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Bank about the following loss events:

(i) significant financial difficulty of the issuer or obligator;

(ii) a breach of contract, such as a default or delinquency in interest or principal payments;

(iii) the Bank granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the lender would not otherwise consider;

(iv) it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

(v) the disappearance of an active market for that financial asset because of financial difficulties; or

(vi) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:

- adverse changes in the payment status of borrowers in the group; or
- national or local economic conditions that correlate defaults on the assets in the groups.

The Bank first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Bank may measure impairment on the basis of an instrument's fair value using an observable market price.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e., on the basis of the Bank's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). These characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group.

Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently.

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period (for example changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the group and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Bank to reduce and differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written-off against the related provision for loan impairment. Such loans are written-off after all necessary procedures have been

completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written-off decrease the amount of the provision for loan impairment in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively do an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement.

(b) Assets carried at fair value

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that asset previously recognised in the income statement – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise of cash balances on hand, cash deposited with central banks and short-term highly liquid investments with maturities of three months or less when purchased, including treasury bills and other bills eligible for rediscounting with the central bank.

Employee benefits

(a) Defined contribution plans

The Bank pays contributions to publicly or privated administered pension insurance plans on a mandatory, contractual or voluntary basis. The Bank has no further payment adjustments once the contributions have been paid. The obligations for contributions are recognized as an expense in the income statement as incurred.

(b) Defined benefit plans

The Bank has a defined benefit plan whereby it is required, by law, to pay to retiring employees a lump sum. The amount of the payment varies depending upon the employee's length of service and salary on the date of retirement. The Bank's obligation in respect of this defined benefit plan is measured by estimating the present value amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine it present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the balance sheet date on Greek State bonds that have maturity dates approximating the terms of the Bank's obligations. The calculation is performed by a independent qualified actuary using the projected unit method, less the fair value of any plan assets and adjusted for unrecognised gains or losses and past service costs. The calculation is performed annually by a qualified actuary using the projected unit credit method. The discount rate is the yield at the balance sheet date on Government bonds that have maturity dates that match the employment term of the pension liability.

All actuarial gains and losses as at 1 January 2004, the date of transition to IFRSs, were recognised. In respect of actuarial gains and losses that arise subsequent to 1 January 2004 in calculating the Bank's obligation in respect of the plan, to the extent that any cumulative unrecognised actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of the plan assets, that portion is recognised in the income statement over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

The amount recognized in the income statement by the Bank for defined benefit pension plans include:

- the increase in the present value of the defined benefit obligation resulting from employee service in the current period (service cost)
- the increase in the present value of the defined benefit obligation which arises as the benefits are one year closer to settlement (interest cost).

All actuarial gains and losses are recognised in the income statement using the corridor method amortising any amounts based on the term of the pension liability.

Provisions

A provision is recognised in the balance sheet when the Bank has a present legal obligation or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate has be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money.

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 recognised amounts and the transactions are intended to be settled on a net basis.

Derecognition

A financial instrument is derecognised when the Bank loses control on contractual rights that comprise the asset. This occurs when the rights are realised, expire or surrendered. A financial liability is derecognised when it is extinguished.

Interest income and expense

Interest income and expense is recognised in the income statement as it accrues, taking into account the effective yield of the instrument or an applicable floating rate. Interest income and expense includes the amortisation of any discount or premium or other differences between the initial carrying amount of an interest bearing instrument and its amount at maturity calculated on an effective interest rate basis.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or expense over the relevant period.

The effective interest rate is the rate that exactly discounts the future cash payments or receipts through the expected life of the financial instrument.

Interest income from loans is not accrued when the balance is six months overdue.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Fee and commission income

Fees and commissions are recognised in the income statement on a accrual basis when the period that the service has been provided.

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which cash it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable differences. The amount of deferred tax provided in based on the expected manner of realisation or settlement of the carrying amount of assets or liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

Share capital

(a) Share issue costs

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax from the proceeds.

(b) Dividends on ordinary shares

Dividends on ordinary shares are recognised as a liability in the period in which they are approved by the Bank's shareholders.

(c) Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity. Repurchased shares are classified as treasury shares and presented as a deduction from total equity. Where such shares are subsequently sold or re-issued, any consideration received is included in shareholders' equity.

Net trading income

Net trading income includes gains and losses arising from disposals and changes in the fair value of financial assets and liabilities held for trading.

Dividend income

Dividend income is recognised in the income statement on the date that the dividend is approved.

Segment reporting

A segment is a distinguishable component of the Bank that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Business segments
(In thousands of euro)

The Bank is organized into three business segments:

1) Corporate banking

2) Retail banking

3) Brokerage transactions

At 31 December 2005

	Corporate	Retail	Brokerage	Total
External revenues	9 435	63 423	5 815	78 673
Profit before tax	4 029	6 345	3 015	13 389
Profit after tax	3 024	4 760	2 264	10 048
Total assets	202 587	1 760 057	24 406	1 987 050
Total liabilities	50 210	1 797 912	7 911	1 856 033
Capital expenditure	4	3 402	88	3 494
Depreciation	6	4 676	206	4 888
Impairment loss	1 665	361	221	2 247

At 31 December 2004

	Corporate	Retail	Brokerage	Total
External revenues	8 125	56 439	3 919	68 483
Profit/(loss) before tax	2 183	569	(1 814)	938
Profit/(loss) after tax	4 957	(4 941)	(1 254)	(1 238)
Total assets	202 867	1 501 813	28 810	1 733 490
Total liabilities	32 630	1 576 974	4 947	1 614 551
Capital expenditure	8	5 528	131	5 667
Depreciation	4	4 865	451	5 320
Impairment loss	950	973	101	2 024

Net interest income	**2005**	**2004**
(In thousands of euro)		
Interest and similar income		
Loans and advances	76 554	68 043
Trading instruments	10	3 425
Debt instruments	1 819	778
Money market deals	7 813	5 424
	86 196	77 670
Interest expense and similar charges		
Deposits from banks and customers	(38 990)	(37 683)
Subordinated liabilities	(1 696)	-
	(40 686)	(37 683)
Net interest income	**45 510**	**39 987**

Fee and commission income	**2005**	**2004**
(In thousands of euro)		
Fund transfers	1 333	1 444
Imports-exports	1 291	1 155
Management and custodian fees	2 623	1 748
Brokerage transactions	3 484	2 840
Credit cards	1 481	1 603
Loans and letters of guarantees	10 991	7 368
Deposits	766	967
Property	531	364
Other	3 034	2 306
	25 534	**19 795**

Net trading income	**2005**	**2004**
(In thousands of euro)		
Foreign exchange	1 247	758
Equity instruments	349	228
Debt instruments	21	(388)
Derivatives	4 289	6 158
	5 906	**6 756**

Operating expenses	**2005**	**2004**
(In thousands of euro)		
Staff costs (Note 8)	31 956	33 496
Depreciation and amortization (Notes 19, 20)	4 888	5 320
(Profit)/loss on sale of property and equipment	(154)	2
Operating lease rentals	6 803	6 771
Lawyers, engineers and other professionals	6 271	6 171
Utilities postage and similar charges	2 035	2 500
Other taxes	1 428	1 338
Contributions	1 793	1 794
Other	8 017	8 129
	63 037	**65 521**

Staff costs	**2005**	**2004**
(In thousands of euro)		
Wages and salaries	23 519	25 311
Social security costs	5 174	5 079
Defined benefit plan expense	563	420
Defined contribution plans	2 700	2 686
	31 956	**33 496**

The average number of persons employed by the Bank during 2005 was 899 (2004: 910).

Income tax expense	**2005**	**2004**
(In thousands of euro)		
Current tax	1 204	1 588
Deferred tax	2 137	588
	3 341	**2 176**

Further information about deferred income tax is provided in note 21. The reconciliation of the effective tax rate is as follows (in thousands of euro):

		2005		**2004**
Profit before tax		13 389		938
Income tax at rate	32%	4 285	35%	328
Non-deductible expenses	4%	510	145%	1 359
Tax exempt revenues	(11%)	(1 540)	(55%)	(513)
Other differences	-	86	107%	1 002
	25%	**3 341**	**232%**	**2 176**

In Greece the results reported to the tax authorities by an entity are provisional and subject to revision until such time as the tax authorities examine the books and records of the entity and the related tax returns as accepted as final. Therefore, entities remain contingently liable for additional taxes and penalties, which may be assessed upon such examination. The tax authorities have audited and the Bank has settled all obligations up to the year ended 31 December 2002. Because of the method under which the tax obligations are ultimately concluded in Greece, the Bank remains contingently liable for additional taxes and penalties for its open tax years.

Earnings per share

Basic earnings per share at 31 December 2005 was based on the profit/(loss) after tax for the years attributable to the equity holders of EUR 10 048 thousand (2004: EUR (1 238) thousand) with a weighted average number of ordinary shares outstanding, during the year ended 31 December 2005 of 48 646 667 (2004: 36 485 000).

Cash and balances with Central Bank	**2005**	**2004**
(In thousands of euro)		
Cash in hand	16 405	15 883
Mandatory reserve deposits	21 720	27 134
Other placements with Central Bank	28 194	132 852
	66 319	**175 869**

Loans and advances to banks	**2005**	**2004**
(In thousands of euro)		
Current accounts	7 255	6 779
Other placements	320 169	220 707
Items in course of collection	3 758	811
	331 182	**228 297**

Trading securities	**2005**	**2004**
(In thousands of euro)		
Debt securities	1 734	1
Equity securities	86	696
	1 820	**697**

Derivative financial instruments
(In thousands of euro)

	2005			**2004**		
	Notional amount	**Fair Value Assets**	**Fair Value Liabilities**	**Notional amount**	**Fair Value Assets**	**Fair Value Liabilities**
Forward - currency	833	-	105	-	-	-
Futures - bonds	1 300	-	17	-	-	-

Interest rate swaps	4 315	134	23	1 531	-	82
		134	145		-	82

The notional amount of certain types derivative financial instruments provide a basis for comparison with instruments recognized on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Bank's exposure to credit or price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, to the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities, can fluctuate significantly from time to time.

Loans and advances to customers	**2005**	**2004**
(In thousands of euro)		
Retail customers:		
Housing	657 703	523 053
Credit cards	35 548	37 954
Other consumer	58 776	54 826
Corporate customers:		
Subsidiaries	75 882	73 871
Manufacturing	165 577	131 986
Wholesale and commerce	294 351	245 072
Other	132 806	102 841
Amounts due relating to brokerage transactions	24 989	29 391
	1 445 632	1 198 994
Less: allowance for uncollectibility	(42 000)	(39 799)
Net loans and advances to customers	1 403 632	1 159 195

Allowance for uncollectibility

Movement in the allowance for uncollectibility:

	2005	**2004**
Balance at 1 January	39 799	37 833
Provision for loan impairment	2 247	2 024
Loans written-off during the years as uncollectible	(46)	(58)
At 31 December	**42 000**	**39 799**

Investments in subsidiaries	**2005**	**2004**
(In thousands of euro)		
Aspis Leasing	21 693	21 693
Aspis AE Insurance Brokerage	616	616
Aspis International AEDAK	8 166	8 166
Aspis Finance plc	18	18
	30 493	**30 493**

Available-for-sale securities	**2005**	**2004**
(In thousands of euro)		
Greek government bonds	-	1 237
Mutual fund units	9 771	8 118
Listed equity securities	5 927	3 108
Other debt securities	2 541	4 005
Other non-listed equity securities	634	839
	18 873	**17 307**

Held-to-maturity securities	**2005**	**2004**
(In thousands of euro)		
Greek government bonds	35 088	35 918
Non Greek government bonds	17 305	15 138
	52 393	**51 056**

Property, plant and equipment

(In thousands of euro)

	Land and buildings	Leasehold improvements	Furniture and equipment	Total
Cost				
Balance at 1 January 2004	6 821	22 210	13 050	42 081
Additions	41	637	3 919	4 597
Disposals	(330)	-	(334)	(664)
Balance at 31 December 2004	**6 532**	**22 847**	**16 635**	**46 014**
Balance at 1 January 2005	6 532	22 847	16 635	46 014
Acquisitions	-	1 229	1 246	2 475
Disposals	(48)	(84)	(327)	(459)
Balance at 31 December 2005	6 484	23 992	17 554	48 030
Depreciation				
Balance 1 January 2004	399	5 882	9 456	15 737
Depreciation charge for the year	258	1 868	1 896	4 022
Disposals	(330)	-	(169)	(499)
Balance at 31 December 2004	327	7 750	11 183	19 260
Balance 1 January 2005	327	7 750	11 183	19 260
Depreciation charge for the year	93	1 934	1 815	3 842
Disposals	(2)	(17)	(324)	(343)
Balance at 31 December 2005	418	9 667	12 674	22 759
Carrying amounts				
At 1 January 2004	6 422	16 328	3 594	26 344
At 31 December 2004	**6 205**	**15 097**	**5 452**	**26 754**
At 1 January 2005	6 205	15 097	5 452	26 754
At 31 December 2005	**6 066**	**14 325**	**4 880**	**25 271**

Intangible assets

(In thousands of euro)

Cost	
Balance at 1 January 2004	8 754
Additions	1 070
Disposals	(2 810)
Balance at 31 December 2004	7 014
Balance at 1 January 2005	7 014
Additions	1 019
Disposals	-
Balance at 31 December 2005	8 033
Amortisation	
Balance as at 1 January 2004	4 346
Amortisation for the year	1 298
Disposals	(899)
Balance at 31 December 2004	4 745
Balance 1 January 2005	4 745
Amortisation for the year	1 046
Disposals	-
Balance at 31 December 2005	5 791
Carrying amounts	
At 1 January 2004	4 408
At 31 December 2004	**2 269**
At 1 January 2005	2 269
At 31 December 2005	**2 242**

Deferred tax assets, net

(In thousands of euro)

Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	2005	2004
Deferred tax asset		
Customer loans impairment	3 828	5 332
Employee benefits	550	588
Commission income	977	1 401
	5 355	7 321
Deferred tax liability:		
Property, plant and equipment	(387)	(209)
Commission expense	(20)	(27)
	(407)	(236)
Net deferred tax asset	**4 948**	**7 085**

Movement in temporary differences during the year

	Balance 1 January 2004	Recognized in income	Recognized in equity	Balance 31 December 2004
Customer loans impairment	6 001	(669)	-	5 332
Employee benefits	695	(107)	-	588
Commission income	1 234	167	-	1 401
Property, plant and equipment	(257)	48	-	(209)
Commission expense	-	(27)	-	(27)
	7 673	**(588)**	**-**	**7 085**

	Balance 1 January 2005	Recognized in income	Recognized in equity	Balance 31 December 2005
Customer loans impairment	5 332	(1 504)	-	3 828
Employee benefits	588	(38)	-	550
Commission income	1 401	(424)	-	977
Property, plant and equipment	(209)	(178)	-	(387)
Commission expense	(27)	7	-	(20)
	7 085	**(2 137)**	**-**	**4 948**

Other assets (**In thousands of euro)**	**2005**	**2004**
Guarantees and participations to other funds	10 009	7 411
Advances	4 801	3 907
Receivables from Greek State and other public organizations	1 466	2 935
Accrued interest income	3 779	3 559
Other receivables	29 688	16 656
	49 743	**34 468**

Deposits from banks (**In thousands of euro)**	**2005**	**2004**
Term deposits	190 730	15 585
	190 730	**15 585**

Deposits from customers (**In thousands of euro)**	**2005**	**2004**
Sight and current accounts	221 769	246 884
Savings accounts	326 773	297 719
Term deposits	1 024 819	1 023 697
	1 573 361	**1 568 300**

Included in term deposits are funds that the Bank has raised by selling Greek Government bonds, under agreements to repay the funds by repurchasing the bonds at future dates of the same price plus interest at a pre-determined rate. At 31 December 2005 the funds received amounted to EUR 0 thousand (2004: EUR 57 thousand). The majority of the repurchase agreements expiry within one month of the balance sheet date and the total interest expense on repurchase agreements for 2005 was EUR 176 thousand (2004: EUR 1 815 thousand).

Other liabilities	**2005**	**2004**
(In thousands of euro)		
Tax and duties	853	1 606
Amounts and cheques payable	9 879	8 642
Accrued interest expense	3 749	8 973
Other liabilities	25 228	7 580
	39 709	**26 801**

Employee benefits

(In thousands of euro)

	2005	**2004**
Present value of unfunded obligations	2 803	2 939
Unrecognised actuarial gains and (losses)	(659)	(713)
Recognized liability for defined benefit obligations	2 144	2 226
Vacation not taken	50	100
	2 194	**2 326**

The movement in the net liability for defined benefit obligations recognized in the balance sheet is as follows (the amounts are expressed in thousands of euro):

	2005	**2004**
Net liability for defined benefit obligations at 1 January	2 226	1 886
Expense recognized in the income statement	563	420
Benefits paid	(645)	(80)
	2 144	2 226

The expense recognized in the income statement consists of:

	2005	**2004**
Current service costs	408	299
Interest on obligation	131	94
Amortization of actuarial loss	24	27
	563	420

The principal actuarial assumptions used for 2005 and 2004 were as follows.

	2005	2004
Discount rate	4.5%	4.5%
Future salary increases	5.0%	5.0%

Subordinated liabilities

The subordinated liability represents the proceeds from the issuance of subordinated floating rate notes by the Bank's subsidiary Aspis Finance plc. The proceeds of these notes are loaned to the Bank.

The loan was granted on 10 February 2005 for EUR 50 million due in 2015. The loan carries interest a Euribor plus 0.12% which is paid quarterly.

The liability is carried at amortized cost. The costs relating to the loan are amortized as interest expense using the effective interest method over the period of the placements.

Share Capital

At 31 December 2005, the share capital comprised 48 830 310 ordinary shares with a par value of EUR 2.94 per share.

In December 2005, certain members of management exercised a stock option that was granted in 2002. As a result the number of shares increased by 183 643 shares. The exercise price was equal to par value.

In 2004, the shareholders in general meeting decided to increase share capital by EUR 36 million approximately by issuing 12 161 667 shares for EUR 3.00 contributed in cash. The difference between the par value and the exercise price of EUR 3 per share was recorded to the share premium.

Other reserves

(In thousands of euro)

	2005	2004
Statutory reserve	2 350	2 350
Untaxed reserves	801	801
Revaluation reserve available-for-sale investments	(7 516)	(8 878)
Other reserves	346	212
	(4 019)	(5 515)

Statutory reserve: Under the provisions of Greek corporate law, entities are required to transfer 5% of their annual profits to a statutory reserve until the reserve equals one third of the issued capital. This reserve is not available for distribution but may be applied to cover losses.

Untaxed reserves: In accordance with Greek tax law certain types of income and profits are not taxed if retained and recorded to a specific reserve account. In the event that the reserves are distributed they will be taxed at the rate applicable on the date of distribution.

Related-party transactions

The Bank defines related parties as subsidiaries and members of the Board of Directors (amounts in thousands of euro).

(a) Board of Directors

	2005	**2004**
Staff costs	1 571	1 302
Loans and advances to customers	1 626	1 976
Deposits from customers	11 324	16 341

(b) Balances and transaction with subsidiaries:

	2005	**2004**
Available-for-sale securities	2 500	2 500
Loans and advances to customers	75 882	73 571
Other assets	4 541	5 087
Deposits from customers	3 040	1 997
Subordinated liabilities	49 613	-
Interest income	1 948	2 124
Interest expense	1 725	36
Commission income	1 884	1 498
Other income	80	21

(c) Balances and transaction with other related parties:

	2005	**2004**
Loans and advances to customers	3 707	3 856
Other assets	644	540
Amounts due from customers	28 604	33 059
Other liabilities	197	289
Net interest income	103	238
Net commission income	1 277	1 278
Other operating expenses	3 463	3 424

Contingent liabilities and commitments

Litigation

The Bank is a defendant in certain claims and legal actions arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial condition of the Bank.

Credit commitments

The contractual amounts of the Bank's off-balance sheet financial instruments that commit to extend credit to customers are as follows (amounts in thousands of euro):

	2005	2004
Letters of guarantee	197 226	167 780
Letters of credit	12 393	10 731

Operating leases

The Bank's commitments from lease contracts refer mainly to buildings used for its branches and other operating units. The future minimum lease payments under operating leases are as follows (amounts in thousands of euro):

Up to 1 year	6 000
From 1 to 5 years	5 600
Over 5 years	2 700
	14 300

Risk management

This note provides details of the Bank's exposures to risks and describes the methods used by management to control risk. The most important types of financial risk to which the Bank is exposed are credit risk, liquidity risk and market risk. Market risk includes currency risk, interest rate risk and equity price risk.

Credit risk

The Bank takes an exposure to credit risk, which is the risk that a counterparty will be unable to pay an amount in full when due. Impairment provisions are provided for losses that have been incurred at the balance sheet date. Significant changes in the economy or in the health of a particular industry segment that represents a concentration in the Bank's portfolio, could result in losses that are different from those provided for at the balance sheet date. Management therefore carefully manages its exposure to credit risk.

The Bank structures the level of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more

frequent review. Limits on the level of credit risk by product and industry sector are approved by the Board of Directors.

The exposure to any one borrower including banks is further restricted by sub-limits covering on and off-balance sheet exposures. Actual exposures against limits are monitored daily.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate. Exposure to credit risk is also managed in part by obtaining collateral and corporate and personal guarantees, but a significant portion of the Bank's exposures related to personal lending where no such facilities can be obtained.

Liquidity risk

Liquidity risk arises in the general funding of the Bank's activities and in the management of positions. It includes both the risks of being unable to fund assets at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame.

The Bank has access to a diverse funding base. Funds are raised using a broad range of instruments including deposits, debt securities and share capital. This enhances funding flexibility, limits dependence on any one source of funds and generally lowers the cost of funds. The Bank strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. The Bank continually assesses liquidity risk by identifying and monitoring changes in funding required to meet business goals and targets set in terms of the overall Bank strategy.

The following table provides an analysis of the Bank's assets and liabilities into relevant maturity groupings based on the remaining periods to repayment (the amounts are expressed in thousands of euro):

Maturities of assets and liabilities
At 31 December 2005

	Up to 1 month	1-3 months	3-6 months	6-12 months	1 to 5 years	More than 5 years	Total
Assets							
Cash and balances with Central Bank	64 617	-	1 702	-	-	-	66 319
Loans and advances to banks	325 118	6 064	-	-	-	-	331 182
Trading securities	1 820	-	-	-	-	-	1 820
Derivative financial instruments	134	-	-	-	-	-	134
Loans and advances to customers	206 242	168 218	279 521	51 885	83 411	614 355	1 403 632
Investment in subsidiaries	-	-	-	-	-	30 493	30 493
Available-for-sale investments	-	-	-	-	18 873	-	18 873
Held-to-maturity investments	-	15 998	-	-	36 395	-	52 393
Property, plant and equipment	-	-	-	-	23 537	1 734	25 271
Intangible assets	-	-	-	-	2 242	-	2 242
Deferred tax assets	-	-	-	-	4 948	-	4 948
Other assets	134	8 471	-	-	41 138	-	49 743
Total assets	598 065	198 751	281 223	51 885	210 544	646 582	1 987 050
Liabilities							
Deposits from banks	185 277	5 453	-	-	-	-	190 730
Due to customers	503 717	444 267	101 508	78 989	444 880	-	1 573 361
Derivative financial instruments	145	-	-	-	-	-	145
Current income tax liability	-	281	-	-	-	-	281
Other liabilities	15 320	-	3 620	-	20 769	-	39 709
Employee benefits	-	-	-	-	-	2 194	2 194
Subordinated liabilities	-	-	-	-	-	49 613	49 613
Total liabilities	704 459	450 001	105 128	78 989	465 649	51 807	1 856 033
Net liquidity gap	(106 394)	(251 250)	176 095	(27 104)	(255 105)	594 775	131 017

At 31 December 2004							
Total assets	436 669	225 981	180 762	178 579	118 553	592 946	1 733 490
Total liabilities	684 562	463 830	143 648	67 593	254 918	-	1 614 551
Net liquidity gap	(247 893)	(237 849)	37 114	110 986	(136 365)	592 946	118 939

Currency risk

The Bank takes on exposure to the effects of fluctuations in the prevailing exchange rates on its financial position and cash flows. The Board of Directors set limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily. The table below summaries the Bank's exposure to foreign currency exchange risk at 31 December. Included in the table are the Bank's assets and liabilities at carrying amounts, categorized by currency (the amounts are expressed in thousands of euro).

	EURO	USD	Other	Total
Assets				
Cash and balances with Central Bank	1 199	45 848	19 272	66 319
Loans and advances to banks	226 286	102 800	2 096	331 182
Trading securities	1 669	151	-	1 820
Derivative financial instruments	134	-	-	134
Loans and advances to customers	1 336 379	26 042	41 211	1 403 632
Investment in subsidiaries	30 475	-	18	30 493
Available-for-sale investments	18 873	-	-	18 873
Held-to-maturity investments	35 088	17 305	-	52 393
Property, plant and equipment	25 271	-	-	25 271
Intangible assets	2 242	-	-	2 242
Deferred tax assets	4 948	-	-	4 948
Other assets	24 239	4 715	20 789	49 743
Total assets	1 706 803	196 861	83 386	1 987 050
Liabilities				
Deposits from banks	157 897	16 954	15 879	190 730
Due to customers	1 364 788	178 704	29 869	1 573 361
Derivative financial instruments	40	-	105	145
Current tax liability	281	-	-	281
Other liabilities	39 709	-	-	39 709
Employee benefits	2 194	-	-	2 194
Subordinated liabilities	49 613	-	-	49 613
Total liabilities	1 614 522	195 658	45 853	1 856 033
Net on-balance sheet position	92 281	1 203	37 533	131 017
Net off-balance sheet position	(4 992)	(717)	5 709	-
At 31 December 2004				
Total assets	1 557 750	160 911	14 829	1 733 490
Total liabilities	1 412 403	160 911	41 237	1 614 551
Net on-balance position	145 347	-	(26 408)	118 939
Net off-balance position	-	-	-	-

Interest rate risk

The Bank's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprice at different times or in differing amounts. In the case of floating rate assets and liabilities the Bank is also exposed to basis risk, which is the difference in repricing characteristics of the various floating rate indices.

Risk management activities are aimed at optimizing net interest income, given market interest rate levels consistent with the Bank's business strategies.

The table below summarises the Bank's exposure to interest rate risks. Included in the table the Bank's assets and liabilities at carrying amounts, categorized by the earlier or contractual repricing or maturity dates (the amounts are expressed in thousands of euro):

31 December 2005	Interest rate	Floating	1-3 months	3-6 months	6-12 months	1 to 5 years	Over 5 years	Non-interest	Total
Assets									
Cash and balances with Central Bank	1.24%	-	45 146	-	-	-	-	21 173	66 319
Loans and advances to banks	3.58%	-	320 168	-	-	-	-	11 014	331 182
Trading securities	6.10%	-	1 733	-	-	-	-	87	1 820
Derivative financial instruments	-	-	-	-	-	-	-	134	134
Loans and advances to customers	5.10%	164 032	469 566	523 316	-	178 970	109 748	(42 000)	1 403 632
Investment in subsidiaries	-	-	-	-	-	-	-	30 493	30 493
Available for sale investments	7.18%	-	2 500	-	-	-	-	16 373	18 873
Held to maturity investments	2.61%	-	33 602	18 791	-	-	-	-	52 393
Other assets	-	-	-	-	-	-	-	82 204	82 204
Total assets		164 032	872 715	542 107	-	178 970	109 748	119 478	1 987 050
Liabilities									
Deposits from banks	2.39%	-	190 730	-	-	-	-	-	190 730
Deposits from customers	2.12%	554 361	819 756	185 616	-	13 628	-	-	1 573 361
Derivative financial instruments	-	-	-	-	-	-	-	145	145
Subordinated liabilities	3.97%	-	-	49 613	-	-	-	-	49 613
Other liabilities	-	-	-	-	-	-	-	42 184	42 184
Total liabilities		554 361	1 010 486	235 229	-	13 628	-	42 329	1 856 033
Interest sensitivity gap		(390 329)	(137 771)	306 878	-	165 342	109 748	77 149	131 017
31 December 2004									
Total assets		308 100	785 760	437 687	-	15 504	29 340	157 099	1 733 490
Total liabilities		543 501	375 931	648 319	-	15 031	-	31 769	1 614 551
Interest sensitivity gap		(235 401)	409 829	(210 632)	-	473	29 340	125 330	118 939

Fair values of financial assets and liabilities

The following table summarises the carrying amounts and fair value of those financial assets and liabilities not presented on the Bank's balance sheet at their fair value (the amounts are expressed in thousands of euro).

	Carrying value		Fair value	
	2005	**2004**	**2005**	**2004**
Financial assets				
Loans and advances to banks	331 182	228 297	331 182	228 297
Loans and advances to customers	1 403 632	1 159 195	1 436 356	1 223 132
Investment securities held-to-maturity	52 393	51 056	50 444	49 388
Investment in subsidiaries	30 493	30 493	30 493	30 493
Financial liabilities				
Deposits from banks	190 730	15 585	190 730	15 585
Deposits from customers	1 573 361	1 568 300	1 568 600	1 571 785
Subordinated liabilities	49 613	-	49 613	-

Explanation of transition to IFRS

As stated in note 2, these are the Bank's first financial statements prepared in accordance with IFRSs.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 December 2005, the comparative information presented in these financial statements for the year ended 31 December 2004 and in the preparation of an opening IFRS balance sheet at 1 January 2004. In preparing its opening IFRS balance sheet, the Bank has adjusted amounts reported previously in financial statements prepared in accordance with Greek generally accepted accounting principles (Greek GAAP). An explanation of how the transition from Greek GAAP to IFRSs has affected the Bank's financial position and financial performance is set out in the following tables and the notes that accompany the tables.

	1 January 2004			31 December 2004		
	Greek GAAP	Effect of IFRS transition	IFRS	Greek GAAP	Effect of IFRS transition	IFRS
Assets						
Cash and balances with Central Bank	136 671	-	136 671	175 872	(3)	175 869
Loans and advances to banks	188 551	-	188 551	227 907	390	228 297
Trading securities	-	-	-	-	697	697
Loans and advances to customers	1 003 862	(17 147)	986 715	1 142 361	16 834	1 159 195
Investment in subsidiaries	26 907	-	26 907	31 220	(727)	30 493
Investment securities:						
- available-for-sale	207 806	(16 070)	191 736	87 301	(69 994)	17 307
- held-to-maturity	-	16 069	16 069	-	51 056	51 056
Property, plant and equipment	25 359	985	26 344	26 265	489	26 754
Intangible assets	42 313	(37 904)	4 409	5 466	(3 197)	2 269
Deferred tax assets	-	7 673	7 673	-	7 085	7 085
Other assets	216 229	3 537	219 766	204 100	(169 632)	34 468
Total assets	1 847 698	(42 857)	1 804 841	1 900 492	(167 002)	1 733 490
Liabilities						
Deposits from banks	26 861	-	26 861	15 585	-	15 585
Deposits from customers	1 495 536	-	1 495 536	1 570 715	(2 415)	1 568 300
Derivative financial instruments	-	-	-	-	82	82
Other liabilities	190 809	3 526	194 335	178 909	(152 108)	26 801
Current income tax liability	-	-	-	-	1 457	1 457
Other provisions	222	495	717	-	-	-
Employee benefits	-	1 986	1 986	-	2 326	2 326
Total liabilities	1 713 428	6 007	1 719 435	1 765 209	(150 658)	1 614 551
Equity						
Share capital	107 266	-	107 266	143 021	-	143 021
Share premium	39 629	(34 294)	5 335	6 064	(474)	5 590
Other reserves	(12 209)	7 933	(4 276)	(13 885)	8 370	(5 515)
Accumulated deficit	(416)	(22 503)	(22 919)	83	(24 240)	(24 157)
Total equity	134 270	(48 864)	85 406	135 283	(16 344)	118 939
Total liabilities and equity	1 847 698	(42 857)	1 804 841	1 900 492	(167 002)	1 733 490

Notes to the reconciliation of equity as at 1 January 2004

Loans and advances to customers	
Balance in accordance with Greek GAAP	1 003 862
Additional impairment that was not recorded under Greek GAAP	(17 147)
	986 715
Available-for-sale securities	
Balance in accordance with Greek GAAP	207 806
Reclassification to "Held-to-maturity investments"	(16 070)
	191 736
Held to maturity	
Balance in accordance with Greek GAAP	-
Reclassification from "Available-for-sale securities"	16 069
	16 069
Property, plant and equipment	
Balance in accordance with Greek GAAP	25 359
Reclassification of advances to purchase fixed assets to "Other assets"	(3 537)
Revaluation of fixed assets to deemed cost	175
Adjustment to accumulated depreciation from the change in useful life of certain items of property and equipment	4 347
	26 344
Intangible assets	
Balance in accordance with Greek GAAP	42 313
Goodwill write-off	(34 294)
Write-off of amounts recorded under Greek GAAP that do not meet the definition of intangible assets in accordance with IFRS	(3 610)
	4 409
Deferred tax asset	
Balance in accordance with Greek GAAP	-
Recognition of deferred tax on temporary differences not permitted under Greek GAAP	7 673
	7 673
Other assets	
Balance in accordance with Greek GAAP	216 229
Reclassification of advances to purchase fixed assets from "Property, plant and equipment"	3 537
	219 766

Other liabilities	
Balance in accordance with Greek GAAP	190 809
Deferred of recognition of commission income on loans using the effective interest rate	3 526
	194 335
Employee benefits	
Balance in accordance with Greek GAAP	-
Recognition of defined benefit obligation	1 886
Recognition of provision of vacation not taken	100
	1 986
Other provisions	
Balance in accordance with Greek GAAP	222
Recognition of provision for open tax years	495
	717
Other reserves	
Balance in accordance with Greek GAAP	(12 209)
Transfer to accumulated deficit	7 758
Recognition of reserve for fixed assets	175
	(4 276)
Share premium	
Balance in accordance with Greek GAAP	39 629
Transfer from "Accumulated deficit"	(34 294)
	5 335
Accumulated deficit	
Balance in accordance with Greek GAAP	(416)
Transfer from “other reserves”	(7 758)
Transfer to “Share premium”	34 294
Effect from IFRS adjustments:	
Accumulated depreciation	4 347
Goodwill write off	(34 294)
Intangible assets write off	(3 610)
Provision for vacation not taken	(100)
Defined benefit obligation	(1 886)
Deferred tax	7 673
Effective interest rate adjustment	(3 526)
Provision for open tax years	(495)
Other	(1)
Impairment of customer loans	(17 147)
	(22 919)

Reconciliation of equity as at 31 December 2004

Cash and balances with Central Bank	
Balance in accordance with Greek GAAP	175 872
Reclassification to "Loans and advances to banks"	(3)
	175 869
Loans and advances to banks	
Balance in accordance with Greek GAAP	227 907
Reclassification from "Cash and balances with Central Bank"	3
Reclassification from "Other assets"	387
	228 297
Trading securities	
Balance in accordance with Greek GAAP	-
Reclassification from the "Available-for-sale securities"	697
	697
Loans and advances to customers	
Balance in accordance with Greek GAAP	1 142 361
Additional impairment that was not recorded under Greek GAAP	(17 147)
Reclassification from "Other assets"	14 845
Reclassification from available-for-sale securities	19 136
	1 159 195
Investment in subsidiaries	
Balance in accordance with Greek GAAP	31 220
Reclassification to "Available-for-sale securities"	(727)
	30 493
Available-for-sale securities	
Balance in accordance with Greek GAAP	87 301
Reclassification to "Trading securities"	(697)
Reclassification from "Investment in subsidiaries"	727
Reclassification to "Loans and advances to customers"	(19 136)
Reversal of valuation loss recognized in Greek GAAP	168
Reclassification to "Held-to-maturity securities"	(51 056)
	17 307
Held-to-maturity securities	
Balance in accordance with Greek GAAP	-
Reclassification from "Available-for sale securities"	51 056
	51 056

Property, plant and equipment	
Balance in accordance with Greek GAAP	26 265
Adjustment to depreciation from the change in useful life of certain items of property and equipment	3 790
Reclassification of advances for acquisition of fixed assets to "Other assets"	(3 364)
Recognition of assets under financial leases	67
Other	(4)
	26 754
Intangible assets	
Balance in accordance with Greek GAAP	5 466
Write down of amounts recorded under Greek GAAP that do not meet the definition of intangible assets	(3 129)
Reclassification to "Other assets" amounts paid for issue of debt securities	(68)
	2 269
Deferred tax asset	
Balance in accordance with Greek GAAP	-
Recognition of amount not allowed under Greek GAAP	7 085
	7 085
Other assets	
Balance in accordance with Greek GAAP	204 100
Reclassification of advances for acquisition of fixed assets from "Property, plant and equipment"	3 364
Reclassification to "Due from banks"	(387)
Reclassification to "Loans to customers"	(14 845)
Reclassification to offset internal accounts in "Other liabilities"	(160 780)
Reclassification of income tax advance to "Current tax liability"	(142)
Reclassification of included amounts in “Other liabilities”	3 062
Other	96
	34 468
Deposits from customers	
Balance in accordance with Greek GAAP	1 570 715
Reclassification to "Other liabilities"	(7 362)
Reclassification from "Other liabilities" for equity sales by customers	4 947
	1 568 300
Derivative financial instruments	
Balance in accordance with Greek GAAP	-
Recognition of derivatives at fair value	82
	82

Other liabilities	
Balance in accordance with Greek GAAP	178 909
Reclassification from "Due from customers"	7 362
Reclassification from "Other assets" to offset internal accounts	(160 780)
Recognition of deferred income from loans that was calculated under a cash basis in Greek GAAP and recorded as an effective interest adjustment	4 292
Correction of accrued interest that was incorrectly calculated under Greek GAAP	382
Reclassification of "Current tax liability"	(1 599)
Reclassification to "Deposits from customers" for equity sales by customers	(4 947)
Reclassification to “Other assets”	3 062
Recognition of financial lease liability	67
Other	53
	26 801

Current income tax liability	
Balance in accordance with Greek GAAP	-
Reclassification from "Other liabilities"	1 599
Reclassification from "Other assets"	(142)
	1 457

Employee benefits	
Balance in accordance with Greek GAAP	-
Recognition of defined benefit obligation	2 276
Recognition of provision for vacation not taken	50
	2 326

Share premium reserve	
Balance in accordance with Greek GAAP	6 064
Reversal of amounts expensed under Greek GAAP relating to the share capital increase	(474)
	5 590

Other reserves	
Balance in accordance with Greek GAAP	(13 885)
Reclassification to "Accumulated deficit"	8 370
	(5 515)

Accumulated deficit	
Balance in accordance with Greek GAAP	83
Reclassification from "Other reserves"	(8 370)
Effect of IFRS adjustments:	
Depreciation expense due to change in useful life	3 790
Write down of intangible assets	(3 129)
Defined benefit obligation	(2 326)
Deferred tax	7 085
Effective interest rate adjustment	(4 292)
Additional impairment for customer loans	(17 147)
Other	149
	(24 157)

Reconciliation of profit/(loss) for 2004	Greek GAAP	Effect of IFRS transition	IFRS
Interest and similar income	82 075	(4 405)	77 670
Interest expense and similar charges	(37 835)	152	(37 683)
Net interest income	44 240	(4 253)	39 987
Fee and commission income	20 561	(766)	19 795
Fee and commission expense	(609)	-	(609)
Net fee and commission income	19 952	(766)	19 186
Dividend income	80	-	80
Net trading income	4 407	2 349	6 756
Net gain on disposal of non-trading instruments	-	(480)	(480)
Other operating income	2 255	699	2 954
Operating expenses	(65 580)	59	(65 521)
Impairment losses on loans and advances	(2 024)	-	(2 024)
Extraordinary results	696	(696)	-
Profit before tax	4 026	(3 088)	938
Income tax expense	(1 599)	(577)	(2 176)
Profit/(loss) after tax	2 427	(3 665)	(1 238)

Reconciliation of income statement as at 31 December 2004

Interest and similar income	
Balance in accordance with Greek GAAP	82 075
Amortization of held to maturity instruments with the effective interest rate method	(839)
Correction of accrued interest incorrectly calculated under Greek GAAP	(381)
Reclassification of Securitization fee to “Net trading income”	(3 185)
	77 670
Interest expense and similar charges	
Balance in accordance with Greek GAAP	37 835
Reclassification to "Net trading income"	(152)
	37 683
Fees and commission income	
Balance in accordance with Greek GAAP	20 561
Recognition of deferred income from loans that was calculated under a cash basis in Greek GAAP and recorded as an effective interest adjustment	(766)
	19 795
Net trading income and net gain on disposal	
Balance in accordance with Greek GAAP	4 407
Revaluation of derivatives	(82)
Net effect from valuation of trading portfolio that was recorded directly to equity under Greek GAAP	(1 082)
Reclassification from "Interest and similar expense"	(152)
Reclassification from “Interest and similar income”	3 185
	6 276
Other operating income	
Balance in accordance with Greek GAAP	2 255
Reclassification of amounts recorded in Greek GAAP as "Extraordinary results"	699
	2 954
Operating expenses	
Balance in accordance with Greek GAAP	(65 580)
Reclassification of amounts recorded under Greek GAAP as "Extraordinary results"	(3)
Additions to intangibles written-off	(176)
Depreciation adjustment	102
Reversal of share capital expenses to equity	475
Defined benefit obligation expense	(319)
Other	(20)
	(65 521)

Extraordinary results	
Balance in accordance with Greek GAAP	696
Reclassification to other income	(729)
Reclassification to operating expenses	33
	-
Income tax	
Balance in accordance with Greek GAAP	(1 599)
Recognition of deferred tax	(588)
Tax discount	11
	(2 176)

4. CONSOLIDATED FINANCIAL STATEMENT AND AUDITOR'S REPORT

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Auditor's Report
(Translated from the original in Greek)

To the Shareholders of
ASPIS BANK A.T.E.

We have audited the accompanying consolidated financial statements of ASPIS BANK A.T.E. (the "Bank") which comprise the consolidated balance sheet as at 31 December 2005, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Greek Auditing Standards, which are based on the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' Report with the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accompanying consolidated financial statements give a true and fair view, of the financial position of ASPIS BANK A.T.E. Group as of 31 December 2005, and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards, that have been adopted by the European Union and the Board of Directors' Report is consistent with the accompanying financial statements.

Without qualifying our opinion we draw attention to note10 to the financial statements, that explains that the tax obligations of the Bank and its subsidiaries for certain years have not yet been audited by the tax authorities and accordingly their tax obligations for those years are not considered final. The outcome of the tax audits can not presently be determined.

Athens 27 February 2006

KPMG Kyriacou Certified Auditors AE

Nikolaos Vouniseas
Certified Auditor Accountant
AM SOEL 18701

	Notes	2005	2004
Interest and similar income		103 470	92 807
Interest expense and similar charges		(48 407)	(45 588)
Net interest income	**4**	**55 063**	**47 219**
Fee and commission income	**5**	27 342	23 402
Fee and commission expense		(414)	(609)
Net fee and commission income		**26 928**	**22 793**
Dividend income		44	80
Net trading income	**6**	1 548	4 839
Net gain/(loss) on disposal of non-trading financial instruments		5	(480)
Other operating income		6 273	5 329
Operating expenses	**7**	(72 097)	(75 166)
Impairment losses	**9**	(2 607)	(3 414)
Profit before tax		15 157	1 200
Income tax expense	**10**	(4 061)	(2 412)
Profit/(loss) after tax		11 096	(1 212)
Attributable to:			
Equity holders of the Bank		11 229	(1 102)
Minority interest		(133)	(110)
		11 096	(1 212)
Basic and diluted earnings per share (euro per share)	**11**	0.23	(0.03)

PRESIDENT OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR	VICE PRESIDENT OF THE BOARD OF DIRECTORS	CHIEF FINANCIAL OFFICER
KONSTANTINOS V. KARATZAS	**STYLIANOS A. ARGYROS**	**EVANGELOS V. STATHOPOULOΣ**
ID No I013419	**ID No S206517**	**ID No S045074**
		LICENCE No OEE 523 1ST CLASS

The attached notes on pages 64 to 111 form part of these consolidated financial statements.

Assets	**Notes**	**2005**	**2004**
Cash and balances with Central Bank	**12**	66 322	175 871
Loans and advances to banks	**13**	362 309	258 882
Trading securities	**14**	4 556	3 602
Derivative financial instruments	**15**	1 355	-
Loans and advances to customers	**16**	1 622 042	1 395 336
Investment in subsidiaries		-	18
Investment securities			
- available-for-sale	**17**	16 373	14 807
- held-to-maturity	**18**	52 393	51 056
Property, plant and equipment	**19**	28 680	28 988
Intangible assets	**20**	3 976	3 193
Deferred tax assets, net	**21**	5 327	8 178
Other assets	**22**	51 289	37 511
Total assets		**2 214 622**	**1 977 442**
Liabilities			
Deposits from banks	**23**	222 730	37 585
Deposits from customers	**24**	1 570 451	1 566 314
Derivative financial instruments	**15**	145	82
Current income tax liability		289	1 546
Other liabilities	**25**	53 125	38 017
Employee benefits	**26**	2 352	2 465
Debt securities in issue	**27**	250 618	229 418
Total Liabilities		**2 099 710**	**1 875 427**
Equity			
Share capital	**28**	143 561	143 021
Share premium		5 584	5 590
Other reserves	**29**	(2 859)	(4 356)
Accumulated deficit		(32 540)	(43 550)
Equity attributable to the Bank's equity holders		**113 746**	**100 705**
Minority interests		1 166	1 310
Total equity		**114 912**	**102 015**
Total liabilities and equity		**2 214 622**	**1 977 442**

The attached notes on pages 64 to 111 form part of these consolidated financial statements

	2005	2004
Operating activities		
Profit before taxes	15 157	1 200
Adjustments for non-cash items		
Depreciation and amortization	8 070	6 845
Impairment losses	2 607	3 414
Employee benefit	613	452
Other non-cash items	(1 442)	(8 879)
Increase in fair value of trading investments	(195)	447
Other provisions	19	18
	24 829	**3 497**
Changes in operating assets and liabilities		
Trading securities	(2 384)	(18 775)
Derivative financial instruments	(1 296)	82
Loans and advances to customers	(229 313)	(398 665)
Other assets	(13 778)	184 207
Deposits from banks	185 145	4 856
Deposits from customers	4 137	74 980
Other liabilities	13 931	39 114
Cash flows from operating activities	**(18 729)**	**(110 704)**
Investing activities		
Proceeds from sale of investments	254	386
Proceeds from sale of property and equipment	3 211	3 835
Acquisition of investments	1 882	157 803
Acquisition of property and equipment	(8 682)	(10 141)
Dividends received	44	80
Cash flows from investing activities	**(3 291)**	**151 963**
Financing activities		
Net (decrease)/ increase in subordinated liabilities	21 200	30 832
Proceeds from the issue of shares	535	36 010
Cash flows from financing activities	**21 735**	**66 842**
Net increase/ (decrease) in cash flows	**(285)**	**108 101**
Cash and cash equivalents at 1 January	**434 753**	**325 653**
Effect of exchange rate fluctuations on cash and cash equivalents	(5 837)	999
Cash and cash equivalents at 31 December	**428 631**	**434 753**
Cash flows from operating activities include:		
Interest received	103 470	92 807
Interest paid	48 407	45 588
Income taxes paid	1 457	907
Dividends received	44	80
Cash and cash equivalents consist of:		
Cash and balances with Central Bank	66 322	175 871
Loans and advances to banks	362 309	258 882
	428 631	434 753

The attached notes on pages 64 to 111 form part of these consolidated financial statements.

	Share capital	Share premium	Reserves	Available for sale reserve	Accumulated deficit	Attributable to equity holders of the Bank	Minority interests	Total
Balance at 1 january 2004	**107 266**	**5 335**	**4 522**	**(7 638)**	**(40 499)**	**68 986**	**-**	**68 986**
Share capital increase (net)	35 755	255	-	-	-	36 010	-	36 010
Valuation of available for sale Securities	-	-	-	(1 240)	-	(1 240)	-	(1 240)
Disposal of subsidiary to Minority	-	-	-	-	(1 409)	(1 409)	1 409	-
Loss for the year	-	-	-	-	(1 102)	(1 102)	-110	(1 212)
Other differences	-	-	-	-	-540	-540	11	-529
Balance at 31 December 2004	**143 021**	**5 590**	**4 522**	**(8 878)**	**(43 550)**	**100 705**	**1 310**	**102 015**
Share capital increase (net)	540	-6	-	-	-	534	-	534
Valuation of available for sale Securities	-	-	-	1 363	-	1 363	-	1 363
Cash flow hedge	-	-	134	-	-	134	-	134
Profit for the year	-	-	-	-	11 229	11 229	-133	11 096
Other differences	-	-	-	-	-219	-219	-11	-230
	143 561	**5 584**	**4 656**	**(7 515)**	**(32 540)**	**113 746**	**1 166**	**114 912**

The attached notes on pages 64 to 111 form part of these consolidated financial statements.

General Information

ASPIS BANK S.A. (previously ASPIS MORTGAGE BANK S.A.) was founded by Pavlos D.Psomiadis and the AEGON BV insurance company, under the name "ASPIS BANK", as a Banking Societé Anonyme in 1992 and received its license by the Bank of Greece (decision no. 487/2.12.91 of the Currency and Credit Commission), and the Ministerial Council (no. 5/8, GG 1/13.1.92, issue 1) Act according to law. According to this license, the Bank operated in accordance with mortgage banks laws until 3 August 2001. The Bank of Greece (PDBG 2478/3-8-2001) abolished the special legal framework for mortgage banks. On 3 September 2001, the Currency and Credit Commission of the Bank of Greece approved the modification of the Articles of Association of ASPIS BANK, which from thereafter engages in all banking operations defined by law. The Ministry of Development, as per decision no. K2-13660/26-10-2001, approved the modification of the Bank's Articles of Association regarding its name, and received its current name of ASPIS BANK S.A. The Regular Shareholders' Meeting on 1 June 2001 had already approved the aforementioned modifications of articles 1 (regarding the name) and 4 (regarding the purpose) of the Bank's Articles of Association. ASPIS BANK maintains a Head Office in the Municipality of Athens, at 4 Othonos St., 105 57 Athens, and is registered in the Societé Anonyme Registry under no. 26699/06/B/92/12. The Bank was established for a term of ninety-nine (99) years from the date it was registered in the Societé Anonyme Registry.

According to article 4 of the Bank's Articles of Association its exclusive purpose is to carry out on its behalf or on the behalf of third parties all banking activities allowed under current legislation. The following are the main activities that Bank may perform:

- Accepting, with or without interest, all types of deposits or other returnable funds denominated in euros, foreign currency.
- Issuing loans and credit of all types, providing guarantees and acquiring or transferring claims, as well as intermediating in the financing of business enterprises or in business collaborations.
- Assuming debt, credit or guarantees and issuing debt securities in order to draw funds.
- Providing bill payment, fund transfer and export trade financing facilities.
- Safekeeping, management and administration of all types of securities, bonds, financial products and assets in general, including asset portfolios, transacting trades of these assets on behalf of the Bank or of third parties, as well as providing related financial and consulting services.
- The establishment or participation in domestic or foreign companies of any type engaged in the money market, capital market and the broader banking and investment sector in general.

- The issuance and management of means of payment (credit and debit cards, travel and

  bank cheques, etc.)
- Underwriting services, participation in the issuance and sale of securities, the coverage

  of issues and the provision of related services.
- Providing consulting services to business enterprises regarding their capital structure and

  business strategy, as well as services regarding mergers, spin-offs and acquisitions, and

  related issues.
- Providing reorganization and financial restructuring services.
- Factoring corporate receivables.
- Providing business-related information, including credit rating services.
- Providing safe-deposit box services.
- Representing third parties that have or pursue objectives similar to those mentioned

  above and in general engaging in any type of action, transaction, work or activity pursuant

  to the above or contributing to the advancement of the objectives of the Bank, as stated in

  the Articles of Association.
- Actively participating, as a member, in organized stock markets, having received a

  relevant license from the Bank of Greece.

To achieve its objectives, the Group may cooperate with other legal entities, business enterprises or individuals, including those that pursue similar objectives, as well as participate in the aforementioned legal entities and business enterprises, in compliance with the provisions of banking legislation or any other applicable laws.

Fitch Ratings recently gave ASPIS BANK a BB+ rating while certifying its risk management systems.

The Board of Directors approved the annual financial statements on 27 February 2006.

Significant Accounting Principles

The accounting principles applied for the preparation of the financial statements are as follows.

Statement of compliance

The financial statements for the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by International Standards Board (IASB) as adopted by the European Union. These are the Group's first financial statements and IFRS 1 has been applied. An explanation of the how the transition to IFRS has affected the reported financial position and financial performance of Group is provided in note 34.

Basis of preparation

The financial statements are presented in euro, rounded to the nearest thousand. They are prepared on the historical cost basis except for the following assets and liabilities are stated at their fair value: financial instruments held for trading, financial instruments classified as available-for-sale, and derivative financial instruments.

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and the associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Deviations to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Investments in subsidiaries and associates

(a) Subsidiaries

Subsidiaries are entities controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(b) Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of total recognized gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in the associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred a legal or constructive obligation to make payments on behalf of an associate.

(c) Joint ventures

Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement. The consolidated financial statements include the Group's proportionate share of the entities' assets and liabilities, revenue and expenses with items of a similar nature on a line by line basis, from the date that joint control commences until the date that joint control ceases.

Foreign currency transactions

Transactions in foreign currencies are translated to euro at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to euro at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised to the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies, that are stated at fair value are translated to euro at the foreign exchange rates ruling at the dates that the values were determined.

Financial instruments

(a) Classification

Instruments at fair value through profit or loss. This category has two sub categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. These include derivative contracts that are not designated and effective hedging instruments.

Loans and receivables are loans and receivables created by the Group providing money, goods or services to a debtor other than those created with the intention of short-term profit taking.

Held-to-maturity assets are financial assets with fixed or determinable payments and fixed maturity that the Group has the intent and ability to hold to maturity. These include certain purchased loans and advances to banks and customers, and certain debt investments.

Available-for-sale assets are financial assets that are not held for trading purposes, loans and receivables, or held to maturity. Available-for-sale include certain debt and equity investments.

b) Recognition

The Group recognises financial assets held for trading, available-for-sale and held-to-maturity, on the date it commits to purchase the assets. From this date any gains and losses arising from changes in fair value of the assets are recognised. Loans and receivables are recognised when cost is advanced to the borrowers.

(c) Measurement

Financial instruments are measured initially at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Subsequent to initial recognition all trading instruments and all available-for-sale assets are measured at fair value, except that any instrument that does not have a quoted market price in an active market and whose fair value cannot be reliably measured is stated at cost, including transaction costs, less impairment losses.

All non-trading financial liabilities, loans and receivables and held-to-maturity assets are measured at amortised cost less impairment losses. Amortised cost is calculated on the effective interest rate method. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument and amortised based on the effective interest rate of the instrument.

(d) Fair value measurement principles

The fair value of financial instruments is based on their quoted market price at the balance sheet date without any deduction for transaction costs. If a quoted market price is not available, the fair value of the instrument is estimated using pricing models or discounted cash flow techniques.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimate and the discount rate is a market related rate at the balance sheet date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market related measures at the balance sheet date.

The fair value of derivatives that are not exchange-traded is estimated at the amount that the Group would receive or pay to terminate the contract at the balance sheet date taking into account current market conditions and current creditworthiness of the counterparties.

(e) Gains and losses on subsequent measurement

Gains and losses arising from a change in the fair value of available-for-sale assets are recognised directly in equity. When the financial assets are sold, collected or otherwise disposed of the cumulative gain or loss recognised in equity is transferred to the income statement.

Gains and losses arising from a change in the fair value of instruments at fair value through profit or loss are recognised in the income statement.

(f) Hedge accounting

Where there is a hedging relationship between a derivative instrument and a related item being hedged, the hedging instrument is measured at fair value. The treatment of any resultant gains and losses is set out below.

A hedging relationship exists where:

- at the inception of the hedge there is formal documentation of the hedge;
- the hedge is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is highly effective throughout the reporting period; and
- for hedges of a forecasted transaction, the transaction is highly probable and presents an exposure to variations in cash flows that could ultimately affect net profit or loss.

The fair value of derivative hedging instruments is calculated in the same way as the fair value of trading instruments (refer accounting policy 2.5d).

When a derivative financial instrument hedges the exposures to changes in the fair value of a recognised asset or liability, the hedged item is at fair value in respect of the risk being hedged. Gains and losses on remeasurement of both the hedging instrument and the hedged items are recognised in the income statement. These amount are included in gains less losses from non-trading instruments.

Where a derivative financial instrument hedges the exposure to variability in the cash flow of recognised assets or liabilities or anticipated transactions or firm commitments, the effective part of any gain or loss on remeasurement of the hedging instrument is recognised directly in equity. The ineffective part of any gain or loss is recognised in the income statement.

Repurchase agreements

The Group enters into agreements for the purchases (sales) of investments and to resell (repurchase) substantially the identical investments at a certain date in the future at a fixed price. Investments purchased subject to commitments to resell them at future dates are not recognised.The amounts paid are recognised in loans to either banks or customers. The receivables are shown as collateralised by the underlying security. Investments sold under repurchase agreements continue to be recognised in the balance sheet and are measured in accordance with the accounting policy for either assets held for trading or available-for-sale as appropriate. The proceeds from the sale of the investments are reported as liabilities to either banks or customers.

The difference between the sale and repurchase considerations is recognised on an accrual basis over the period of the transaction and is included in interest.

Property, plant and equipment

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes expenditure that is attributable to the acquisition of the items.

Land and buildings that had been revalued to fair value on 1 January 2004, the date of transition to IFRS are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the property, plant and equipment. Land is not depreciated.

The estimated useful lives are as follows:

Own property	50 years
Leasehold improvements	12 years
Furniture and equipment	7 – 8 years

The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is higher of the assts fair value less costs to sell and value in use.

Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the income statement.

Certain items of property that had been revalued at fair value prior to 1 January 2004, the date of transition to IFRSs, are measured on the basis of deemed cost being the revlalued amount at the date of that revaluation.

Intangible assets

Intangible assets consists of software that has been acquired by the Group and stated at cost less accumulated amortisation and impairment losses (see accounting policy 2.9).

Amortisation is charged to the income statement on a straight-line basis over the estimated useful life of the software which is between 4-10 years.

Impairment

(a) Assets carried at amortised cost

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Group about the following loss events:

(vii) significant financial difficulty of the issuer or obligator;

(viii) a breach of contract, such as a default or delinquency in interest or principal payments;

(ix) the Group granting to the borrower, for economic or legal reasons relating to the borrower's financial difficulty, a concession that the lender would not otherwise consider;

(x) it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;

(xi) the disappearance of an active market for that financial asset because of financial difficulties; or

(xii) observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:

- adverse changes in the payment status of borrowers in the group; or
- national or local economic conditions that correlate defaults on the assets in the groups.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e., on the basis of the Group's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). These characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

Future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the group and historical loss experience for assets with credit risk characteristics similar to those in the group.

Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which historical loss experience is based and to remove the effects of conditions in the historical period that do not exist currently.

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period (for example changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the group and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Group to reduce and differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written-off against the related provision for loan impairment. Such loans are written-off after all necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written-off decrease the amount of the provision for loan impairment in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively do an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the income statement.

(b) Assets carried at fair value

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that asset previously recognised in the income statement – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise of cash balances on hand, cash deposited with central banks and short-term highly liquid investments with maturities of three months or less when purchased, including treasury bills and other bills eligible for rediscounting with the central bank.

Employee benefits

(a) Defined contribution plans

The Group pays contributions to publicly or privated administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment adjustments once the contributions have been paid. The obligations for contributions are recognized as an expense in the income statement as incurred.

(b) Defined benefit plans

The Group has a defined benefit plan whereby it is required, by law, to pay to retiring employees a lump sum. The amount of the payment varies depending upon the employee's length of service and salary on the date of retirement. The Group's obligation in respect of this defined benefit plan is measured by estimating the present value amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine it present value, and the fair value of any plan assets is deducted. The discount rate is the yield at the balance sheet date on Greek State bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed by a independent qualified actuary using the projected unit method, less the fair value of any plan assets and adjusted for unrecognised gains or losses and past service costs. The calculation is performed annually by a qualified actuary using the projected unit credit method. The discount rate is the yield at the balance sheet date on Government bonds that have maturity dates that match the employment term of the pension liability.

All actuarial gains and losses as at 1 January 2004, the date of transition to IFRSs, were recognised. In respect of actuarial gains and losses that arise subsequent to 1 January 2004 in calculating the Group's obligation in respect of the plan, to the extent that any cumulative unrecognised actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of the plan assets, that portion is recognised in the income statement over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognised.

The amount recognized in the income statement by the Group for defined benefit pension plans include:

- the increase in the present value of the defined benefit obligation resulting from employee service in the current period (service cost)
- the increase in the present value of the defined benefit obligation which arises as the benefits are one year closer to settlement (interest cost).

All actuarial gains and losses are recognised in the income statement using the corridor method amortising any amounts based on the term of the pension liability.

Provisions

A provision is recognised in the balance sheet when the Group has a present legal obligation or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate has be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money.

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 recognised amounts and the transactions are intended to be settled on a net basis.

Derecognition

A financial instrument is derecognised when the Group loses control on contractual rights that comprise the asset. This occurs when the rights are realised, expire or surrendered. A financial liability is derecognised when it is extinguished.

Interest income and expense

Interest income and expense is recognised in the income statement as it accrues, taking into account the effective yield of the instrument or an applicable floating rate. Interest income and expense includes the amortisation of any discount or premium or other differences between the initial carrying amount of an interest bearing instrument and its amount at maturity calculated on an effective interest rate basis.

The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or expense over the relevant period.

The effective interest rate is the rate that exactly discounts the future cash payments or receipts through the expected life of the financial instrument.

Interest income from loans is not accrued when the balance is six months overdue.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Fee and commission income

Fees and commissions are recognised in the income statement on a accrual basis when the period that the service has been provided.

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which cash it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable differences. The amount of deferred tax provided in based on the expected manner of realisation or settlement of the carrying amount of assets or liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend.

Share capital

(a) Share issue costs

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax from the proceeds.

(b) Dividends on ordinary shares

Dividends on ordinary shares are recognised as a liability in the period in which they are approved by the Group's shareholders.

(c) Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a change in equity. Repurchased shares are classified as treasury shares and presented as a deduction from total equity. Where such shares are subsequently sold or re-issued, any consideration received is included in shareholders' equity.

Net trading income

Net trading income includes gains and losses arising from disposals and changes in the fair value of financial assets and liabilities held for trading.

Dividend income

Dividend income is recognised in the income statement on the date that the dividend is approved.

Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Leases

(a) A Group company in the lessee

- Operating lease

  Leases where the risks and rewards of ownership of the asset remain with the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

- Finance lease

  Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired by way of finance lease is stated at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation.

  Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

(b) A Group company in the lessor

- Operating lease

  The assets are carried on the financial statements of the Group and are depreciated over their useful lives. Payments received under operating leases are recorded to the income statement on a straight-line basis.

- **Finance leases**

  Leases where the Group transfers substantially all the risks and rewards incident to ownership of an asset to the lessee are classified as finance leases. A receivable at an amount equal to the present value of the lease payments, including any guaranteed residual value is recognised.

  The difference between the gross receivable and the present value of the receivable is unearned finance income and is recognised over the term of the lease in the income statement as interest income.

Business segments
(In thousands of euro)

The Group is organized into three business segments:

2) Corporate banking

2) Retail banking

3) Brokerage transactions

At 31 December 2005

	Corporate	Retail	Brokerage	Total
External revenues	10 552	70 944	8 365	89 861
Profit before tax	4 023	8 481	2 653	15 157
Profit after tax	2 945	6 209	1 942	11 096
Total assets	305 179	1 882 159	27 284	2 214 622
Total liabilities	154 502	1 937 297	7 911	2 099 710
Capital expenditure	2 014	6 554	115	8 683
Depreciation	3 076	4 676	318	8 070
Impairment loss	2 025	361	221	2 607

At 31 December 2004

	Corporate	Retail	Brokerage	Total
External revenues	6 361	65 961	7 458	79 780
Profit/(loss) before tax	2 343	987	(2 130)	1 200
Profit/(loss) after tax	(2 366)	7 565	(6 411)	(1 212)
Total assets	268 935	1 677 357	31 150	1 977 442
Total liabilities	218 935	1 651 545	4 947	1 875 427
Capital expenditure	108	9 802	231	10 141
Depreciation	1 181	5 050	614	6 845
Impairment loss	1 645	1 668	101	3 414

Net interest income	**2005**	**2004**
(In thousands of euro)		
Interest and similar income		
Loans and advances	88 487	79 109
Trading instruments	10	3 425
Debt instruments	7 160	4 848
Money market deals	7 813	5 425
	103 470	92 807
Interest expense and similar charges		
Deposits from banks and customers	(37 420)	(35 601)
Borrowed funds	(10 987)	(9 987)
	(48 407)	(45 588)
Net interest income	**55 063**	**47 219**

Net fee and commission income	**2005**	**2004**
(In thousands of euro)		
Fund transfers	1 333	1 444
Imports-exports	1 292	1 155
Management and custodian fees	3 961	4 580
Brokerage transactions	3 484	2 840
Credit cards	1 481	1 603
Loans and letters of guarantees	10 086	6 397
Deposits	766	967
Property	531	364
Other	4 408	4 052
	27 342	23 402

Net trading income	**2005**	**2004**
(In thousands of euro)		
Foreign exchange	1 120	758
Equity instruments	(192)	228
Debt instruments	21	(388)
Derivatives	599	4 241
	1 548	**4 839**

Operating expenses	**2005**	**2004**
(In thousands of euro)		
Staff costs (Note 8)	34 964	36 658
Depreciation (Notes 19, 20)	8 070	6 845
(Profit)/loss on sale of property and equipment	(154)	2
Operating lease rentals	7 108	7 119
Lawyers, engineers and other professionals	6 271	6 171
Utilities postage and similar charges	2 035	2 500
Other taxes	1 906	1 617
Contributions	1 793	1 794
Other	10 104	12 460
	72 097	**75 166**

Staff costs	**2005**	**2004**
(In thousands of euro)		
Wages and salaries	25 920	27 999
Social security costs	5 616	5 513
Defined benefit plan expense	613	452
Defined contribution plans	2 815	2 694
	34 964	**36 658**

The average number of persons employed by the Group during 2005 was 946 (2004: 976).

Impairment losses	**2005**	**2004**
(In thousands of euro)		
Loans and advances to customers	2 607	2 024
Goodwill	-	1 390
	2 607	**3 414**

Income tax expense	**2005**	**2004**
(In thousands of euro)		
Current tax expense		
Current year	1 210	1 586
Deferred tax	2 851	826
Total income tax expense in income statement	**4 061**	**2 412**

Further information about deferred income tax is provided in note 21. The reconciliation of the effective tax rate is as follows (in thousands of euro):

		2005		**2004**
Profit before tax		15 157		1 200
Income tax at rate	32%	4 850	35%	420
Non-deductible expenses	5%	665	132%	1 586
Tax exempt revenues	(10%)	(1 540)	(43%)	(513)
Other differences	-	86	77%	919
	27%	**4 061**	**201%**	**2 412**

In Greece the results reported to the tax authorities by an entity are provisional and subject to revision until such time as the tax authorities examine the books and records of the entity and the related tax returns as accepted as final. Therefore, entities remain contingently liable for additional taxes and penalties, which may be assessed upon such examination. The tax authorities have not audited the Bank and the subsidiaries for the following years:

Aspis Bank	2003 - 2005
Asips Leasing	2003 - 2005
Aspis A.E. Insurance Brokerage	2003 - 2005
Aspis International AEDAK	2002 - 2005
Aspis Credit	2004 - 2005

Because of the method under which the tax obligations are ultimately concluded in Greece, the Group remains contingently liable for additional tax and penalties for its open tax years.

Earnings per share

Basic earnings per share at 31 December 2005 was based on the profit/(loss) after tax for the years attributable to the equity holders of EUR 11 096 thousand (2004: EUR (1 212) thousand) with a weighted average number of ordinary shares outstanding, during the year ended 31 December 2005 of 48 646 667 (2004: 36 485 000).

Cash and balances with Central Bank	**2005**	**2004**
(In thousands of euro)		
Cash in hand	16 408	15 885
Mandatory reserve deposits	21 720	27 134
Other placements with Central Bank	28 194	132 852
	66 322	**175 871**

Loans and advances to banks	**2005**	**2004**
(In thousands of euro)		
Current accounts	38 382	37 364
Other placements	320 169	220 707
Items in course of collection	3 758	811
	362 309	**258 882**

Trading securities	**2005**	**2004**
(In thousands of euro)		
Debt securities	1 733	1
Mutual fund units	2 737	2 905
Equity securities	86	696
	4 556	**3 602**

Derivative financial instruments
(In thousands of euro)

	2005			2004		
	Notional amount	Fair Value Assets	Fair Value Liabilities	Notional amount	Fair Value Assets	Fair Value Liabilities
Forward – currency	833	-	105	-	-	-
Futures	1 300	-	17	-	-	-
Interest rate swaps	5 670	1 355	23	1 531	-	82
		1 355	145		-	82

The notional amount of certain types derivative financial instruments provide a basis for comparison with instruments recognized on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit or price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, to the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities, can fluctuate significantly from time to time.

Loans and advances to customers	**2005**	**2004**
(In thousands of euro)		
Retail customers:		
Housing	858 983	748 112
Credit cards	35 548	37 954
Other consumer	58 776	54 826
Corporate customers:		
Manufacturing	165 577	131 986
Wholesale and retail	294 351	245 072
Other	132 806	102 841
Financial leasing	93 826	85 406
Amounts due relating to brokerage transactions	24 989	29 390
	1 664 856	1 435 587
Less: allowance for uncollectibility	(42 814)	(40 251)
Net loans and advances to customers	1 622 042	1 395 336

Allowance for uncollectibility

Movement in the allowance for uncollectibility:

	2005	**2004**
Balance at 1 January	40 251	38 285
Provision for loan impairment	2 607	2 024
Loans written-off during the year	(44)	(58)
At 31 December	**42 814**	**40 251**

Available-for-sale securities	**2005**	**2004**
(In thousands of euro)		
Greek government bonds	-	1 237
Mutual fund units	9 771	8 118
Listed equity securities	5 927	3 108
Other debt securities	41	1 505
Other non-listed equity securities	634	839
	16 373	**14 807**

Held-to-maturity securities	**2005**	**2004**
(In thousands of euro)		
Greek government bonds	35 088	35 918
Non Greek government bonds	17 305	15 138
	52 393	**51 056**

Property, plant and equipment

(In thousands of euro)

	Land and buildings	Leasehold improvements	Furniture & equipment	Total
Cost				
Balance at 1 January 2004	6 646	22 734	14 119	43 499
Additions	216	657	6 056	6 929
Disposals	(330)	-	(580)	(910)
Balance at 31 December 2004	6 532	23 391	19 595	49 518
Balance at 1 January 2005	6 532	23 391	19 595	49 518
Acquisitions	-	1 229	3 116	4 345
Disposals	(48)	(84)	(380)	(512)
Balance at 31 December 2005	6 484	24 536	22 331	53 351
Depreciation				
Balance 1 January 2004	399	6 203	10 320	16 922
Depreciation charge for the year	258	1 923	2 111	4 292
Disposals	(330)	-	(354)	(684)
Balance at 31 December 2004	327	8 126	12 077	20 530
Balance 1 January 2005	327	8 126	12 077	20 530
Depreciation charge for the year	93	1 969	2 452	4 514
Disposals	(2)	(17)	(354)	(373)
Balance at 31 December 2005	418	10 078	14 175	24 671
Carrying amounts				
At 1 January 2004	6 247	16 531	3 799	26 577
At 31 December 2004	6 205	15 265	7 518	28 988
At 1 January 2005	6 205	15 265	7 518	28 988
At 31 December 2005	6 066	14 458	8 156	28 680

Intangible assets

(In thousands of euro)

Cost	
Balance at 1 January 2004	9 061
Additions	3 212
Disposals	(2 925)
Balance at 31 December 2004	9 348
Balance at 1 January 2005	9 348
Additions	4 338
Disposals	(2 699)
Balance at 31 December 2005	10 987
Amortisation	
Balance as at 1 January 2004	4 613
Amortisation for the year	2 553
Disposals	(1 011)
Balance at 31 December 2004	6 155
Balance 1 January 2005	6 155
Amortisation for the year	3 556
Disposals	(2 700)
Balance at 31 December 2005	7 011
Carrying amounts	
At 1 January 2004	4 448
At 31 December 2004	3 193
At 1 January 2005	3 193
At 31 December 2005	3 976

Deferred tax assets, net

(In thousands of euro)

Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following (in thousands of euro):

	2005	2004
Deferred tax asset		
Finance lease	1 166	1 255
Customer loans impairment	3 831	5 332
Employee benefits	590	625
Commission income	977	1 401
Tax loss	207	5
	6 771	8 618
Deferred tax liability:		
Finance lease	(254)	-
Property, plant and equipment	(1 015)	(212)
Commission expense	(20)	(27)
Other	(155)	(201)
	(1 444)	(440)
Net deferred tax asset	**5 327**	**8 178**

Movement in temporary differences during the year

	Balance 1 January 2004	Recognized in income	Recognized in equity	Balance 31 December 2004
Customer loans impairment	6 001	(669)	-	5 332
Employee benefits	732	(107)	-	625
Commission income	1 234	167	-	1 401
Finance lease	1 517	(262)	-	1 255
Property, plant and equipment	(255)	43	-	(212)
Commission expense	-	(27)	-	(27)
Tax loss	5	-	-	5
Other	(230)	29	-	(201)
	9 004	**(826)**	**-**	**8 178**

	Balance 1 January 2005	Recognized in income	Recognized in equity	Balance 31 December 2005
Customer loans impairment	5 332	(1 501)	-	3 831
Employee benefits	625	(35)	-	590
Commission income	1 401	(424)	-	977
Finance lease	1 255	(343)	-	912
Property, plant and equipment	(212)	(803)	-	(1 015)
Commission expense	(27)	7	-	(20)
Tax loss	5	202	-	207
Other	(201)	46	-	(155)
	8 178	**(2 851)**	**-**	**5 327**

Other assets	**2005**	**2004**
(In thousands of euro)		
Guarantees and participations to other funds	10 044	7 451
Advances	4 801	3 907
Receivables from Greek State and other public organizations	4 696	3 117
Accrued interest income	3 779	3 561
Other receivables	27 969	19 475
	51 289	**37 511**

Deposits from banks	**2005**	**2004**
(In thousands of euro)		
Term deposits	222 730	37 585
	222 730	**37 585**

Deposits from customers	**2005**	**2004**
(In thousands of euro)		
Sight and current accounts	218 859	244 898
Savings accounts	326 773	297 719
Term deposits	1 024 819	1 023 697
	1 570 451	**1 566 314**

Included in term deposits are funds that the Group has raised by selling Greek Government bonds, under agreements to repay the funds by repurchasing the bonds at future dates of the same price plus interest at a pre-determined rate. At 31 December 2005 the funds received amounted to EUR 0 thousand (2004: EUR 57 thousand). The majority of the repurchase agreements expiry within one month of the balance sheet date and the total interest expense on repurchase agreements for 2005 was EUR 176 thousand (2004: EUR 1 815 thousand).

Other liabilities	**2005**	**2004**
(In thousands of euro)		
Tax and duties	2 724	1 834
Amounts and cheques payable	9 879	8 642
Accrued interest expense	4 035	3 860
Other liabilities	36 487	23 681
	53 125	**38 017**

Employee benefits

(In thousands of euro)

	2005	**2004**
Present value of unfunded obligations	2 998	3 114
Unrecognised actuarial gains and (losses)	(696)	(749)
Recognized liability for defined benefit obligations	2 302	2 365
Vacation not taken	50	100
	2 352	**2 465**

The movement in the net liability for defined benefit obligations recognized in the balance sheet is as follows (the amounts are expressed in thousands of euro):

	2005	**2004**
Net liability for defined benefit obligations at 1 January	2 365	1 977
Expense recognised in the income statement	613	452
Benefits paid	(676)	(64)
	2 302	**2 365**

The expense recognized in the income statement consists of:

	2005	**2004**
Current service costs	447	294
Interest on obligation	139	98
Amortization of actuarial loss	27	60
	613	452

The principal actuarial assumptions used for 2005 and 2004 were as follows.

	2005	2004
Discount rate	4.5%	4.5%
Future salary increases	5.0%	5.0%

Securities in issue

The amount includes a subordinated floating rate for EUR 50 million due in 2015. In addition it includes floating rate notes issued by Byzantion Finance plc to fund the purchase of housing loans. These notes mature in 2032 but there is an option to repay the notes in January 2009. If the notes are not repaid the margin will double.

Share Capital

At 31 December 2005, the share capital comprised 48 646 667 ordinary shares with a par value of EUR 2.94 per share.

In December 2005, certain members of management exercised a stock option that was grated in 2002. As a result, the number of shares increased by 183 643 shares. The exercise price was equal to par value.

In 2004 the shareholders in general meeting decided to increase share capital by EUR 36 million approximately by issuing 12 161 667 shares for EUR 3.00 contributed in cash. The difference between the par value and the exercise price of EUR 3 per share was recorded to the share premium.

Other reserves

(In thousands of euro)

	2005	2004
Statutory reserve	2 350	2 350
Untaxed reserve	1 828	1 960
Revaluation reserve available-for-sale investments	(7 516)	(8 878)
Other reserves	479	212
	(2 859)	(4 356)

Statutory reserve*:* Under the provisions of Greek corporate law, entities are required to transfer 5% of their annual profits to a statutory reserve until the reserve equals one third of the issued capital. This reserve is not available for distribution but may be applied to cover losses.

Untaxed reserves*:* In accordance with Greek tax law certain types of income and profits are not taxed if retained and recorded to a specific reserve account. In the event that the reserves are distributed they will be taxed at the rate applicable on the date of distribution.

Related-party transactions

The Bank defines related parties as subsidiaries, the Board of Directors, the Executive Board, close family members and enterprises which are controlled by these individuals through their majority share-holding or their role as Chairman and/or CEO in those companies.

Transactions with key management personnel

The executive members of the Board of Directors have employment contracts and receive pension benefits upon retirement. Total remuneration to the executive members of the Board of Directors and Executive Board recognized in the income statement amounted to EUR 1 571 thousand (2004: EUR 1 302 thousand).

Loans and advances to members of the Board of Directors amounted to EUR 1 626 thousand (2004: 1 976 thousand) and deposits from customers amounted to EUR 11 324 thousand (2004: EUR 16 341 thousand).

Transactions with intra-group Companies (in 000's EUR)

	2005
Available to sale investments	2 500
Loans and advances to customers	75 882
Other Assets	4 541
Amounts due from customers	3 040
Minority interest liabilities	49 613
Interest and other income	1 948
Interest and other expenses	1 725
Net commission income	1 884
Other income	80

Transactions with other parties

	2005	2004
Loans and advances to customers	3 707	3 856
Other assets	644	540
Amounts due from customers	28 604	33 059
Other liabilities	197	289
Net interest income	103	238
Net commission income	1 277	1 278
Other operating expenses	3 463	3 424

Contingent liabilities and commitments

Litigation

The Bank is a defendant in certain claims and legal actions arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial condition of the Bank.

Credit commitments

The contractual amounts of the Group's off-balance sheet financial instruments that commit to extend credit to customers are as follows (in thousands of euro):

	2005	2004
Letters of guarantee	197 226	167 780
Letters of credit	12 393	10 781

Operating leases

The Group's commitments from lease contracts refer mainly to buildings used for its branches and other operating units. There is an annual increase in leasing contracts according to the general price index. The average lease period is 9 years. The future minimum payments under operating leases are as follows (amounts in thousands of euro):

Up to 1 year	6 000
From 1 to 5 years	5 600
Over 5 years	2 700
	14 300

Risk management

This note provides details of the Group's exposures to risks and describes the methods used by management to control risk. The most important types of financial risk to which the Group is exposed are credit risk, liquidity risk and market risk. Market risk includes currency risk, interest rate risk and equity price risk.

Credit risk

The Group takes an exposure to credit risk, which is the risk that a counterparty will be unable to pay an amount in full when due. Impairment provisions are provided for losses that have been incurred at the balance sheet date. Significant changes in the economy or in the health of a particular industry segment that represents a concentration in the Group's portfolio, could result in losses that are different from those provided for at the balance sheet date. Management therefore carefully manages its exposure to credit risk.

The Group structures the level of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review. Limits on the level of credit risk by product and industry sector are approved by the Board of Directors.

The exposure to any one borrower including banks is further restricted by sub-limits covering on and off-balance sheet exposures. Actual exposures against limits are monitored daily.

Exposure to credit risk is managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate. Exposure to credit risk is also managed in part by obtaining collateral and corporate and personal guarantees, but a significant portion of the Group's exposures related to personal lending where no such facilities can be obtained.

Liquidity risk

Liquidity risk arises in the general funding of the Group's activities and in the management of positions. It includes both the risks of being unable to fund assets at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame.

The Group has access to a diverse funding base. Funds are raised using a broad range of instruments including deposits, debt securities and share capital. This enhances funding flexibility, limits dependence on any one source of funds and generally lowers the cost of funds. The Group strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. The Group continually assesses liquidity risk by identifying and monitoring changes in funding required to meet business goals and targets set in terms of the overall Group strategy.

The following table provides an analysis of the Group's assets and liabilities into relevant maturity groupings based on the remaining periods to repayment (the amounts are expressed in thousands of euro):

Maturities of assets and liabilities

At 31 December 2005

	Up to 1 month	1-3 months	3-6 months	6-12 months	1 to 5 years	More than 5 years	Total
Assets							
Cash and balances with Central Bank	64 620	-	1 702	-	-	-	66 322
Loans and advances to banks	356 245	6 064	-	-	-	-	362 309
Trading securities	4 556	-	-	-	-	-	4 556
Derivative financial instruments	1 355	-	-	-	-	-	1 355
Loans and advances to customers	255 874	171 200	253 090	60 977	266 546	614 355	1 622 042
Available-for-sale investments	-	-	-	-	16 373	-	16 373
Held-to-maturity investments	-	15 998	-	-	36 395	-	52 393
Property, plant and equipment	-	-	-	-	26 946	1 734	28 680
Intangible assets	-	-	-	-	3 976	-	3 976
Deferred tax assets	-	-	-	-	5 327	-	5 327
Other assets	134	8 471	-	-	42 684	-	51 289
Total assets	682 784	201 733	254 792	60 977	398 247	616 089	2 214 622
Liabilities							
Deposits from banks	201 277	5 453	16 000	-	-	-	222 730
Due to customers	504 639	440 435	101 508	78 989	444 880	-	1 570 451
Derivative financial instruments	145	-	-	-	-	-	145
Current income tax liability	-	289	-	-	-	-	289
Other liabilities	-	-	4 961	-	48 164	-	53 125
Employee benefits	-	-	-	-	2 352	-	2 352
Debt securities in issue	1 481	2 982	4 499	9 092	232 564	-	250 618
Total liabilities	707 542	449 159	126 968	88 081	727 960	-	2 099 710
Net liquidity gap	(24 758)	(247 426)	127 824	(27 104)	(329 713)	616 089	114 912
At 31 December 2004							
Total assets	508 923	230 972	185 293	186 583	272 725	592 946	1 977 442
Total liabilities	716 168	473 309	148 206	75 858	461 886	-	1 875 427
Net liquidity gap	(207 245)	(242 337)	37 087	110 725	(189 161)	592 946	102 015

Currency risk

The Group takes on exposure to the effects of fluctuations in the prevailing exchange rates on its financial position and cash flows. The Board of Directors set limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily. The table below summaries the Group's exposure to foreign currency exchange risk at 31 December. Included in the table are the Group's assets and liabilities at carrying amounts, categorized by currency (the amounts are expressed in thousands of euro).

	EURO	USD	Other	Total
Assets				
Cash and balances with Central Bank	1 201	45 848	19 273	66 322
Loans and advances to banks	257 413	102 800	2 096	362 309
Trading securities	4 405	151	-	4 556
Derivative financial instruments	1 355	-	-	1 355
Loans and advances to customers	1 554 789	26 042	41 211	1 622 042
Available-for-sale investments	16 373	-	-	16 373
Held-to-maturity investments	35 088	17 305	-	52 393
Property, plant and equipment	28 680	-	-	28 680
Intangible assets	3 976	-	-	3 976
Deferred tax assets	5 327	-	-	5 327
Other assets	51 289	-	-	51 289
Total assets	1 959 896	192 146	62 580	2 214 622
Liabilities				
Deposits from banks	189 897	16 954	15 879	222 730
Due to customers	1 353 966	178 704	37 781	1 570 451
Derivative financial instruments	145	-	-	145
Current tax liability	289	-	-	289
Other liabilities	53 125	-	-	53 125
Employee benefits	2 352	-	-	2 352
Debt securities in issue	250 618	-	-	250 618
Total liabilities	1 850 392	195 658	53 660	2 099 710
Net on-balance sheet position	109 504	(3 512)	8 920	114 912
Net off-balance sheet position	717	90	-	807
At 31 December 2004				
Total assets	1 767 302	160 926	49 214	1 977 442
Total liabilities	1 669 621	160 911	44 895	1 875 427
Net on-balance position	97 681	15	4 319	102 015
Net off-balance position	-	-	-	-

Interest rate risk

The Group's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprice at different times or in differing amounts. In the case of floating rate assets and liabilities the Group is also exposed to basis risk, which is the difference in repricing characteristics of the various floating rate indices.

Risk management activities are aimed at optimizing net interest income, given market interest rate levels consistent with the Group's business strategies.

The table below summarises the Group's exposure to interest rate risks. Included in the table below are the Group's assets and liabilities at carrying amounts, categorized by the earlier or contractual repricing or maturity dates (amounts are expressed in thousands of euro):

31 December 2005	Interest rate	Floating	1-3 months	3-6 months	6-12 months	1 to 5 years	Over 5 years	Non-interest	Total
Assets									
Cash and balances with Central Bank	1.24%	-	45 150	-	-	-	-	21 172	66 322
Loans and advances to banks	3.58%	-	320 168	-	-	-	-	42 141	362 309
Trading securities	6.1%	-	4 470	-	-	-	-	86	4 556
Derivative financial instruments	-	-	-	-	-	-	-	1 355	1 355
Loans and advances to customers	5.10%	287 622	470 505	524 831	2 530	269 620	109 748	(42 814)	1 622 042
Available for sale investments	-	-	-	-	-	-	-	16 373	16 373
Held to maturity investments	2.6%	-	33 602	18 791	-	-	-	-	52 393
Other assets	-	-	-	-	-	-	-	89 272	89 272
Total assets		287 622	873 895	543 622	2 530	269 620	109 748	127 585	2 214 622
Liabilities									
Deposits from banks	2.39%	32 000	190 730	-	-	-	-	-	222 730
Due to customers	2.12%	551 451	819 756	185 616	13 628	-	-	-	1 570 451
Derivative financial instruments		-	-	-	-	-	-	145	145
Current tax liabilities		-	-	-	-	-	-	289	289
Debt securities	3.08%	-	250 618	-	-	-	-	-	250 618
Other liabilities		-	-	-	-	-	-	55 477	55 477
Total liabilities		583 451	1 261 104	185 616	13 628	-	-	55 911	2 099 710
Net Interest Gap		(295 829)	(387 209)	358 006	(11 098)	269 620	109 748	71 674	114 912
31 December 2004									
Total assets		334 758	780 167	597 459	100 892	123 807	-	40 359	1 977 442
Total liabilities		559 670	605 349	648 319	5 030	15 031	-	42 028	1 875 427
Interest sensitivity gap		(224 912)	174 818	(50 860)	95 862	108 776	-	(1 669)	102 015

Fair values of financial assets and liabilities

The following table summarises the carrying amounts and fair value of those financial assets and liabilities not presented on the Bank's balance sheet at their fair value.

	Carrying value		Fair value	
	2005	**2004**	**2005**	**2004**
Financial assets				
Loans and advances to banks	362 309	258 882	362 309	255 882
Loans and advances to customers	1 622 042	1 395 336	1 685 696	1 459 273
Investment securities held-to-maturity	52 393	51 056	50 444	49 388
Financial liabilities				
Deposits from banks	222 730	37 585	190 730	91 917
Deposits from customers	1 570 451	1 566 314	1 573 602	1 569 795
Debt securities in issue	250 618	229 418	250 618	229 418

Explanation of transition to IFRS

As stated in note 2, these are the Group's first financial statements prepared in accordance with IFRSs.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 December 2005, the comparative information presented in these financial statements for the year ended 31 December 2004 and in the preparation of an opening IFRS balance sheet at 1 January 2004. In preparing its opening IFRS balance sheet, the Group has adjusted amounts reported previously in financial statements prepared in accordance with Greek generally accepted accounting principles (Greek GAAP). An explanation of how the transition from Greek GAAP to IFRSs has affected the Group's financial position and financial performance is set out in the following tables and the notes that accompany the tables.

	1 January 2004			31 December 2004		
	Greek GAAP	Effect of IFRS transition	IFRS	Greek GAAP	Effect of IFRS transition	IFRS
Assets						
Cash and balances with Central Bank	138 257	-	138 257	175 874	(3)	175 871
Loans and advances to banks	187 396	-	187 396	227 989	30 893	258 882
Trading securities	-	-	-	-	3 602	3 602
Loans and advances to customers	1 015 367	(21 017)	994 350	1 176 992	218 344	1 395 336
Investment in subsidiaries	60	(60)	-	745	(727)	18
Investment securities:						
- available-for-sale	209 339	(16 009)	193 330	90 123	(75 316)	14 807
- held-to-maturity	-	16 069	16 069	-	51 056	51 056
Property, plant and equipment	25 780	797	26 577	26 614	2 374	28 988
Intangible assets	42 362	(37 914)	4 448	5 542	(2 349)	3 193
Deferred tax assets	-	9 004	9 004	-	8 178	8 178
Other assets	222 192	3 527	225 719	211 317	(173 806)	37 511
Total assets	1 840 753	(45 603)	1 795 150	1 915 196	62 246	1 977 442
Liabilities						
Deposits from banks	32 729	-	32 729	37 585	-	37 585
Due to customers	1 491 333	-	1 491 333	1 568 729	(2 415)	1 566 314
Derivative financial instruments	-	-	-	-	82	82
Debt securities				-	229 418	229 418
Other liabilities	195 060	3 527	198 587	187 884	(149 867)	38 017
Current income tax liability	-	-	-	-	1 546	1 546
Other provisions	943	495	1 438	449	(449)	-
Employee benefits	-	2 077	2 077	-	2 465	2 465
Total liabilities	1 720 065	6 099	1 726 164	1 794 647	80 780	1 875 427
Equity						
Share capital	107 266	-	107 266	143 021	-	143 021
Share premium	39 629	(34 294)	5 335	6 064	(474)	5 590
Other reserves	(12 006)	8 890	(3 116)	(12 679)	8 323	(4 356)
Accumulated deficit	(14 709)	(25 790)	(40 499)	(17 196)	(26 354)	(43 550)
Minority interests	508	(508)	-	1 339	(29)	1 310
Total equity	120 688	(51 702)	68 986	120 549	(18 534)	102 015
Total liabilities and equity	1 840 753	(45 603)	1 795 150	1 915 196	62 246	1 977 442

Notes to the reconciliation of equity as at 1 January 2004

Loans and advances to customers	
Balance in accordance with Greek GAAP	1 015 367
Effect of financial lease recognition	(4 228)
Other adjustments	142
Additional impairment that was not recorded under Greek GAAP	(16 931)
	994 350
Investment in subsidiaries	
Balance in accordance with Greek GAAP	60
Reclassification from "Available-for-sale securities"	(60)
Reclassification to "Available-for-sale securities"	-
Available-for-sale securities	
Balance in accordance with Greek GAAP	209 339
Reclassification from "Investment in subsidiaries"	60
Reclassification to "Held-to-maturity investments"	(16 069)
	193 330
Held to maturity	
Balance in accordance with Greek GAAP	-
Reclassification from "Available-for-sale securities"	16 069
	16 069
Property, plant and equipment	
Balance in accordance with Greek GAAP	25 780
Revaluation of fixed assets to deemed cost	175
Reclassification to "Other assets" of advances for the purpose of fixed assets	(3 527)
Transfer to intangible assets	(198)
Adjustment to accumulated depreciation from the change in useful life of certain items of property and equipment	4 347
	26 577
Intangible assets	
Balance in accordance with Greek GAAP	42 362
Goodwill write-off	(34 294)
Reclassification from fixed assets	198
Write-off of amounts recorded under Greek GAAP that do not meet the definition of intangible assets in accordance with IFRS	(3 818)
	4 448

Deferred tax asset	
Balance in accordance with Greek GAAP	-
Recognition of deferred tax on temporary differences not permitted under Greek GAAP	9 004
	9 004
Other assets	
Balance in accordance with Greek GAAP	222 192
Reclassification from property, plant and equipment of advances for the purpose of fixed assets	3 527
	225 719
Other liabilities	
Balance in accordance with Greek GAAP	195 060
Deferred of recognition of commission income on loans using the effective interest rate	3 527
	198 587
Employee benefits	
Balance in accordance with Greek GAAP	-
Recognition of defined benefit obligation	1 977
Recognition of provision of vacation not taken	100
	2 077
Other provisions	
Balance in accordance with Greek GAAP	943
Recognition of provision for open tax years	495
	1 438
Other reserves	
Balance in accordance with Greek GAAP	(12 006)
Transfer to accumulated deficit	8 715
Recognition of reserve for fixed assets	175
	(3 116)
Share premium	
Balance in accordance with Greek GAAP	39 629
Transfer from "Accumulated deficit"	(34 294)
	5 335

Accumulated deficit	
Balance in accordance with Greek GAAP	(14 709)
Transfer from “other reserves”	(8 715)
Transfer from minority interests	508
Transfer from “Share premium”	34 294
Effect from IFRS adjustments:	
Accumulated depreciation	4 347
Goodwill write off	(34 294)
Intangible assets write off	(3 818)
Provision for vacation not taken	(100)
Defined benefit obligation	(1 977)
Deferred tax	9 004
Effective interest rate adjustment	(3 527)
Provision for open tax years	(495)
Impairment of customer loans	(16 931)
Other	142
Effect from the recognition of finance leases	(4 228)
	(40 499)

Minority interests	
Balance in accordance with Greek GAAP	508
Reclassification to "Accumulated deficit"	(508)
	-

Reconciliation of equity as at 31 December 2004

Cash and balances with Central Bank	
Balance in accordance with Greek GAAP	175 874
Reclassification to "Loans and advances to banks"	(3)
	175 871

Loans and advances to banks	
Balance in accordance with Greek GAAP	227 989
Reclassification from "Cash and balances with Central Bank"	3
Inclusion of non-consolidated entity under Greek GAAP	30 503
Reclassification from "Other assets"	387
	258 882

Trading securities	
Balance in accordance with Greek GAAP	-
Reclassification from the "Available-for-sale securities"	3 602
	3 602

Loans and advances to customers	
Balance in accordance with Greek GAAP	1 176 992
Effect from financial leases that was mistakenly calculated under Greek GAAP	(2 826)
Additional impairment that was not recorded under Greek GAAP	(17 147)
Reclassification of provision for customers	(449)
Inclusion of securitized loans upon consolidation	229 486
Reclassification to "Other liabilities"	2 450
Effect from lease contracts	(3 157)
Effect from inclusion of non consolidated entity	(23 994)
Reclassification from "Other assets"	14 845
Reclassification from bonds recorded in Greek GAAP that relate to corporate bond loans	19 136
	1 395 336
Investment in subsidiaries	
Balance in accordance with Greek GAAP	745
Reclassification to "Available-for-sale securities"	(727)
	18
Available-for-sale securities	
Balance in accordance with Greek GAAP	90 123
Mark to market of securities not calculated under Greek GAAP	83
Effect of intercompany elimination	(2 500)
Reclassification to "Trading securities"	(3 602)
Reclassification from "Investment in subsidiaries"	727
Reclassification to "Loans and advances to customers"	(19 136)
Reversal of valuation loss recognized in Greek GAAP	168
Reclassification to "Held-to-maturity securities"	(51 056)
	14 807
Held-to-maturity securities	
Balance in accordance with Greek GAAP	-
Reclassification from "Available-for sale securities"	51 056
	51 056
Property, plant and equipment	
Balance in accordance with Greek GAAP	26 614
Adjustment to depreciation from the change in useful life of certain items of property and equipment	3 790
Reclassification of advances for acquisition of fixed assets to "Other assets"	(3 364)
Recognition of assets under financial leases	2 826
Transfer to "Intangible assets"	(878)
	28 988

Intangible assets	
Balance in accordance with Greek GAAP	5 542
Write down of amounts recorded under Greek GAAP that do not meet the definition of intangible assets	(3 159)
Transfer from "Property, plant and equipment"	878
Reclassification to "Other assets" amounts paid for issue of debt securities	(68)
	3 193
Deferred tax asset	
Balance in accordance with Greek GAAP	-
Recognition of deferred tax on temporary differences not permitted under Greek GAAP	8 178
	8 178
Other assets	
Balance in accordance with Greek GAAP	211 317
Reclassification of advances for acquisition of fixed assets from "Property, plant and equipment"	3 364
Reclassification to "Due from banks"	(387)
Reclassification to "Loans to customers"	(14 845)
Reclassification to offset internal accounts in "Other liabilities"	(160 780)
Reclassification of income tax advance to "Current tax liability"	(142)
Reclassification of included amounts in “Other liabilities”	3 062
Inclusion of non-consolidated entity after intercompany reconciliation	(4 078)
	37 511
Due to customers	
Balance in accordance with Greek GAAP	1 568 729
Reclassification to "Other liabilities"	(7 362)
Reclassification from "Other liabilities" for equity sales by customers	4 947
	1 566 314
Derivative financial instruments	
Balance in accordance with Greek GAAP	-
Recognition of derivatives at fair value	82
	82
Debt securities	
Balance in accordance with Greek GAAP	-
Other	(68)
Recognition of the securitized loans	229 486
	229 418

Other liabilities	
Balance in accordance with Greek GAAP	187 884
Reclassification from "Due from customers"	7 362
Reclassification from "Other assets" to offset internal accounts	(160 780)
Recognition of deferred income from loans that was calculated under a cash basis in Greek GAAP and recorded as an effective interest adjustment	4 292
Correction of accrued interest that was incorrectly calculated under Greek GAAP	382
Reclassification of "Current tax liability"	(1 688)
Reclassification to "Deposits from customers" for equity sales by customers	(4 947)
Reclassification to “Other assets”	3 062
Reclassification from "Loans to customers"	2 450
	38 017
Current income tax liability	
Balance in accordance with Greek GAAP	-
Reclassification from "Other liabilities"	1 688
Reclassification from "Other assets"	(142)
	1 546
Employee benefits	
Balance in accordance with Greek GAAP	-
Recognition of defined benefit obligation	2 415
Recognition of provision for vacation not taken	50
	2 465
Share premium reserve	
Balance in accordance with Greek GAAP	6 064
Reversal of amounts expensed under Greek GAAP relating to the share capital increase	(474)
	5 590
Other reserves	
Balance in accordance with Greek GAAP	(12 679)
Reclassification to "Accumulated deficit"	8 323
	(4 356)
Minority interests	
Balance in accordance with Greek GAAP	1 339
Transfer to "Accumulated deficit"	(29)
	1 310

Accumulated deficit	
Balance in accordance with Greek GAAP	(17 196)
Reclassification from "Other reserves"	(8 323)
Effect of IFRS adjustments:	
Depreciation expense due to change in useful life	3 790
Write down of intangible assets	(3 159)
Defined benefit obligation	(2 465)
Deferred tax	8 178
Effective interest rate adjustment	(4 292)
Additional impairment for customer loans	(17 147)
Other	194
Effect from leasing	(3 159)
Transfer from minority interests	29
	(43 550)

	Note	Greek GAAP	Effect of IFRS transition	IFRS
Reconciliation of profit for 2004				
Interest and similar income		106 485	(13 678)	92 807
Interest expense and similar charges		(60 302)	14 714	(45 588)
Net interest income		46 183	1 036	47 219
Fee and commission income		24 646	(1 244)	23 402
Fee and commission expense		(1 051)	442	(609)
Net fee and commission income		23 595	(802)	22 793
Dividend income		80	-	80
Net trading income		5 238	(399)	4 839
Net gain on disposal of non-trading instruments		-	(480)	(480)
Other operating income		2 254	3 075	5 329
Operating expenses		(70 715)	(4 451)	(75 166)
Impairment losses on loans and advances		(2 023)	(1 391)	(3 414)
Extraordinary results		408	(408)	-
Profit before tax		**5 020**	**(3 820)**	**1 200**
Income tax expense		-	(2 412)	(2 412)
Profit after tax		**5 020**	**(6 232)**	**(1 212)**
Attributable to:				
Equity holders of the Bank		5 163	(6 265)	(1 102)
Minority interests		(143)	33	(110)

Interest and similar income	
Balance in accordance with Greek GAAP	106 485
Amortization of held to maturity instruments with the effective interest rate method	(839)
Correction of accrued interest incorrectly calculated under Greek GAAP	(381)
Reclassification of Securitization fee to “Net trading income”	(3 185)
Reclassification to other income	(2 376)
Transfer to interest and similar expenses	(6 897)
	92 807

Interest expense and similar charges	
Balance in accordance with Greek GAAP	(60 302)
Reclassification to "Net trading income"	(152)
Effect from inclusion of non-consolidated entity	7 969
Reclassification from "Interest and similar income"	6 897
	(45 588)

Fees and commission income	
Balance in accordance with Greek GAAP	24 646
Recognition of deferred income from loans that was calculated under a cash basis in Greek GAAP and recorded as an effective interest adjustment	(766)
Transfer to fees and commission expense	(478)
	23 402

Net trading income and net gain on disposal	
Balance in accordance with Greek GAAP	5 238
Revaluation of derivatives	(82)
Net effect from valuation of trading portfolio that was recorded directly to equity under Greek GAAP	(1 082)
Reclassification from "Interest and similar expense"	(152)
Reclassification from “Interest and similar income”	3 185
Effect from consolidation of non-consolidated entity	(2 748)
	4 359

Fee and commission expense	
Balance in accordance with Greek GAAP	(1 051)
Transfer from fees and commission income	478
Other reclassification	(36)
	(609)

Other operating income	
Balance in accordance with Greek GAAP	2 254
Reclassification from interest and similar income	2 376
Reclassification of amounts recorded in Greek GAAP as "Extraordinary results"	699
	5 329

Operating expenses	
Balance in accordance with Greek GAAP	(70 715)
Reclassification of amounts recorded under Greek GAAP as "Extraordinary results"	(291)
Additions to intangibles written-off	(71)
Depreciation adjustment	(186)
Reversal of share capital expenses to equity	(475)
Defined benefit obligation expense	(388)
Effect from financial leases	(3 040)
	(75 166)

Extraordinary results	
Balance in accordance with Greek GAAP	408
Reclassification to other income	(699)
Reclassification to operating expenses	291
	-

Income tax	
Balance in accordance with Greek GAAP	-
Recognition of deferred tax	826
Recognition of current tax expense	1 586
	2 412

5. ADDITIONAL INFORMATION ARTICLE 10 low 3401/2005

Subject	date
1. Listing of the new shares due to Capital Increase	19/01/2005
2. Confirmation- clarifications on published article	07/02/2005
3. Issue of subordinated floating rate guaranteed notes non listed in Athens Stock exchange	10/02/2005
4. Full year 2004 results announcement	25/02/2005
5. Additional information for 2004 results	25/02/2005
6. Press-Release for the Bank's/ Group results	25/02/2005
7. Information about ex-divided date	28/02/2005
8. Press-Release for the Bank's/ Group results	01/03/2005
9. Additional information for 2004 results	01/03/2005
10. Additional information for 2004 results	09/03/2005
11. Important incident announcement	16/03/2005
12. New member of the Board of Directors of the Bank	21/03/2005
13. Information about ex-divided date	21/03/2005
14. Invitation to the Ordinary General Meeting of the Shareholders	22/03/2005
15. Important incident announcement	31/03/2005
16. Decisions in the Ordinary Meeting of the Shareholders	14/04/2005
17. New member of the Board of Directors of the Bank	27/04/2005
18. Press-Release for the Bank's/ Group results	29/06/2005
19. Additional information for 2004 results	30/06/2005
20. Condensed Financial Statement under IFRS	30/06/2005
21. Condensed Financial Statement under IFRS	30/08/2006
22. Press-Release for the Bank's/ Group results	30/08/2005
23. New member of the Board of Directors of the Bank	13/09/2005
24. New member of the Board of Directors of the Bank	14/09/2005
25. Press-Release for the Bank's/ Group results	14/09/2005
26. Confirmation- clarifications on published article	11/10/2005
27. Confirmation- clarifications on published article	13/10/2005
28. Confirmation- clarifications on published article	01/11/2005
29. Important incident announcement	18/11/2005
30. Condensed Financial Statement under IFRS	22/11/2005
31. Press-Release for the Bank's/ Group results	22/11/2005
32. New member of the Board of Directors of the Bank	06/12/2005
33. Confirmation- clarifications on published article	09/12/2005

subject	date
34. Share Capital Increase due to stock option rights by the Bank's Managerial staff	16/12/2005
35. Share change in listed company	23/12/2005

All the above announcement/ information were listed in the Athens Stock Exchange web site www.ase.gr

6. RELATED PARTIES TRANSACTION

During year 2005 the Bank proceeded or renewed the following contracts with the related Companies (under article 42 low 2190/20)

1. As of 17/01/2005 managerial Contract for supporting Bond payments between ASPIS BANK and ASPIS CAPITAL SA (amount € 8.040.000)
2. As of 30/06/2005 managerial Contract for supporting Bond payments between ASPIS BANK SA and ASPIS CAPITAL SA (amount € 9.640.000). Based on the Contracts stated above ASPIS BANK took the responsibility to proceed in issuing the two bonds of ASPIS CAPITAL and in accordance with the terms of the Contracts to disburse the proceeds to the Bond holders of ASPIS CAPITAL.
3. As of 01/12/2005 custodian agreement between ASPIS BANK and ASPIS GROUP OF COMPANIES.

Transactions with intra-group Companies (in 000's EUR)

	2005
Available to sale investments	2 500
Loans and advances to customers	75 882
Other Assets	4 541
Amounts due from customers	3 040
Minority interest liabilities	49 613
Interest and other income	1 948
Interest and other expenses	1 725
Net commission income	1 884
Other income	80

Transactions with other related parties (in 000's EUR)

	2005
Loans and advances to customers	3 707
Other assets	644
Amounts due from customers	28 604
Other liabilities	197
Net interest income	103
Net commission income	1 277
Other operating expenses	3 463

7. CONDENSED FINANCIAL STATEMENT

ASPIS BANK SA
Reg. No 26699/06/B/92/12
4th Othonos str,10557 Athens
GREECE

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2005 to 31 MARCH 2005

The information stated below is to provide a general understanding for the financial position and financial results of ASPIS BANK SA.Therefore it is sugested to the reader before undertaking any investment or transaction with the Bank to visit the web-site (www.aspisbank.gr) where the Interim Financial Statements under IFRS are listed ,as well as the auditors limited review report in case it is applicable.

	GROUP		BANK	
BALANCE SHEET ITEMS	31/3/2005	31/12/2004	31/3/2005	31/12/2004
ASSETS				
Cash and balances with Central Bank	137.023.990,03	175.871.219,36	136.994.389,02	175.869.117,25
Due to other banks	221.839.853,23	258.495.000,37	190.476.791,21	227.909.912,91
Available for sale securities	22.669.062,45	20.909.595,38	19.760.056,04	18.004.732,89
Derivative financial instruments - assets				
Loans and advances to customers net of impairment	1.447.126.784,05	1.395.338.081,38	1.219.953.238,78	1.159.194.530,75
Held to maturity securities	48.574.598,53	48.555.868,76	51.074.598,53	51.055.868,76
Partcipations in subsidiares		17.459,10	30.493.550,46	30.493.035,69
Participations in associated companies		181,13		
Intangible assets	3.113.421,51	3.161.637,88	2.210.198,71	2.268.513,19
Tangible assets	32.819.119,17	33.042.164,46	30.388.621,96	30.806.583,39
Other assets	53.787.650,89	38.401.342,80	49.179.172,99	34.966.624,47
TOTAL ASSETS	1.966.954.479,86	1.973.792.549,74	1.730.530.617,70	1.730.568.919,30
LIABILITIES				
Due to other banks	61.658.515,25	113.917.459,29	39.658.515,25	91.917.459,29
Due to clients	1.485.490.711,75	1.485.034.022,03	1.487.575.600,26	1.487.020.270,66
Derivative financial instruments - liabilities	72.952,03	82.062,37	72.952,03	82.062,37
Bonds issued and similar liabilities	273.387.741,53	229.418.188,00	49.724.135,53	
Provisions	2.817.196,98	2.814.200,54	2.216.431,44	2.225.724,80
Other liabilities	39.991.551,89	40.160.889,50	30.983.039,80	30.802.893,74
Total liabilities	1.863.418.669,43	1.871.426.741,73	1.610.230.674,31	1.611.248.410,86
Shareholders equity	102.196.905,06	101.026.887,52	120.299.943,39	119.320.509,24
Minority interests	1.338.905,37	1.338.920,49		
Total shareholders equity	103.535.810,43	102.365.808,01	120.299.943,39	119.320.509,24
TOTAL LIABILITIES	1.966.954.479,86	1.973.792.549,74	1.730.530.617,70	1.730.568.919,30

INCOME STATEMENT	GROUP 1/1-31/03/2005	GROUP 1/1-31/03/2004	BANK 1/1-31/03/2005	BANK 1/1-31/03/2004
Net interest income	11.789.234,54	10.598.252,55	11.256.147,51	10.110.208,45
Net fee and commission income	7.806.786,19	5.295.425,29	5.646.454,86	4.833.597,48
Income from securities				
Gains/(Losses) from financial operations	634.230,77	867.737,31	630.094,85	779.713,84
Other operating income	1.343.587,88	457.119,34	401.630,44	320.757,34
Total operating income	21.573.847,38	17.218.534,49	17.934.327,66	15.244.277,11
Provisions	531.429,74	690.841,70	531.429,74	690.841,70
Staff expenses	8.756.780,49	8.287.231,76	8.106.648,06	7.818.437,02
Operating expenses	7.899.235,39	5.883.270,53	6.031.214,22	4.901.432,31
Depreciation of fixed assets	1.895.599,75	1.374.796,91	1.186.920,21	1.330.238,93
Impairment losses from assets				
Income from participations				
PROFIT/(LOSSES) BEFORE TAX	2.490.802,01	982.393,59	2.078.107,43	503.327,15
(Less): Income tax expense	88.094,36	482.720,83		399.727,94
Deferred tax	119.487,06	47.961,48	-23.335,33	47.961,48
PROFIT/(LOSSES) AFTER TAX	2.283.220,59	451.703,28	2.101.442,76	55.637,73
Transferred to				
Shareholders	2.307.674,73	451.703,28	2.101.442,76	55.637,73
Minorities	-24.454,14			
Earnings per share-Basic	0,05	0,01	0,04	0,00

CASH FLOW STATEMENTS	GROUP 1/1-31/3/2005	GROUP 1/1-31/03/2004	BANK 1/1-31/3/2005	BANK 1/1-31/03/2004
Total cash flow from operating activities	-71.883.482,03	120.206.341,75	-73.593.290,03	84.978.817,56
Total cash flow from investing activities	-1.413.549,07	-151.813,14	-510.287,27	-120.248,87
Total cash flow from financing activities	-2.534.808,51	-11.031.677,68	-2.534.808,51	-6.307.783,85
Net increase/(decrease) of cash/cash equivalents of the period	-75.831.839,61	109.022.850,93	-76.638.385,81	78.550.785,64
Net effect from foreign exchange adjustments	329.463,14	-36.093,33	330.535,88	-36.093,33
Total cash flows of the period	-75.502.376,47	108.986.757,60	-76.307.849,93	78.514.692,31
Total cash/cash equivalents starting period	434.366.219,73	325.379.462,13	403.779.030,16	325.221.972,97
Total cash/cash equivalents end of period	358.863.843,26	434.366.219,73	327.471.180,23	403.736.665,28

RECONCILIATION OF EQUITY FOR THE PERIOD (1/01/2005 AND 1/01/2004 BETWEEN GREEK GAP'S AND IFRS

EQUITY ACCOUNTS	GROUP 1/1/2005	GROUP 1/1/2004	BANK 1/1/2005	BANK 1/1/2004
Opening balance of the period under Greek GAP	120.549.823,37	120.680.047,10	135.284.312,80	134.270.052,04
Post employement benefits	-139.467,00	-1.977.383,00		-1.886.122,80
Write-offs of intangible assets	-495.966,50	704.981,87	-475.025,58	735.783,47
Revaluation of available for sale securities	-1.161.459,43	2.426,92	-1.242.169,04	
Adjustments of provisions for doubtful debts		-16.874.856,91		-17.146.433,13
Adjustments of income due to effective rate method		-3.526.644,61		-3.526.644,61
Adjustments due to recognition of leasing transactions	3.862.426,50	-4.505.586,11		
Other adjustments	-14.024.649,69	-374.209,70	-14.246.608,84	-594.761,00
Write-offs of intangible assets		-34.294.035,60		-34.294.035,60
Deferred tax transactions	1.512.205,94	8.968.155,11		7.673.223,70
Closing balance of the period under IFRS	102.378.060,19	68.810.895,07	119.320.509,34	85.230.982,87

STATEMENT OF CHANGES IN EQUITY	GROUP 31/3/2005	GROUP 31/3/2004	BANK 31/3/2005	BANK 31/3/2004
At January 1/1	102.378.060,19	68.810.895,07	119.320.509,24	85.230.982,87
Increase/Decrease of Share Capital				
Dividends				
Profit/(Losses) period directly to equity	-1.125.470,35	-296.672,86	-1.122.008,61	-296.672,86
Profit/(Losses) period after taxes	2.283.220,59	451.703,28	2.101.442,76	55.637,73
Purchases/(Sales) own shares				
Equity at the end of period	103.535.810,43	68.965.925,49	120.299.943,39	84.989.947,74

NOTES TO THE FINANCIAL STATEMENTS

1-Group companies

ASPIS BANK SA,Athens	Parent	
ASPIS INTERNATIONAL MFSA ,Athens	55%	
ASPIS LEASING SA,Athens	100%	
ASPIS BROKERAGE SA,Athens	100%	
ASPIS CREDIT SA,Athens	100%	*
BYZANTIUM FINANCE PLC,London UK		**
ASPIS FINANCE PLC,London UK(since 1st Q 2005	100%	***

* Indirect participation
** SPV for securitization of loans
*** Direct and indirect participation

2-The Balance sheet and the Income Statements of the period were prepared according to the main accounting principles of 2004.
3-The Bank has been audited by the tax authorities up to the year 2002.
4-There are no pledges against the Bank's property.
5-Claims that have been made against the Bank will not have any significant effect in the future results.
6-The number of staff employed at 31/03/2005 was 907 for the Bank and 976 for the group.
7-The balances of loans and deposits to the group at 31/03/2005 were € 82.970 thousand € 51.869 thousand respectively. The relevant income and expenses amounted to € 763 thousand € 293 thousand
8-Earnings per share was calculated using the average amount of shares.

Athens, /06/2005

THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR
CONSTANTINE V.KARATZAS
ID.No I.013419/71

THE MEMBER OF THE BOARD OF DIRECTORS
STYLIANOS A.ARGIROS
ID.No S.206517/99

THE CHIEF FINANCIAL OFFICER
EVANGELOS V.STATHOPOULOS
ID.NoS.045074/95
OEE.Lic.Reg.No 523/24.5.99 A'C1

AUDITOR: Nick Vouniseas, SOEL Reg.No 18701
AUDIT COMPANY: KPMG Kyriacou Certified Auditors SA, 3 Stratigou Tombra Street, GR.15343 Athenes,Greece, Tel+302106062100
LIMITED REVIEW REPORT: Not applicable for quarterly financial statements.

ASPIS BANK SA
Reg. No 26699/06/B/92/12
4th Othonos str,10557 Athens
GREECE

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1st JANUARY 2005 to 30th JUNE 2005

The information stated below is to provide a general understanding for the financial position and financial results of ASPIS BANK SA.Therefore it is sugested to the reader before undertaking any investment or transaction with the Bank to visit the web site (www.aspisbank.gr) where the Interim Financial Statements under IFRS are listed ,as well as the auditors limited review report in case it is applicable.

	GROUP		BANK	
BALANCE SHEET ITEMS	30/6/2005	31/12/2004	30/6/2005	31/12/2004
ASSETS				
Cash and balances with Central Bank	135.828.885,02	175.871.219,36	135.021.669,77	175.869.117,25
Due to other banks	213.225.244,36	258.495.080,37	182.248.110,68	227.909.912,91
Available for sale securities	21.194.336,25	18.409.595,38	20.734.456,82	18.004.732,89
Derivative financial instruments - assets	7.700,00	0,00	7.700,00	0,00
Loans and advances to customers net of impairment	1.536.519.165,84	1.395.336.022,06	1.298.200.151,43	1.159.194.530,75
Held to maturity securities	51.580.870,91	51.055.868,76	51.580.870,91	51.055.868,76
Participations in subsidiares	0,00	17.459,10	30.493.931,69	30.493.035,69
Participations in associated companies	0,00	181,13	0,00	0,00
Intangible assets	3.510.475,30	3.161.637,88	2.276.590,23	2.268.513,19
Tangible assets	32.268.372,13	33.042.164,46	29.459.080,19	30.806.503,39
Other assets	65.964.474,34	38.395.511,74	64.913.128,80	34.966.624,47
TOTAL ASSETS	2.059.298.724,15	1.973.784.660,24	1.814.935.698,52	1.730.568.919,30
LIABILITIES				
Due to other banks	80.292.676,29	113.917.459,29	42.172.985,29	91.917.459,29
Due to clients	1.555.167.467,84	1.485.034.022,03	1.558.281.736,09	1.487.020.270,66
Derivative financial instruments - liabilities	55.703,83	82.062,37	55.703,83	82.062,37
Bonds issued and similar liabilities	268.018.402,23	229.418.180,00	49.736.036,23	0,00
Provisions	2.998.626,13	2.882.642,54	2.416.411,94	2.325.724,00
Other liabilities	45.475.370,30	40.060.089,50	37.984.473,06	29.902.893,74
Total liabilities	1.951.948.326,62	1.871.395.183,73	1.690.647.346,44	1.611.248.410,06
Shareholders equity	106.894.722,67	101.029.550,55	124.288.352,08	119.320.509,24
Minority interests	1.255.674,86	1.389.925,96	0,00	0,00
Total shareholders equity	107.350.397,53	102.389.476,51	124.288.352,08	119.320.509,24
TOTAL LIABILITIES	2.059.298.724,15	1.973.784.660,24	1.814.935.698,52	1.730.568.919,30

	GROUP		BANK	
CASH FLOW STATEMENTS	1/1-30/06/2005	1/1-30/06/2004	1/1-30/06/2005	1/1-30/06/2004
Total cash flow from operating activities	-134.209.851,90	-45.144.343,25	-135.968.605,69	47.506.103,18
Total cash flow from investing activities	-2.184.309,24	-1.452.330,00	821.906,42	-1.321.263,75
Total cash flow from financing activities	49.736.836,23	0,00	49.736.036,23	0,00
Net increase/(decrease) of cash/cash equivalents of the period	-86.658.124,91	-46.596.673,25	-87.054.475,88	-49.307.366,93
Net effect from foreign exchange adjustments	-84.290,48	-54.510,02	-84.290,48	-54.510,02
Total cash flows of the period	-86.742.415,39	-46.651.191,27	-87.138.766,36	-49.361.884,95
Total cash/cash equivalents starting period	434.366.220,06	325.379.462,13	403.779.030,16	325.221.972,97
Total cash/cash equivalents end of period	347.623.804,67	278.728.270,86	316.640.263,80	275.860.088,02

	GROUP		BANK	
STATEMENT OF CHANGES IN EQUITY	30/6/2005	30/6/2004	30/6/2005	30/6/2004
At January 1/1	102.389.476,51	68.810.895,07	119.320.509,24	85.230.982,87
Increase/Decrease of Share Capital	0,00	0,00	0,00	0,00
Dividends	0,00	0,00	0,00	0,00
Profit/(Losses) period directly to equity	956.754,11	-1.182.804,94	928.712,20	-1.182.804,94
Profit/(Losses) period after taxes	4.004.166,91	1.063.625,32	4.039.130,56	257.645,12
Purchases/(Sales) own shares	0,00	0,00	0,00	
Equity at the end of period	107.350.397,53	68.691.715,45	124.288.352,08	84.305.823,05

Athens, 22/08/2005

THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR	THE MEMBER OF THE BOARD OF DIRECTORS	THE CHIEF FINANCIAL OFFICER
CONSTANTINE V.KARATZAS ID.No I.013419/71	STYLIANOS A.ARGIROS ID.No S.206517/99	EVANGELOS V.STATHOPOULOS ID.NoS.045074/95 OEE.Lic.Reg.No 523/24-5-99 A'Cl

AUDITOR	Nick Vouniseas SOEL Reg.No 18701
AUDIT COMPANY	KPMG Kyriacou Certified Auditors SA 3 Stratigou Tombra Street GR.15343 Athenes,Greece,Tel+302106062100
LIMITED REVIEW REPORT	Unqualified

INCOME STATEMENT	GROUP 1/1-30/06/2005	GROUP 1/1-30/06/2004	GROUP 1/4-30/06/2005	GROUP 1/1-30/06/2004
Net interest income	26.186.276,73	21.396.684,61	14.397.042,19	10.798.432,06
Net fee and commission income	13.647.214,90	10.349.142,93	5.840.428,79	5.053.717,64
Income from securities	0,00	33.476,50	0,00	33.476,50
Gains/(Losses) from financial operations	841.745,49	2.366.541,55	207.506,72	1.498.804,24
Other operating income	2.814.335,61	1.393.713,36	1.470.747,73	936.594,02
Total operating income	43.489.572,81	35.539.558,95	21.915.725,43	18.321.024,46
Provisions	1.581.509,25	1.118.510,67	1.196.745,51	516.776,97
Staff expenses	10.840.910,24	12.173.392,53	9.137.543,75	8.797.052,77
Operating expenses	15.242.720,26	12.598.363,59	7.343.484,87	6.715.093,06
Depreciation of fixed assets	4.826.373,36	2.755.247,29	2.130.773,61	1.380.450,30
Impairment losses from assets	0,00	0,00	0,00	0,00
Income from participations	0,00	0,00	0,00	0,00
PROFIT/(LOSSES) BEFORE TAX	4.597.979,70	1.894.044,87	2.107.177,69	911.651,20
(Less): Income tax expense	2.595,93	793.681,86	-85.498,43	310.953,03
Deferred tax	591.216,86	36.737,69	471.729,80	-11.223,79
PROFIT/(LOSSES) AFTER TAX	4.004.166,91	1.063.625,32	1.720.946,32	611.922,04
Transferred to				
Shareholders	4.058.418,84	1.063.625,32	1.750.747,11	611.922,04
Minorities	-54.251,93	0,00	-29.800,79	0,00
Earnings per share-Basic	0,08	0,03	0,04	0,02

INCOME STATEMENT	BANK 1/1-30/06/2005	BANK 1/1-30/06/2004	BANK 1/4-30/06/2005	BANK 1/1-30/06/2004
Net interest income	23.361.839,02	19.507.260,70	12.004.693,05	9.477.052,25
Net fee and commission income	12.054.876,84	8.815.933,50	6.408.421,98	4.782.336,02
Income from securities	0,00	33.476,50	0,00	33.476,50
Gains/(Losses) from financial operations	786.728,55	2.261.795,04	177.631,36	1.482.081,20
Other operating income	1.034.903,23	1.831.929,88	633.272,79	711.172,54
Total operating income	37.238.347,64	31.730.395,62	19.304.019,98	16.486.118,51
Provisions	1.324.637,41	1.118.510,67	939.793,67	516.776,97
Staff expenses	16.658.710,41	16.045.363,14	8.405.476,35	8.137.818,12
Operating expenses	12.499.154,20	10.909.486,00	6.467.939,98	6.008.053,69
Depreciation of fixed assets	2.496.764,59	2.660.477,06	1.309.036,38	1.330.238,93
Impairment losses from assets	0,00	0,00	0,00	0,00
Income from participations	0,00	0,00	0,00	0,00
PROFIT/(LOSSES) BEFORE TAX	4.259.081,03	996.557,95	2.180.973,60	493.230,80
(Less): Income tax expense	0,00	788.861,87	0,00	389.133,93
Deferred tax	219.950,47	-49.949,04	243.205,00	-97.910,52
PROFIT/(LOSSES) AFTER TAX	4.039.130,56	257.645,12	1.937.687,80	202.007,39
Transferred to				
Shareholders				
Minorities				
Earnings per share-Basic	0,08	0,01	0,04	0,01

NOTES TO THE FINANCIAL STATEMENTS

1.Group companies(full consolidation)

ASPIS BANK SA,Athens	Parent	
ASPIS INTERNATIONAL MFSA ,Athens	55%	
ASPIS LEASING SA,Athens	100%	
ASPIS BROKERAGE SA,Athens	100%	
ASPIS CREDIT SA,Athens	100%	Indirect participation(since 1st Semester 2004)
BYZANTIUM FINANCE PLC,London UK		SPV for securitization of loans(since 1/1/2004 under IFRS)
ASPIS FINANCE PLC,London UK(since 1st Q 2005	100%	Direct and indirect participation

2.The Bal Indirect participation(since 1st Semester 2004)
principal SPV for securitization of loans(since 1/1/2004 under IFRS)
3.The Bar Direct and indirect participation
-already merged with the bank for the period 1/1/2002-31/03/2003.
4.There are no pledges against the Bank's property.
5-Claims that have been made against the Bank will not have any significant effect in the future results.
6.The number of staff employed at 30/06/2005 was 897 for the Bank and 967 for the group.
7.The balances of loans and deposits to the group at 30/06/2005 were € 68.423 thousand € 53.184 thousand respectively.
The relevant income and expenses amounted to € 934 thousand € 806 thousand.The group transactions with the related parties as of 30/06/2005 are the following,Receivables 395 thaousand,Payables 12.266 thaousants,Income 305 thaousand and expenses 1.617 thaousants.
8.Earnings per share was calculated using the average amount of shares.

ASPIS BANK SA
Reg. No 26699/06/B/92/12
4th Othonos str,10557 Athens
GREECE

INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1st JANUARY 2005 to 30th SEPTEMBER 2005

The information stated below is to provide a general understanding for the financial position and financial results of ASPIS BANK SA.Therefore it is suggested to the reader before undertaking any investment or transaction with the Bank to visit the web-site (www.aspisbank.gr) where the Interim Financial Statements under IFRS are listed ,as well as the auditors limited review report in case it is applicable.

BALANCE SHEET ITEMS	GROUP 30/9/2005	GROUP 31/12/2004	BANK 30/9/2005	BANK 31/12/2004
ASSETS				
Cash and balances with Central Bank	84.926.406,16	175.871.219,36	84.919.643,48	175.869.117,25
Due to other banks	247.447.977,43	250.082.340,62	215.831.528,55	220.297.253,16
Available for sale securities	20.343.159,07	18.409.595,38	20.142.263,00	18.004.732,89
Derivative financial instruments - assets	10.745,00	0,00	10.745,00	0,00
Loans and advances to customers net of impairment	1.531.829.457,15	1.395.336.022,86	1.307.043.480,54	1.159.194.530,75
Held to maturity securities	51.801.560,25	51.055.868,76	51.801.560,25	51.055.868,76
Partcipations in subsidiares	0,00	17.459,10	30.493.724,42	30.493.035,69
Participations in associated companies	0,00	181,13	0,00	0,00
Intangible assets	3.257.758,05	3.161.637,88	2.036.057,69	2.268.513,19
Tangible assets	32.912.106,39	33.042.164,46	29.761.579,16	30.886.503,39
Other assets	51.073.296,11	37.936.014,49	49.865.063,86	34.507.127,22
TOTAL ASSETS	2.023.602.465,61	1.973.712.503,24	1.792.705.653,95	1.730.496.762,30
LIABILITIES				
Due to other banks	117.497.338,65	113.917.459,29	85.771.260,08	91.917.459,29
Due to clients	1.472.305.894,30	1.405.034.022,03	1.475.801.488,84	1.487.020.270,66
Derivative financial instruments - liabilities	40.889,82	82.062,37	40.889,82	82.062,37
Bonds issued and similar liabilities	261.764.383,58	229.410.188,00	49.563.619,97	0,00
Provisions	2.584.635,26	2.782.642,54	2.009.148,74	2.225.724,00
Other liabilities	59.485.557,51	40.470.593,22	52.861.534,15	30.312.677,46
Total liabilities	1.913.678.699,12	1.871.704.967,45	1.666.047.941,60	1.611.558.193,78
Shareholders equity	108.753.860,89	100.697.609,83	126.657.712,35	118.938.568,52
Minority interests	1.169.905,60	1.309.925,96	0,00	0,00
Total shareholders equity	109.923.766,49	102.007.535,79	126.657.712,35	118.938.568,52
TOTAL LIABILITIES	2.023.602.465,61	1.973.712.503,24	1.792.705.653,95	1.730.496.762,30

CASH FLOW STATEMENTS	GROUP 1/1-30/09/2005	GROUP 1/1-30/09/2004	BANK 1/1-30/09/2005	BANK 1/1-30/09/2004
Total cash flow from operating activities	-130.659.647,78	52.937.199,82	-148.682.222,22	3.671.140,43
Total cash flow from investing activities	3.806.228,47	-17.821.211,69	-4.184.333,22	-17.725.467,74
Total cash flow from financing activities	32.346.195,58	17.233.220,42	49.563.619,97	36.009.975,42
Net increase/(decrease) of cash/cash equivalents of the period	-102.119.672,67	52.349.208,55	-103.302.935,47	21.955.648,11
Net effect from foreign exchange adjustments	-259.503,72	34.059,23	-112.262,93	-102.940,97
Total cash flows of the period	-102.379.176,39	52.383.267,78	-103.415.198,40	21.772.707,14
Total cash/cash equivalents starting period	434.753.559,98	325.379.462,13	404.166.370,41	325.221.972,97
Total cash/cash equivalents end of period	332.374.383,59	377.762.729,91	300.751.172,01	346.994.680,11

STATEMENT OF CHANGES IN EQUITY	GROUP 30/9/2005	GROUP 30/9/2004	BANK 30/9/2005	BANK 30/9/2004
At January 1/1	102.007.535,79	68.010.895,07	118.938.568,52	85.230.982,87
Increase/Decrease of Share Capital	0,00	36.009.975,42	0,00	36.009.975,42
Dividends	0,00	0,00	0,00	0,00
Profit/(Losses) period directly to equity	713.514,34	-1.416.919,57	705.934,46	-1.416.919,57
Profit/(Losses) period after taxes	7.202.716,36	1.590.120,46	7.013.209,37	620.161,75
Purchases/(Sales) own shares	0,00	0,00	0,00	0,00
Equity at the end of period	109.923.766,49	104.994.071,38	126.657.712,35	120.444.208,47

Athens, 14/11/2005

THE CHAIRMAN OF THE BOARD OF DIRECTORS AND MANAGING DIRECTOR
CONSTANTINE V.KARATZAS
ID.No I.013419/71

THE MEMBER OF THE BOARD OF DIRECTORS
STYLIANOS A.ARGIROS
ID.No S.206517/99

THE CHIEF FINANCIAL OFFICER
EVANGELOS V.STATHOPOULOS
ID.NoS.045074/95
OEE.Lic.Reg.No 523/24-5-99 A'Cl

AUDITOR: Nick Vouniseas, SOEL Reg.No 18701
AUDIT COMPANY: KPMG Kyriacou Certified Auditors SA, 3 Stratigou Tombra Street, GR.15343 Athenes,Greece,Tel+302106062100
LIMITED REVIEW REPORT: Unqualified

INCOME STATEMENT	GROUP 1/1-30/09/2005	GROUP 1/1-30/09/2004	GROUP 1/7-30/09/2005	GROUP 1/7-30/09/2004
Net interest income	41.086.822,83	37.070.895,08	14.900.546,10	15.673.410,39
Net fee and commission income	18.512.705,85	16.198.674,37	4.865.490,87	5.849.531,44
Income from securities	43.696,67	39.333,03	43.696,67	5.856,53
Gains/(Losses) from financial operations	1.157.066,91	2.962.530,06	315.321,42	595.988,51
Other operating income	4.132.135,40	3.099.921,44	1.317.799,79	1.706.208,08
Total operating income	64.932.427,66	59.370.553,98	21.442.854,85	23.830.994,95
Provisions	2.165.247,41	1.659.220,04	583.658,16	540.709,37
Staff expenses	26.841.184,26	26.923.936,93	8.800.274,02	9.750.544,40
Operating expenses	21.765.934,27	22.951.944,67	6.523.214,01	10.353.581,08
Depreciation of fixed assets	6.875.077,53	4.565.971,24	2.048.704,17	1.810.723,95
Impairment losses from assets	0,00	0,00	0,00	0,00
Income from participations	0,00	0,00	0,00	0,00
PROFIT/(LOSSES) BEFORE TAX	8.084.984,19	3.269.481,02	3.487.004,49	1.375.436,15
(Less): Income tax expense	982,55	1.677.363,35	1.613,38	883.681,49
Deferred tax	881.205,28	1.997,21	290.068,42	-34.740,48
PROFIT/(LOSSES) AFTER TAX	7.202.716,36	1.590.120,46	3.198.549,45	526.495,14
Transferred to				
Shareholders	7.244.910,87	1.590.129,70	3.106.492,03	526.504,30
Minorities	-42.194,51	-9,24	92.057,42	-9,24
Earnings per share-Basic	0,15	0,04	0,07	0,01

INCOME STATEMENT	BANK 1/1-30/09/2005	BANK 1/1-30/09/2004	BANK 1/7-30/09/2005	BANK 1/7-30/09/2004
Net interest income	35.763.745,23	32.012.865,65	12.401.906,21	12.425.684,95
Net fee and commission income	17.576.816,75	14.103.436,40	5.521.939,91	5.287.502,90
Income from securities	43.696,67	39.333,03	43.696,67	5.856,53
Gains/(Losses) from financial operations	2.843.610,77	2.899.328,79	1.256.882,22	637.533,75
Other operating income	1.481.834,40	2.165.743,32	446.931,17	1.133.813,44
Total operating income	56.909.703,82	51.220.707,19	19.671.356,18	19.490.311,57
Provisions	1.824.637,41	1.659.220,04	500.000,00	540.709,37
Staff expenses	24.755.126,11	25.185.102,55	8.096.415,70	9.139.739,41
Operating expenses	19.228.779,97	18.228.734,00	6.729.625,77	7.319.248,00
Depreciation of fixed assets	3.715.396,92	3.990.716,79	1.218.632,33	1.330.238,93
Impairment losses from assets	0,00	0,00	0,00	0,00
Income from participations	0,00	0,00	0,00	0,00
PROFIT/(LOSSES) BEFORE TAX	7.385.763,41	2.156.933,01	3.126.682,38	1.160.375,06
(Less): Income tax expense	0,00	1.683.350,81	0,00	894.488,94
Deferred tax	372.554,04	146.579,55	152.683,57	96.630,51
PROFIT/(LOSSES) AFTER TAX	7.013.209,37	620.161,75	2.974.078,81	362.516,63
Transferred to				
Shareholders				
Minorities				
Earnings per share-Basic	0,14	0,02	0,06	0,01

NOTES TO THE FINANCIAL STATEMENTS

1-Group companies(full consolidation)

ASPIS BANK SA,Athens	Parent
ASPIS INTERNATIONAL MFSA ,Athens	55%
ASPIS LEASING SA,Athens	100%
ASPIS BROKERAGE SA,Athens	100%
ASPIS CREDIT SA,Athens	100% Indirect participation(since 1st Semester 2005)
BYZANTIUM FINANCE PLC,London UK	SPV for securitization of loans(since 1/1/2004 under IFRS)
ASPIS FINANCE PLC,London UK(since 1st Q 2005	100% Direct and indirect participation

2-The Balance sheet and the Income Statements of the period were prepared according to the main accounting principles of 2004.

3-The Bank has been audited by the tax authorities up to the year 2002.(Pending tax audit for the company ASPIS SECURITIES -already merged with the bank for the period 1/1/2002-31/03/2003.

4-There are no pledges against the Bank's property.

5-Claims that have been made against the Bank will not have any significant effect in the future results.

6-The number of staff employed at 30/09/2005 was 891 for the Bank and 956 for the group.

7-The bank transactions of 30/09/2005 are the following.Receivables € 703 thousand, Payables € 3.161 thousand. Income € 420 thousand and expenses € 2.084 thousand.The group transactions with the related parties as of 30/09/2005 are the following.Receivables 706 thousand,Payables 3.166 thousants,Income 429 thousand and expenses 2.274 thousants.

8-Earnings per share was calculated using the average amount of shares.

8. AVAILABILITY OF FINANCIAL STATEMENTS

The Banks and the Group Financial Statements , the consolidated Companies financial Statements, the Auditor's report and the relevant reports of the Board of Directors are listed in the Bank's web site www.aspisbank.gr