EGNATIA BANK A.E.

ANNUAL REPORT

FOR THE YEAR 2006

In Accordance with the C.M.C. rule 7/372/15.2.2006

March 2007

Contents

		Page
1.	Board of Directors' Report for the year 2006	1
2.	Auditor's Report for the Consolidated Financial Statements of the group as at 31/12/2006	11
3.	Consolidated Financial Statements of the group as at 31/12/2006	14
4.	Auditor's Report for the Financial Statements of the Bank as at 31/12/2006	60
5.	Financial Statements of the Bank as at 31/12/2006	63
6.	Information Requested According to Article 10 of Law 3401/2005	107
7.	Transactions between the Bank and its Subsidiaries (According to Article 2 § 4 of Law 3016/2002)	111
8.	Condensed Financial Data and Information of the Group and the Bank	113
9.	Availability of the Financial Statements	126

1. Board of Directors’ Report for the year 2006

EGNATIA BANK GROUP
REPORT OF THE BOARD
OF DIRECTORS
as at 31 December 2006

Dear Shareholders

2006 was a benchmark for Egnatia Group, which was highlighted by the acquisition of 86% of the Bank's share capital by Martin Popular Bank after a public offer.

We are heading for the merger of Egnatia Bank (the Bank) with Marfin Bank SA and Laiki Bank (Hellas) A.E., which Marfin Popular Bank holds 95.3% for the first after a public offer and 100% of the latter after a private offer.

In this way, Marfin Group achieved its strategy for concentration in the sector for medium size banks and is aiming to achieve its target to be the largest financial Group in the West Mediterranean.

Therefore, our prospects include not only organizational growth but also include prospects in creating a new Group that will be leaders, in the fields of capital and administrative strength, efficiency of synergies and offensive spirit.

FINANCIAL RESULTS

In 2006, the Group's net profits amounted to EUR 19.8 million and increased by 6.8% compared to 2005. This increase was primarily due to the mature growth of business activities for the two subsidiaries in Romania (total participation 26,6%) and second to the net profit of four subsidiaries Egnatia Finance (6.9%), Egnatia AEDAK (6.0%), Egnatia Financial Services, which has direct sales (5.3%) and Leasing (1.9%).

The Bank had limited participation in the profitability of the Group (7.6 million net profits in contrast to 14,6 million in 2005). This decrease was attributed mainly to the impairment of 5.4 million of the Bank's participation in Eurocambio S.A. which the Bank as primarily shareholder decided to terminate the continuing losses from 2002 and liquidate the Company.

In addition, a significant factor for the reduced profitability was the increased impairment for loans, in order to maintain high quality in the Bank's portfolio and the increase in operating expenses by 10.1% because of restructuring plans that are under development.

The Group's operating revenues increased by 13.0%, reaching EUR 158.9 million. This boost was due to increase in net commission amounting to EUR 42.3 million or a increase by 23.3%, a increase in net interest income by 8.5% amounting to EUR 103.4 million, and finally net trading results increased to EUR 9.1 million (or 69.2% increase).

The increase in operating income is almost equal to the increase of loans by EUR 2 816.2 million (14,5%), and of total liabilities which amounted to EUR 3 618 million (15.1% increase). Deposits increased by 6.5% amounting to EUR 2 829.6 million that reflect an alternative funding source with lower cost and an increase in liquidity efficiency. Non-performing loans ratio also improved, as it declined to 4,5% from 5,3%, due to upgrading and restructuring of the loan portfolio.

As a result, the overall Group's return declined and cost to income ratio amounted 71.5% (from 70.04%). In addition, return on Equity (ROE) reached 7.61% and return on assets ratios (ROA) was 0.55%.

MAJOR EVENTS

THE BANK

Corporate

The Corporate Department achieved a significant increase in volume and in returns from loans as a result of a more aggressive presence in the market and through the variety of products offered. The Banking Center network and the Shipping Department decreased in volume but not in profits as a result of the delay in adapting to the new business structure. A reversal is expected in the near future and figures in the Shipping Sector have already improved.

Retail

Despite intensive competition in car loans, the Bank managed to retain a high market share. Other consumer loans showed remarkable results, especially in the 2nd half of 2006, as the network's branches, direct mail and telemarketing were more aggressive.

Housing Loans continued to increase in terms of performance, which was supported by the "Egnatia Home" campaign and the "3x3" campaign at the end of the year. The latter was the first common campaign of the three banks that are under merger. The results were astonishing concerning all three products of the campaign, which were: Housing, Consumer and Investment.

Consumer and Housing Loans and by comparison Corporate, CRM and Direct Banking have a leading contribution in Bank's profitability, as they have exceeded the budget. Factoring finished the year within.

Organizational Changes

In order to achieve a more efficient operation, several operating and supportive units of the Bank were reorganized. ATM's Telemarketing and Direct marketing were transferred to Consumer Credit, while E-Banking and Marketing were transferred to Network Administration. In addition, Information Technology, Financial and Legal Department, as well as Credit Support and International Commerce are now included under Operations.

Branch Network

The Bank's network today consists of 78 branches (69 in 2005) and 8 Banking centers.

Subsidiaries

The Bank's operation in Romania with a satisfactory profit margin in a growing market has shown the fastest growth rates in the Group. Total Assets doubled, amounting to EUR 226,2 million and we anticipate the same rate for the current year. The number of branches increased and reached by 8 (from 1 in 2005) and is in accordance to budget, and are expected to amount to 18 at the end of 2007. The network supports the activities of the leasing company rapidly. Bank's net profit was 3.7 million (3 million in 2005) and Leasing 566 thousands (approximately zero in 2005). The potentials for these Companies and for the particular market will ensure remarkable results in the following years.

Leasing in Greece is in a mature stage and offers a complete range of products concentrating in leasing and sale and lease back of professional real estate. Total assets increased by 11.0% amounting to EUR 124,8 million. Provision for loans doubled (EUR 1,127 thousands from EUR 687 thousands) and the year's profits amounted to 378 thousand which are 14% less than in 2005.

Egnatia Finance provides a range of investing products and investment services for institutional and private investors. It tripled its annual net profits to EUR 1,4 million, and maintained total assets of EUR 86 million. At the moment it is currently under procedures for the merger with Investment Bank of Greece AE of Marfin Group.

In the field of Mutual Funds, AEDAK exhibited increased profits showing an increase of 1.2 million or a 53% increase, and funds after management amounted to EUR 128,8 million. AEDAK manages 7 Mutual Funds and is also under the procedures in merging with the mutual fund management companies of Marfin and Laiki (Hellas).

DIVIDEND POLICY

According to the Bank's profits after tax, the Board of Directors (BoD) will propose to the regular Shareholder's Meeting the appropriation of EUR 0,05 dividend per share.

CORPORATE GOVERNANCE

The Group applies the strict principles of the Corporate Governance Law and has established a Compliance Department. The main aim is to prevent and efficiently manage the risk of non-compliance with the current rules, to develop and manage systems and methods of monitoring the relevant risks in order to secure the creditworthiness and reputation of the Bank and the Group. In addition there is an Internal Control Committee, which is comprised exclusively by independent non- executive members of the BoD.

RISK MANAGEMENT

Risk Management is a basic operation and a key factor of the Group's stable and high return for shareholders. As a financial institution, the Group is exposed to risk that could affect its results or net worth.

Credit Risk

Apart from the internal credit rating system that Egnatia Group has developed in order to evaluate the credit risk of corporate clients, there are also two specialized systems, Moody's Risk Advisor for corporate entities and the ICAP Model for small and middle size companies. Both of them are an integral part of the approval procedure.

For the evaluation of retail customers, the Group has developed two models, in collaboration with Experian Scorex. The first analyzes the qualitative and economic characteristics of the client during the approval procedure and the second evaluates customer's transactional behavior.

Operating Risk

During the procedure of developing new products, control procedures and monitoring procedures are also established, which aim to assess and minimize this risk. In addition, the insurance coverage of fixed assets and cash is evaluated and the optimal insurance method is applied.

Market Risk

Market Risk derives from a possible change of certain elements of the market (interest rate, foreign currency rates, etc.) that the Group cannot easily control and could lead to a possible loss of capital. The most important factors of market risks are: interest, foreign currency, liquidity, counterparty, country, risk from changes in the prices of stocks and other securities.

In order to measure these risks Egnatia Group uses generally accepted techniques such as VaR methodology. VaR limits are established for each portfolio and in total. The evaluation of the confidence level is an estimation of the possible change of the value of a portfolio, in a defined confidence level that could occur in a defined period. The Bank uses the Variance Covariance method for the estimation of VaR with a confidence level of 99% and holding period of one day.

Interest Risk

Egnatia Group and Marfin Group monitors interest risk, in a consolidated basis, and in accordance with the regulatory principles and internal rules.

The methodology used is the Static Repricing Gap. According to this methodology, the Bank separates products by maturity (fixed) or by the next repricing (floating) periods and calculates the gap for each period in order to measure sensitivity.

The static Reprising Group is used to evaluate the rate of sensitivity of all assets and liabilities of the Group (off and on balance sheet).

The Group's also use various derivative instruments for hedging interest rate risks that derive from balance sheet management such as IRSs.

Foreign Currency Risk

The Group estimates the maximum possible loss of open positions in different currencies by using sensitivity tests. These tests analyze the significance of changes in foreign currency rates that the Group is exposed and how these could influence profitability.

Liquidity Risk

The Group controls and manages liquidity risk through the following procedures:

1) Minimum Reserve Requirements as defined by the regulatory authorities, wherever the Group is present.

2) Compatibility Ratios between assets and liabilities for a period up to one month.

3) Ratio of liquid assets over the total customers' deposits.

A significant part of the Group's assets is financed by customers' deposits and bonds. The direct cash needs are financed by current deposits and savings. The funding of long term investments is achieved by bonds and term deposits.

Although these deposits could be withdrawn without previous warning, the variety terms of numbers and types of deposits prevents from significant variations and could be considered as a stable deposit base.

Counterparty Bank Risk

This is supervised by Risk Management, which sets the limits for each product and counterparty, approved by ALCO. The level and terms of these limits are based on the credit rating of the counterparty and on monitoring current limits.

Country Risk

The Group monitors the trading transactions with counterparties, placements in other banks etc. Specific and general limits are set and evaluated daily in order to mitigate the above risks for each country.

Country Risk is calculated according to the credit scoring of the country by the International Country Risk Guide International Organizations like Moody's and S&P and the economic and political conditions of each country.

PROSPECTS FOR THE NEW YEAR

As mentioned above, the prospects for the new year are exceptional as a result of the capital size and the synergies from the new Bank. A remarkable increase of all figures for the Group is expected and pre-estimated. In the near future, the aim for the Group is to establish itself as one of the most prosperous financial groups in the banking sector.

The accomplishment of the Management's targets steam from the cooperation of thousands of customers and shareholders of the Group and naturally from the tireless effort of staff and management.

Athens, 24 January 2007.

THE PRESIDENT OF THE
BOARD OF DIRECTORS

VASSILIOS N. THEOHARAKIS

VERIFICATION

We verify that the above consolidated report of the Board of Directors that consists of 5 pages is the same as the one mentioned in our auditors report dated 20 February 2007.

Athens, 20 February 2007

KPMG Kyriacou Certified Auditors A.E.

Nick Vouniseas, Certified Auditor
A.M.S.O.E.L. 18701

SUPPLEMENTARY REPORT

This Supplementary Report of the Board of Directors to the Shareholders General Meeting contains information regarding the issues under paragraph 1 of article 11[a] Law 3371/2005.

a) Share Capital Structure

The share capital of Egnatia Bank amounts to one hundred and twenty two million one hundred and seventy one thousand and seven hundred and seventy seven Euro (122,171,777), divided into ninety three million two hundred eighty six thousand and seven hundred twenty nine (93,286,729) ordinary shares with voting rights and a par value of Euro one and seventeen cents (1.17) each and eleven million one hundred thirty three thousand and five hundred ninety four (11,133,594) preferred shares without voting rights, with a par value of Euro one and seventeen cents (1.17) each. The Bank's shares are traded on the Athens Stock Exchange market.

Each share carries the rights and responsibilities stipulated by Law and the Articles of Association of the Bank.

According to article 11a par. 2 of Law 2190/1920 Egnatia Bank has bearer shares that are undividable. Shares are divided in two categories: a) ordinary shares with voting rights and b) preferred shares without voting rights that are non-convertible. Preferred shares have the following privileges: a) the right to claim, prior to ordinary shares, initial dividend of article 28 par. 2 of Articles of Association and to receive the same amount of dividends as those ordinary shares that may be paid in any form, b) if dividends are not distributed or distribution is less than 6% of the paid in capital, in one or more years, the preferred payment of the above initial dividend or its completion from next years' profits, c) the right to reclaim the capital paid by the preferred shareholders from the liquidation of the Company's assets in case of resolvement. They also have equal rights with ordinary shareholders in additional participation in the liquidation's profits if this exceeds the paid in share capital.

The liability of the Bank's shareholders is limited to the par value of the shares they hold. Shareholders participate in the Bank's management and profits according to Law and the Articles of Association. The rights and responsibilities deriving from each share are transferred to any residuary or special heir of the shareholder

The Bank's shares are listed without any restrictions.

b) Restrictions on the assignment of the Bank's shares

The Bank's shares may be assigned as stipulated by Law and there are no further restrictions on their assignment set out in the Articles of Association.

c) Major direct or indirect stake holding in the meaning of PD 51/1992

Major direct or indirect stake holding in the meaning of PD 51/1992, higher than 5% of the total number of shares of the Bank is:

SHAREHOLDERS WITH PERCENTAGE >=5% AS AT 31/12/2006 WITH TOTAL SHARE CAPITAL 104,420,323							
		ORDINARY		PREFERRED		TOTAL	
N.	Name	Number	Percentage	Number	Percentage	Number	Percentage
1	MARFIN POPULAR BANK PUBLIC CO LTD	80,634,960	86.44%	9,386,620	84.31%	90,021,580	86.21%
Totals :		**80,634,960**	**86.44%**	**9,386,620**	**84.31%**	**90,021,580**	**86.21%**
Remaining shareholders:		**12,651,769**	**13.56%**	**1,746,974**	**15.69%**	**14,398,743**	**13.79%**
Total number of shares :		**93,286,729**	**100.00%**	**11,133,594**	**100.00%**	**104,420,323**	**100.00%**

d) Shares with special voting rights

The Bank has no shares that hold special control rights.

e) Restrictions on voting rights

The Bank's Articles of Association stipulate no restrictions on the voting rights emanating from its shares. It is clarified that according to paragraph 7 of article 1 the Bank's shares are divided into ordinary shares with voting rights and preferred shares without voting rights, non convertible.

f) Agreements among shareholders of the Bank

The Bank is not aware of any agreements among its shareholders, which would result in restrictions on the assignment of its shares or exercise of the voting rights deriving from its shares.

g) Regulations of the appointment and replacement of Board members and amendments of the Articles of association

The regulations stipulated in the Bank's Articles of Association regarding the appointment and replacement of Board members and amendments thereto, are not different to the provisions of Company Law 2190/1920.

h) Authority of the Board to issue new shares or acquire treasury shares

The Board of Directors of the Bank does not have such authority.

i) Major agreement put into force, amended or terminated in the event of change in the control following a public offer

There are no agreements to amend or terminate in the event of change in the control of the Bank following a public offer.

j) Agreements with Board members or staff of the Bank

There are no agreements between the Bank and its Board members or staff providing for the payment of any compensation specifically in the event of resignation or dismissal without cause, or termination of their mandate or employment as a result of a public offer. The provisions formed for retirement compensations, as a result from the provisions of Law 3371/2005, on 31.12.2006 amounted to Euro 8,315 thousand, from which, amount Euro 175 thousand refers to Board members and staff who held General Director, Deputy General Director and Assistant General Director positions.

2. Auditor's Report for the Consolidated Financial Statements of the group as at 31/12/2006

INDEPENDENT AUDITOR'S REPORT

(Translation from Greek to English)

To the Shareholders of
EGNATIA BANK A.E

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of EGNATIA BANK A.E, which comprise the consolidated balance sheet as at 31 December 31 2006, and the consolidated income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of EGNATIA BANK A.E. as of 31 December 2006, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion we draw attention to note 12 to the consolidated financial statements that explains that the tax obligations of the Bank and its subsidiaries 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 cannot presently be determined.

Report on Other Legal and Regulatory Requirements

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

Athens, 20 February 2007

KPMG Kyriacou Certified Auditors A.E.

Nick Vouniseas
Certified Auditor Accountant
AM SOEL 18701

3. Consolidated Financial Statements of the group as at 31/12/2006

Consolidated Income Statement
For the year ended 31 December 2006
(In thousands of Euro)

	Note	2006	2005
Interest income		204.383	167.981
Interest expense		(100.946)	(72.661)
Net interest income	**5**	**103.437**	**95.320**
Fee and commission income		54.598	42.759
Fee and commission expense		(12.277)	(8.440)
Net fee and commission income	**6**	**42.321**	**34.319**
Net trading income	**7**	8.580	5.233
Gain / (losses) on sale non-trading financial transactions		568	175
Dividend income	**8**	166	175
Other operating income	**9**	3.869	5.389
Operating income		**158.941**	**140.611**
Impairment losses on loans and advances	**18**	(19.675)	(15.170)
Personnel expenses	**10**	(70.064)	(62.863)
Depreciation	**21,22**	(8.777)	(7.385)
Other operating expenses	**11**	(34.859)	(28.237)
Share of associates		0	(8)
Profit before tax		**25.566**	**26.948**
Income tax expense	**12**	(5.737)	(8.377)
Profit after tax		**19.829**	**18.571**
Attributable to:			
Equity holders of the Bank		18.382	18.085
Minority interest		1.447	486
		19.829	**18.571**
Earnings per share (Euro per share)	**13**		
Basic		0,20	0,21
Diluted		0,20	0,20

Thessaloniki 24 January 2007

The Chairman of the Board of Directors	The Managing Director	The Manager of the Finance Department
Vassilios N. Theocharakis A.D.T. S 231179/98	Lefteris A. Chiliadakis A.D.T. P 073667/90	Aggelos N. Sapranidis ADT. Z 057521/71 Permit No. 0016834/18-07-2001

Consolidated Balance Sheet
31 December 2006
(In thousands of Euro)

Assets	Note	2006	2005
Cash and balances with Central Bank	14	183.318	130.481
Loans and advances to banks	15	553.960	587.872
Trading securities	16	16.417	18.326
Derivative financial instruments	17	937	499
Loans and advances to customers	18	2.742.114	2.366.668
Investment securities	19	242.119	137.239
Investments in associates	20	0	1.533
Intangible assets	21	7.606	8.345
Property and equipment	22	56.801	47.178
Deferred tax assets	23	7.937	8.194
Investment property		19.106	22.129
Other assets	24	59.171	65.178
Total assets		**3.889.486**	**3.393.642**
Liabilities			
Deposits from banks	25	330.655	23.989
Deposits from customers	26	2.829.634	2.656.051
Derivative financial instruments	17	2.331	2.135
Debt securities in issue and other borrowed funds	27	331.389	339.921
Employee benefits	28	8.886	9.496
Other provisions		0	5.700
Current tax liability		2.864	1.113
Deferred tax liabilities	23	687	917
Other liabilities	29	111.510	104.917
Total liabilities		**3.617.956**	**3.144.239**
Equity			
Share capital	30	109.145	107.840
Share premium	30	116.827	138.479
Reserves	31	19.397	17.833
Retained Earnings		15.996	(22.036)
Equity attributable to the Bank's equity holders		**261.365**	**242.116**
Minority interest		10.165	7.287
Total equity		**271.530**	**249.403**
Total liabilities and equity		**3.889.486**	**3.393.642**

EGNATIA BANK

Consolidated Statement of Changes in Shareholders' Equity
For the year ended 31 December 2006
(In thoudand of Euro)

	Share capital	Share premium	Reserves	Revaluation reserves for shares	Accumulated Deficit	Attributable to equity holders of the Bank	Minority interests	Total
Balance at 1 January 2005	**99.893**	**124.786**	**17.990**	**(571)**	**(32.671)**	**209.427**	**7.065**	**216.492**
Increase of share capital by converting bonds	7.947	13.693				21.640		21.640
Revaluation of available for sale portfolio				96		96	(31)	65
Allocation to reserves			318		(318)			
Dividends for 2004					(6.830)	(6.830)	(392)	(7.222)
Profit for the year					18.085	18.085	486	18.571
Other					(302)	(302)	159	(143)
Balance at 31 December 2005	**107.840**	**138.479**	**18.308**	**(475)**	**(22.036)**	**242.116**	**7.287**	**249.403**
Balance at 1 January 2006	**107.840**	**138.479**	**18.308**	**(475)**	**(22.036)**	**242.116**	**7.287**	**249.403**
Increase of share capital by converting bonds	1.305	1.991				3.296		3.296
Dividends for 2005					(4.462)	(4.462)	(343)	(4.805)
Allocation to reserves			1.604		(1.604)			
Revaluation of available for sale portfolio				854		854	28	882
Transfer of available for sale to trading				(894)		(894)		(894)
Profit for the year					18.382	18.382	1.447	19.829
Net off losses against reserves		(23.643)			23.643			
Net off losses against preference shares					2.745	2.745		2.745
Other					(672)	(672)	1.746	1.074
Balance at 31 December 2006	**109.145**	**116.827**	**19.912**	**(515)**	**15.996**	**261.365**	**10.165**	**271.530**

Consolidated Cash Flow Statement
For the year ended 31 December 2006
(In thousands of Euro)

	2006	2005
Operating activities		
Profit before tax	25.567	26.949
Adjustments for non-cash items		
Depreciation	8.777	7.385
Impairment loans and advances	19.675	15.170
Employee benefit	1.178	1.561
Valuation trading portfolio	(2.932)	(905)
Transfer to investing activities	(5.918)	(4.563)
Transfer to financing activities	13.086	6.686
	59.433	**52.283**
Changes in operating assets		
Loans and advances to banks	8.715	(12.165)
Trading securities and derivatives	4.402	(577)
Loans and advances to customers	(355.614)	(306.576)
Other assets	9.287	(34.174)
Changes in operating liabilities		
Deposits from banks	306.666	4.071
Deposits from customers	173.584	178.610
Other liabilities	(33.952)	23.867
Net cash flow from operating activities before taxes	**172.521**	**(94.661)**
Tax paid	(11.123)	(7.986)
Net cash flow from operating activities	**161.398**	**(102.647)**
Investing activities		
Investments in subsidiaries and associates	1.533	107
Net (increase)/decrease in investments	(104.919)	(34.605)
Dividends received	73	175
Purchase of assets	(18.359)	(12.454)
Sale of assets	784	(35)
Other flows from investing activities	5.709	4.415
Cash flows from investing activities	**(115.179)**	**(42.397)**
Financing activities		
Dividends paid	(4.805)	(7.222)
Issue / (payment) of debt	(21.618)	251.449
Share capital increase	(20.346)	21.640
Other cash flows from financing activities	27.490	(174)
Cash flows from financing activities	**(19.279)**	**265.693**
Total cash flows	**26.940**	**120.649**
Foreign exchange difference	700	749
Net cash flow movement	**27.640**	**121.398**
Cash and cash equivalents, opening	**704.621**	**583.223**
Cash and cash equivalents, closing	**732.261**	**704.621**
Cash and cash equivalents consists of :		
Cash and cash balances with Central Bank	183.318	130.481
Due from banks	548.943	574.140
	732.261	**704.621**

1. General Information on the Group

Egnatia Bank and its subsidiaries ("the Group") operate as a financial institution and provide primarily financial and banking services to individuals and businesses.

The Group has 1,751 employees that are employed in the financial sector out of which 1,370 are employed by the Bank. The Bank's primary activities are in Greece, but it also has subsidiaries that operate in Romania and Cyprus.

The parent company of the Group is Egnatia Bank, ("the Bank"), which is listed in the Athens Stock Exchange after the merger with Central Bank in accordance with the Ministry of Development decision K2-8832/30.07.99. It operates as a limited by shares company (A.E.) and follows the accounting policies stated in Company Law 2190/1920 and banking regulations 2076/1992.

The Bank's registered office is at 4 Danaidon Str. in the municipality of Thessalonica.

According to article 3 of the Articles of Association the purpose of the Bank is to provide recognised and approved banking services on its own behalf, on behalf of third parties in Greece and abroad.

There were two changes in the shareholder structure in 2006. Marfin Group purchased the control of the Bank on 29 March 2006. Control was obtained originally by purchasing 34.45% of ordinary shares and obtaining the majority in voting rights and the management in several boards of the Bank. During the year, Marfin Group increased its participation to 44.95%. In December 2006, Marfin Popular Bank Public Company Ltd (formerly Popular Bank Cyprus Ltd) made a public offer to acquire 100% of ordinary and preference shares of the Bank and Marfin Group proceeded in selling its investment. First on 13 December 2006 it sold 14,08% to institutional investors and on 21 December 2006, 30.86% of the Bank shares were exchanged with Marfin Popular Bank shares.

As a result of the public offer the Bank as at 29 December 2006 is considered a subsidiary of Marfin Popular Bank Public Company Ltd and holds 86.44% of ordinary shares and 84.31% of preference shares. Therefore the results for the period from 29 March 2006 to 21 December 2006 are included in the consolidated financial statements of Marfin Financial Group A.E. whereas its assets, liabilities and net worth is included in the consolidated financial statements of Marfin Popular Bank Public Company Ltd.

The Boards of Marfin Bank ATE, Egnatia Bank A.E. and Laiki Bank (Hellas) A.E. wholly owned subsidiaries of Marfin Popular Bank Public Company Ltd decided to proceed in the legal merger of Marfin Bank ATE and Laiki Bank (Hellas) A.E. with Egnatia Bank. The transition date is 31 December 2006.

The members of the Board of Egnatia Finance Brokers and Investment Bank of Greece decided to proceed in the legal merger of the two companies. The transition date was set on 30 June 2006. The merger has not been completed up to the date that these financial statements were approved.

2. Basis of preparation

2.1 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 the International Standards Board (IASB) as adopted by the European Union.

The consolidated financial statements were approved by the Board on 24 January 2007.

2.2 Basis of presentation

The financial statements are presented in euro rounded to the nearest thousand. They are prepared on a historic cost basis except that the following assets and liabilities are stated at their fair value:

- financial instruments classified as available-for-sale securities,
- financial instruments held for trading,
- derivative financial instruments and investment property.

2.3 Estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates. The estimates and 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 judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Deviations to accounting estimates are recognized 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 the current and future periods.

2.4 Basis of consolidation

(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 that the Group has control through contract. The consolidated financial statements include the Group's percentage holding on the financial assets and liabilities, income and expenses per line from the date control exists until it stops.

3. Basic Accounting Principles

The basic accounting principles that were adopted are:

3.1 Foreign currency

(a) Foreign currency transactions

Transactions in foreign currencies are translated to euro the reporting currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, at the balance sheet date are translated to euro at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated to euro using the exchange rate 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 foreign exchange rates ruling at the dates the fair value was determined.

(b) Financial statements of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to euro at foreign exchange rates ruling at the balance sheet date.

The revenues and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to euro at rates approximating to the foreign exchange rates ruling at the dates of the transactions.

Foreign exchange differences arising on retranslation on recognized directly in a separate component of equity.

3.2 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 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 recognizes 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 recognized. Loans and receivables are recognized when cash 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 started at cost, including transaction costs, less impairment losses.

All non-trading financial liabilities, loans and receivables and held-to-maturity assets are measured at amortized cost less impairment losses. Amortized 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 amortized 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 as 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 counter parties.

(e) Gains and losses on subsequent measurement

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

3.3 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 (see accounting principle 3.2d).

When a derivative financial instrument hedges the exposures to changes in the fair value of a recognized 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 recognized in the income statement. These amounts 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 recognized assets or liabilities or anticipated transactions or firm commitments, the effective part of any gain or loss on remeasurement of the hedging instrument is recognized directly in equity. The ineffective part of any gain or loss is recognized in the income statement.

3.4 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 recognized. The amounts paid are recognized in loans to either banks or customers. The receivables are shown as collateralized by the underlying security. Investments sold under repurchase agreements continue to be recognized 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 consideration is recognized on an accrual basis over the period of the transaction and is included in interest.

3.5 Property and equipment

Items of property and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses.

Certain items of property and equipment that have been revalued 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 property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Buildings	40	years
Furniture and office equipment	6-9	years
Vehicles	6-7	years
Computer hardware	4	years

Leasehold improvements are depreciated over the useful life of the improvement or the duration of the lease whichever is the lower.

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

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 that 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.

3.6 Investment property

Investment property are properties held by the Group either to earn rental income or for capital appreciation. The Group records investment property at fair value as determined by an independent valuation company having an appropriate recognised professional qualification. Some of these assets are leased but the lease contract was signed prior to its acquisition by the Group. Initially investment property is recorded at cost including acquisition expenses. Any gain or loss arising from a change in fair value is recognised in profit or loss.

3.7 Intangible assets

Intangible assets consist of software that has been acquired by the Group and stated at cost less accumulated amortization and impairment losses.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful life of the software, which is between 4 to 8 years.

3.8 Cash and cash equivalents

Cash and cash equivalents include monetary assets with an original maturity of three months or less, such as cash balance, placements with the Central Bank and amounts due from financial institutions. Cash and cash equivalents are recorded at amortized cost.

3.9 Impairment

(a) Assets carried at amortized 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:

(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 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;

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

(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 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 recognized 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 amortized 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 recognized 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 collateralized 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 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 of 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 to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized 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 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 recognized in the income statement – is removed from equity and recognized in the income statement. Impairment losses recognized 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 recognized in profit or loss, the impairment loss is reversed through the income statement.

3.10 Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest rate method. Financial liabilities include amounts due to credit institutions, customers and debt securities issued.

3.11 Employee benefits

(a) Defined contribution plans

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has not 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 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 Government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed by an independent actuary using the projected unit method less the fair value of any plan assets and adjusted for unrecognized gains or losses and past service costs.

All actuarial gains and losses as at 1 January 2004, the date of transition to IFRSs, were recognized. 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 unrecognized 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 recognized 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 recognized.

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 recognized in the income statement using the corridor method amortizing any amounts based on the term of the pension liability.

3.12 Provisions

A provision is recognized 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 been 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.

3.13 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 lease**

  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.

3.14 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legal enforceable right to set off recognized amounts and the transactions are intended to be settled on a net basis. Income and expense items may be offset if they are part of a Group transaction.

3.15 Derecognition

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

3.16 Interest income and expense

Interest income and expense is recognized in the income statement as it accrues, taking into account the effective yield of the instrument or an applicable floating rate. 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 and expense includes the amortization of any premium or discount 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.

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.

3.17 Fee and commission income

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

3.18 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.

3.19 Dividend income

Dividend income is recognized in the income statement on the date the dividend is approved.

3.20 Income Tax

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

Current tax is the expected tax payable on the taxable income for the year, using the 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 is based on the expected manner of realization 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 recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is probable that the related tax benefit will not be realized.

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

3.21 Share capital

(a) Share issues 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 the tax from the proceeds.

(b) Dividends on ordinary shares

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

(c) Repurchase of share capital

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

3.22 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.

3.23 New standards

A number of new standards, amendments to standards and interpretations adopted by the European Union are not yet effective for the year ended 31 December 2006, and have not been applied in these financial statements:

- IFRS 7 *Disclosures in Financial Instruments,* which becomes mandatory for the 2007 financial statements, is not expected to have any impact on the Group's net position.

- IFRS 8 *Operating Segments,* which becomes mandatory from 1 January 2009 is not expected to have any impact on the Group's net position.

- IFRIC 7 *Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies,* which was issued 1 March 2006 is not expected to have any impact on the financial statements.

- IFRIC 8 *Scope of IFRS 2 Share-based Payment,* which was issued 1 May 2006 is not expected to have any impact on the financial statements.

- IFRIC 9 *Reassessment of Embedded Derivatives,* which was issued 1 June 2006 is not expected to have any impact on the financial statements.

- IFRIC 10 *Interim Financial Reporting and Impairment,* which was issued 1 November 2006 will become mandatory for the 2007 financial statements.

- IFRIC 11 *Group and Treasury Share Transactions,* which is applicable from 1 March 2007 is not expected to have any impact on the financial statements.

- IFRIC 12 *Service Concession Agreements,* which is applicable from 1 January 2008 is not expected to have any impact on the financial statements.

4. Sector analysis

Geographical segments

The Group's activities are basically in Greece. The branch network of the Group's 86 branches, 78 in Greece and 8 in Romania. Income in Greece represent 89% of total income and assets comprises 93% of Group.

Business segments

The Group has the following business segments:

a) Investment and corporate banking

b) Retail

c) Asset management

d) Treasury and money market

e) Investments

31 December 2006

Amounts in thousands of Euro	**Investment and corporate banking**	**Retail**	**Asset management**	**Treasury and money market**	**Investments**	**Total**
Operating income	21.206	103.170	19.418	14.025	1.122	**158.941**
Profit before tax	**5.741**	**6.779**	**5.457**	**10.802**	**(3.213)**	**25.566**
Tax	-	-	-	-	-	(5.737)
Profit after tax	-	-	-	-	-	**19.829**
Total assets	736.341	2.296.426	62.736	784.675	9.308	**3.889.486**
Total liabilities	449.070	2.328.405	117.788	720.211	2.482	**3.617.956**
Additions	1.406	8.951	618	43	7.341	**18.359**
Depreciation	807	5.612	1.999	215	144	**8.777**
Impairment loss	1.469	18.205	-	-	-	**19.675**

31 December 2005

Amounts in thousands of Euro	Investment and corporate banking	Retail	Asset management	Treasury and money market	Investments	Total
Operating income	12.888	98.833	13.504	14.120	1.266	**140.611**
Profit before tax	**1.357**	**12.834**	**3.207**	**10.754**	**(1.204)**	**26.948**
Tax	-	-	**-**	**-**	-	**(8.377)**
Profit after tax	**-**	**-**	**-**	**-**	**-**	**18.571**
Total assets	625.148	1.967.283	66.229	731.582	3.400	3.393.642
Total liabilities	333.699	2.272.470	68.514	467.673	1.883	3.144.239
Additions	472	11.495	358	60	69	12.454
Depreciation	636	5.442	828	341	138	**7.385**
Impairment loss	1.973	13.197	-	-	-	**15.170**

5. Net interest income

(In thousands of Euro)

	2006	2005
Interest income		
Securities	5.951	5.134
Loans and advances to customers	174.985	149.165
Loans and advances to financial institutions	21.476	11.072
Other interest income	1.971	2.610
	204.383	**167.981**
Interest expense		
Customers deposits	(83.256)	(64.987)
Deposits from banks	(3.876)	(276)
Debt securities	(11.525)	(5.775)
Other interest expense	(2.289)	(1.623)
	(100.946)	**(72.661)**
Net interest income	**103.437**	**95.320**

6. Net commission income

(In thousands of Euro)

	2006	2005
Fee and commission income		
Loans	7.660	7.680
Letters of guarantees	2.019	1.796
Credit cards	5.275	6.460
Consumer credit	1.698	1.459
Custodian	3.867	2.618
Working capital	2.286	2.077
Imports – Exports	855	1.043
Stock brokerage activities	21.182	13.101
Other	9.756	6.525
	54.598	**42.759**
Fee and commission expense		
Credit cards	(739)	(1.618)
Other	(11.538)	(6.822)
	(12.277)	**(8.440)**
Net fee and commission income	**42.321**	**34.319**

7. Net trading income

(In thousands of Euro)

	2006	2005
Foreign exchange differences	5.291	4.746
Gain from the sale and revaluation of trading securities	3.121	1.293
Gain/(loss) from derivative financial instruments	168	(806)
Net trading income	**8.580**	**5.233**

8. Dividend income

(In thousands of Euro)

	2006	2005
Trading securities	73	97
Available-for-sale securities	93	78
Dividend income	**166**	**175**

9. Other operating income

(In thousands of Euro)

	2006	2005
Investment property	79	67
Other	3.790	5.322
Other income	**3.869**	**5.389**

10. Personnel expenses

(In thousands of Euro)

	2006	2005
Wages and salaries	(52.918)	(48.609)
Social security contributions	(11.941)	(10.888)
Defined benefit plan expense (note 27)	(1.701)	(1.288)
Other costs	(3.504)	(2.078)
Personnel expenses	**(70.064)**	**(62.863)**

The number of staff at the end of the year was 1 751 (2005 : 1.692)

11. Other operating expenses

(In thousands of Euro)

	2006	2005
Rent (operating leases)	(9.328)	(8.795)
Taxes, stamp and duties	(2.374)	(1.861)
Repairs and maintenance	(2.082)	(1.346)
Third party fees (legal, engineers etc)	(4.300)	(4.643)
Telephone and postage	(3.178)	(3.212)
Other expenses	(13.597)	(8.380)
Other operating expenses	**(34.859)**	**(28.237)**

12. Income tax expense

(In thousands of Euro)

	2006	2005
Current tax expense	4.565	6.817
Deferred tax expense	27	1.560
Tax on reserves	313	0
Prior year taxes	832	0
Income tax expense	**5.737**	**8.377**

Further information about deferred tax is provided in note 23. The reconciliation of the effective tax rate is as follows:

	%	2006	%	2005
Profit before tax		**25.566**		**26.948**
Income tax	29%	7.414	32%	8.623
Non-deductible expense	5%	1.244	12%	3.320
Tax exempt revenues	(3%)	(746)	(12%)	(3.164)
Prior years taxes	3%	832	0%	0
Tax on reserve	1%	313	0%	0
Other	(8%)	(2.063)	(1%)	(402)
Effect from applying different tax rates in foreign operations	(5%)	(1.257)	(0%)	0
Income tax expense	**22%**	**5.737**	**31%**	**8.377**

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 are accepted as final. Therefore, entities remain contingently liable for additional taxes and penalties, which may be assessed upon such examination. In 2006, the tax authorities completed their audit for the Bank from 1999 to 2004 for Egnatia Insurance Brokers or 2003 and 2004 and from 2000 to 2004 for Egnatia Leasing. Based on their audits an amount of EUR 6 531 thousand in additional penalties and taxes was assessed. The Group used an amount of EUR 5 700 thousand and EUR 831 thousand was recorded in the income statement.

The tax authorities have not audited the Bank and the subsidiaries for the following years:

Egnatia Bank S.A.	1999-2006
Egnatia Finance S.A.	2002-2006
Egnatia AEDAK	2003-2006
Egnatia Brokers	2003-2006
Eurocambio S.A.	2003-2006
Egnatia FIN S.A.	1999-2006
Egnatia Leasing S.A.	2000-2006
Egnatia Bank Travel Ltd.	2006
Egnatia Consumer Services	2006

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

13. Earnings per share

Basic earnings per share is calculated by dividing the profit after tax that is attributable to the shareholders of the parent company with the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the profit after tax that is attributable to the shareholders of the parent company after adjusting for the interest expense attributable to the holders of the Bank's convertible bond issue with the weighted average number of ordinary shares adjusted by the number of ordinary shares converted from the convertible bond issue.

	2006	2005
Basic earnings per share		
Profit attributable to shareholders of the Bank (in thousands of Euro)	18.382	18.085
Weighted average number of outstanding ordinary shares (In thousands)	93.057	87.430
Basic earnings per share	**0,20**	**0,21**
Diluted earnings per share		
Profit attributable to shareholders of the Bank (in thousands of Euro)	18.462	18.901
Weighted average number of outstanding ordinary shares (in thousands)	93.558	93.558
Diluted earnings per share	**0,20**	**0,20**

14. Cash and balances with Central Bank

(In thousands of Euro

	2006	2005
Cash	28.470	24.489
Other placements with the Central Bank	55.212	34.829
Obligatory reserve deposits with the Central Bank	99.636	71.163
Cash and balances with Central Bank	**183.318**	**130.481**

15. Loans and advances to banks

(In thousands of Euro

	2006	2005
Current accounts	30.765	19.009
Loans to banks	5.000	12.715
Placements with banks	518.195	556.148
Loans and advances to banks	**553.960**	**587.872**

16. Trading securities

(In thousands of Euro

	2006	2005
Fixed rate Greek Government bonds	-	9.980
Floating rate Greek Government bonds	-	3.999
Floating rate foreign corporate bonds	3.997	-
Bonds	**3.997**	**13.979**
Equity securities listed on the Athens Stock Exchange	2.669	1.625
Equity securities listed on the foreign Stock Exchange	83	-
Mutual funds units	9.668	2.722
Trading securities	**16.417**	**18.326**

During 2006 an amount of EUR 5.431 thousand was transferred to trading securities from available-for-sale . As a result an amount of EUR 894 thousand (gain) was recorded in the income statement.

17. Derivative financial instruments

(In thousands of Euro)

31 December 2006

		Fair Value	
	Notional Amount	**Assets**	**Liabilities**
Deposits in index options	815	49	49
Currency forwards	138.866	223	2.282
Futures	12.692	665	-
	152.373	**937**	**2.331**

31 December 2005

		Fair Value	
	Notional Amount	**Assets**	**Liabilities**
Options	-	453	528
Futures	-	12	7
Swaps	114.473	34	1.600
	114.473	**499**	**2.135**

18. Loans and advances to customers

(In thousands of Euro)

	2006	2005
Retail customers:		
Customer	667.145	642.354
Credit cards	105.357	108.318
Housing	320.202	190.083
Other	19.714	12.884
	1.112.418	**953.639**
Corporate customers:		
Construction	144.574	84.766
Industrial	184.283	157.460
Commercial	506.394	409.056
Manufacturing	76.626	89.551
Service companies	234.909	174.995
Shipping	197.649	266.050
Factoring	49.255	46.521
Leasing	181.048	121.367
Other	129.045	157.181
	1.703.783	**1.506.947**
	2.816.201	**2.460.586**
Impairment	(74.087)	(93.918)
Loans to customers	**2.742.114**	**2.366.668**

Movement in Impairment	**2006**	**2005**
Balance at 1 January	93.918	95.539
Provision for impairment	19.675	15.170
Write offs	(39.506)	(16.791)
At 31 December	**74.087**	**93.918**

The net amount of financial leases outstanding as at 31 December 2006, 2005 mature as follows:

Up to 1 month	13.594	5.957
1-3 months	6.070	988
3-12 months	27.152	6.403
1-5 years	79.802	52.703
Over 5 years	54.430	55.316
Total	**181.048**	**121.367**

19. Investment Securities

(In thousands of Euro)

	2006	2005
Available for sale		
Mutual fund units – local	-	5.537
Mutual fund units – abroad	37.965	-
Listed shares in the ASE	-	2.057
Listed shares in the abroad	124	327
Non-listed shares	463	885
Greek Government bonds – fixed	19.888	-
Greek Government bonds – float	8.644	-
Other Government bonds – fixed	36.490	26.331
Corporate bonds – fixed	23.164	-
Corporate bonds – float	25.715	-
	152.453	**35.137**
Held to maturity		
Greek Government bonds – fixed	44.288	53.818
Greek Government bonds – float	10.000	10.000
Corporate bonds abroad – fixed	5.833	8.731
Corporate bonds abroad - float	29.545	29.553
	89.666	**102.102**
Investment securities	**242.119**	**137.239**

20. Investments in associates

(In thousands of Euro)

	Country	2006	2005
Egnatia Financial Services LTD	Cyprus	-	1.533
		-	**1.533**

21. Intangible assets

(In thousands of Euro)

Cost	
Balance at 1 January 2005	17.998
Additions	3.300
Disposals	(148)
Balance at 31 December 2005	**21.150**
Balance 1 January 2006	21.150
Additions	1.468
Disposals	(243)
Balance at 31 December 2006	**22.375**
Amortization	
Balance at 1 January 2005	11.714
Amortization for the year	1.242
Disposals	(151)
Balance at 31 December 2005	**12.805**
Balance at 31 December 2006	12.805
Amortization for the year	1.971
Disposals	(7)
Balance at 31 December 2005-6	**14.769**
Carrying amounts	
At 1 January 2005	6.284
At 31 December 2005	**8.345**
At 1 January 2006	8.345
At 31 December 2006	**7.606**

22. Property and equipment

(In thousands of Euro)

	Land	Buildings	Leasehold improvements	Furniture and equipment	Other	Total
Cost						
Balance at 1 January 2005	10.508	15.500	25.607	33.516	4.509	89.640
Additions	1.646	1.846	872	1.778	3.012	9.154
Disposals	-	-	(11)	(699)	(149)	(859)
Balance at 31 December 2005	**12.154**	**17.346**	**26.468**	**34.595**	**7.372**	**97.935**
Balance at 1 January 2006	12.154	17.345	26.469	34.596	7.372	97.936
Additions	608	7.044	3.119	5.306	815	16.892
Disposals	-	-	(2.471)	(1.028)	(207)	(3.706)
Balance at 31 December 2006	**12.762**	**24.389**	**27.117**	**38.874**	**7.980**	**111.122**
Depreciation						
Balance at 1 January 2005	-	4.006	15.086	24.036	2.378	45.506
Depreciation charge for the year	-	402	1.623	3.321	797	6.143
Disposals	-	-	(11)	(855)	(26)	(892)
Balance at 31 December 2005	**-**	**4.408**	**16.698**	**26.502**	**3.149**	**50.757**
Balance at 1 January 2006	-	4.408	16.699	26.503	3.149	50.759
Depreciation charge for the year	-	431	1.700	3.321	1.355	6.807
Disposals	-		(2.457)	(664)	(124)	(3.245)
Balance at 31 December 2006	**-**	**4.839**	**15.942**	**29.160**	**4.380**	**54.321**
Carrying amounts						
At 1 January 2005	10.508	11.494	10.521	9.481	2.131	44.135
At 31 December 2005	**12.154**	**12.938**	**9.770**	**8.093**	**4.223**	**47.178**
At 1 January 2006	12.154	12.938	9.770	8.093	4.223	47.178
At 31 December 2006	**12.762**	**19.550**	**11.175**	**9.714**	**3.600**	**56.801**

23. Deferred tax

(In thousands of Euro)

Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	2006	2005
Deferred tax assets		
Intangible assets	149	231
Employee benefits obligation	2.019	1.955
Impairment loans and advances	1.673	3.467
Impairment of investments	1.397	35
Deferred income	969	431
Preference shares	227	-
Other items	1.503	2.075
	7.937	**8.194**
Deferred tax liabilities		
Property and equipment	127	917
Intangible	303	-
Other	257	-
	687	**917**

Movement in temporary differences during the year

	Balance 1 January 2005	Recognized in income	Balance 31 December 2005
Intangible assets	429	(198)	231
Employee benefits obligation	1.880	75	1.955
Impairment loans	4.102	(635)	3.467
Impairment of investments	35	-	35
Deferred income	219	211	430
Property and equipment	(876)	(41)	(917)
Other	3.048	(973)	2.076
	8.837	**(1.561)**	**7.277**

	Balance 1 January 2006	Recognized in income	Balance 31 December 2006
Intangible assets	231	(412)	(181)
Employee benefits obligation	1.955	590	2.544
Impairment loans and advances	3.467	(1.591)	1.876
Impairment of investments	35	1.362	1.397
Deferred income	430	253	684
Preference shares	-	227	227
Property and equipment	(917)	(29)	(947)
Other	2.076	(426)	1.650
	7.277	**(27)**	**7.250**

24. Other assets

(In thousands of Euro)

	2006	2005
Brokerage transaction guarantees	10.204	8.715
Tax advances	6.660	862
Prepayments	2.028	3.256
Accrued income	12.574	8.755
Other	27.705	43.590
Other assets	**59.171**	**65.178**

25. Deposits from banks

(In thousands of Euro)

	2006	2005
Central Banks	55.000	-
Current	9.592	6.826
Term	19.651	4.392
Money markets	210.781	436
Loans	35.631	12.335
Due to Banks	**330.655**	**23.989**

26. Deposits from customers

(In thousands of Euro)

	2006	2005
Retail customers:		
Current accounts	86.325	80.127
Saving accounts	488.595	472.727
Term deposits	1.351.375	1.316.200
	1.926.295	**1.869.054**
Corporate customers:		
On demand	219.752	186.275
Term	656.642	571.100
	876.394	**757.375**
Government entities		
On demand	23.162	7.690
Term	3.783	21.932
	26.945	**29.622**
Cheques and orders	**2.829.634**	**2.656.051**

Included in term deposits are funds that the Bank has raised by selling Greek governments bond, under agreements to repay their funds by repurchasing the bonds of future dates at the same price plus interest at a pre-determined rate. At 31 December 2006 the funds received amounted to EUR 6 thousand (2005: EUR 61 069 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 2006 was EUR 891 thousand (2005: EUR 1 734 thousand).

27. Debt securities in issue and other borrowed funds

(In thousands of Euro)

	2006	2005
Preference shares	13.026	12.522
Share premium on preference shares	15.130	17.036
Convertible subordinated debt maturity- 2013	852	5.783
Subordinated debt maturity 2015	80.000	80.000
Subordinated debt (5 year)	22.537	24.834
Subordinated debt (2008)	199.844	199.746
Debt securities in issue and other borrowed funds	**331.389**	**339.921**

The Bank's preference shares are non-convertible. Preference shares have the following benefits: a) to receive the minimum dividend as stated in article 28 paragraph 2 of the article of association before ordinary shareholders and the right to receive any additional benefit that the ordinary shareholders will receive b) to receive a cumulative amount in the future if in any period a dividend is not distributed or if the Bank pays an amount that is less than 6% of the share capital in one or more financial periods c) first right to the net asset amount before the ordinary shareholders in case of liquidation and in any excess of any amount over the share capital.

The decrease in share premium of EUR 1 906 thousand was from offsetting losses of EUR 2 745 thousand and increase from converting 839 thousand of bonds.

Convertible subordinated debt holders have the right to exchange one note for one share. As at 31 December 2005 convertible debt holders had the right to exchange 1 387 770 notes and 463 030 preference shares. The par value of these notes is 3.20 Euro per note.

The convertible bond was issued 21 January 2003 and has a maturity of 10 years with the right of first redemption after 5 years. It has a rate of interest of Euribor plus 1.75% up to the date of redemption and 3.25% until maturity. Interest accrues every 3 months starting 21 January 2003.

The subordinated debt with maturity 2015 was issued 4 May 2005 and has a 10 year term with the right to fixed redemption after the end of the fifth year. It has an interest rate of Euribor plus 1.10% up to redemption date and 2.40% up to maturity. It accrues interest quarterly starting 4 August 2005. The subordinated debt is used as secondary capital (Tier II capital) for capital adequacy purposes.

28. Employee benefits

(In thousand of Euro)

	2006	2005
Present value of unfunded obligations	9.743	8.476
Present value of funded obligations	820	907
Total present value	**10.563**	**9.383**
Fair value of plan assets	(565)	(550)
Past service costs	(1.029)	-
Unrecognised actuarial gains and losses	(756)	(1.411)
Recognized liability for defined benefit obligations	**8.213**	**7.422**
Provision for vacation not taken	631	1.154
Provision for employee bonus	-	643
Salaries due	42	277
Employee benefits	**8.886**	**9.496**
Movement in plan assets:		
Opening balance	550	600
Expected return	22	26
Contributions received	167	153
Contributions paid	(173)	(223)
Amounts in income statement	(2)	(1)
Actuarial (loss)/gain	2	(4)
Closing balance	**566**	**551**

	2006	2005
Net liability for defined benefit obligations at 1 January	7.421	6.756
Contributions received	(153)	(134)
Benefits paid	(757)	(488)
Expense recognized in the income statement	1.701	1.289
Net liability for defined benefit obligations at 31 December	**8.212**	**7.423**

Expense recognized in the income statement

	2006	2005
Current service costs	795	632
Expected return on plan assets	(22)	(26)
Actuarial loss recognition	36	-
Termination cost	521	334
Interest on obligation	371	348
	1.701	**1.288**

Principal actuarial assumptions used for 2006 and 2005 were as follows:

	2006	2005
Discount rate	4.20%	4.00%
Expected return on plan assets	4.20%	4.00%
Future salary increases	4.50%	4.50%

29. Other liabilities

(In thousands of Euro)

	2006	2005
Taxes and duties (non income tax)	3.671	2.667
Due to social security funds	2.450	2.360
Suppliers and other creditors	12.750	12.774
Amounts collected on behalf and due to third parties	635	13.575
Deferred income	16.221	12.957
Accrued expenses	6.246	13.526
Due to clients and Stock Exchange from stock transactions	22.435	21.662
Cheques and orders payable	32.130	21.950
Other liabilities	14.972	3.446
Other liabilities	**111.510**	**104.917**

30. Share capital, share premium

	2006	2005
Number of ordinary shares (per value of € 1.17 per share)	**93.286.729**	**92.170.669**
Share capital paid (in thousands of Euro)	**109.145**	**107.840**
Share premium (in thousands of Euro)	**116.827**	**138.479**

The Bank's share capital was reduced by EUR 26.389 thousand to offset losses and an equivalent increase from reserves and share premium reserve of EUR 23.643 thousand and 2.746 preference share (note 27). In addition the share premium reserve increased by ERU 1.991 thousand after converting bonds.

31. Reserves

(In thousands of Euro)

	2006	2005
Statutory reserve	8.899	8.134
Untaxed reserves	1.001	3.218
Extraordinary reserves	10.012	6.956
Revaluation reserve available-for-sale securities	(515)	(475)
Reserves	**19.397**	**17.833**

Statutory reserve: Under the provisions of 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 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 tax at the rate applicable on the date of distribution.

In 2006 after legislation issued, the Bank paid an amount of EUR 313 thousand as 15% tax on tax free reserves of EUR 2,087 thousand. These reserves are now free of tax and may be distributed or capitalized.

Extraordinary reserves: Includes all other reserves that do not belong in the other categories.

32. Contingent liabilities

32.1 Litigation

The Group 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 note expected to have a material adverse effect on the financial condition of the Group.

32.2 Credit commitments

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

	2006	2005
Letters of guarantees	219.320	196.115
Letters of credit	5.634	3.643

32.3 Operating lease

The Group's liability from operating lease contracts concern buildings used as branches and other operating units. The minimum future lease payments are as follows (in thousand of Euro):

	2006	2005
Up to 1 year:	106	2.243
1 to 5 years:	13.246	4.344
Over 5 years:	38.333	32.416

33. Related parties

All transactions are neutral and are performed under the same normal procedures as with any third party.

The total amount of transactions with related parties amount to (amounts in thousands of Euro):

Board of Directors and Management	2006	2005
Customer loans and advances	251	422
Deposits from customers	23.994	6.669
Income		
Interest and commission income	16	76
Expense		
Interest and commission expense	751	127

Other related parties	**2006**	**2005**
Assets		
Loans and advances to customers	23.441	26.976
Due from Banks	66.365	0
Other assets	459	0
Fixed assets	1.552	1.082
Total assets	**91.817**	**28.058**

Liabilities		
Deposits from customers	57.106	4.905
Due to Banks	176.201	0
Other liabilities	1.362	613
Total liabilities	**234.669**	**5.518**

Income		
Interest and similar income	2.937	917
Fee and commission income	176	81
Total income	**3.113**	**998**
Expenses		
Interest and similar expenses	2.775	1.584
Other expenses	958	788
Total expenses	**3.733**	**2.372**

The fees paid to the Board of Directors, which have been recorded to staff costs, amount to EUR 3 556 thousand (2005: EUR 2 794 thousand).

34. Fair value

The following summarises the carrying amounts and fair value of those financial assets and liabilities not presented on the Group's balance sheet at their fair value (the amount's are expressed in thousands of Euro):

	2006		2005	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans and advances to banks	553.960	554.477	587.872	590.429
Loans and advances to customers	2.742.114	2.757.866	2.366.668	2.377.988
Investment securities held-to-maturity	89.666	89.306	102.102	102.436
Investment in associates	-	-	1.533	1.533
Financial liabilities				
Deposits from banks	330.655	330.877	23.989	23.995
Deposits from customers	2.829.634	2.838.629	2.656.051	2.647.331
Debt securities in issue and other borrowed funds	331.389	333.405	339.921	339.921

35. 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.

35.1 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 different 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 Bank applies the Static Repricing Gap that separates products by maturity (fixed) or next repricing (floating) and calculates the gap each period and also to measure sensitivity. The Bank uses IRS to hedge interest risk.

31 December 2006	Non-interest	Up to 1 month	1-3 months	3-6 months	6-12 months	1 to 5 years	Over 5 years	Total
Assets								
Cash and balances with Central Bank	30.715	152.602	1	-	-	-	-	**183.318**
Loans and advances to banks	6.578	530.992	11.390	5.000	-	-	-	**553.960**
Trading securities	9.124	1.005	6.288	-	-	-	-	**16.417**
Derivative financial instruments	937	-	-	-	-	-	-	**937**
Loans and advances to customers	(45.437)	2.043.792	386.834	75.645	50.358	169.980	60.942	**2.742.114**
Investment securities	38.553	41.943	38.400	26.042	2.479	64.142	30.560	**242.119**
Intangible assets	7.606	-	-	-	-	-	-	**7.606**
Property and equipment	56.801	-	-	-	-	-	-	**56.801**
Deferred tax assets	7.937	-	-	-	-	-	-	**7.937**
Investment property	19.106	-	-	-	-	-	-	**19.106**
Other assets	52.144	477	-	-	-	6.550	-	**59.171**
Total assets	**184.064**	**2.770.811**	**442.913**	**106.687**	**52.837**	**240.672**	**91.502**	**3.889.486**
Liabilities								
Cash and balances with Central Bank	2.770	284.902	7.968	-	-	35.015	-	**330.655**
Loans and advances to banks	66.516	2.042.040	463.330	174.892	72.514	10.119	223	**2.829.634**
Trading securities	2.331	-	-	-	-	-	-	**2.331**
Derivative financial instruments	28.157	852	279.843	-	22.537	-	-	**331.389**
Employee benefits	8.886	-	-	-	-	-	-	**8.886**
Current tax	2.864	-	-	-	-	-	-	**2.864**
Deferred tax assets	687	-	-	-	-	-	-	**687**
Other liabilities	105.188	6.134	-	-	-	188	-	**111.510**
Total liabilities	**217.399**	**2.333.928**	**751.141**	**174.892**	**95.051**	**45.322**	**223**	**3.617.956**
Interest sensitivity gap	**(33.335)**	**436.883**	**(308.228)**	**(68.205)**	**(42.214)**	**195.350**	**91.279**	**271.530**
Hedge item	**-**	**(247)**	**6.569**	**(253)**	**(253)**	**(5.817)**	**-**	**-**
Total gap	**(33.335)**	**436.636**	**(301.659)**	**(68.458)**	**(42.467)**	**189.533**	**91.279**	**271.530**

31 December 2005	Non-interest	Up to 1 month	1-3 months	3-6 months	6-12 months	1 to 5 years	Over 5 years	Total
Assets								
Cash and balances with Central Bank	26.312	104.169	-	-	-	-	-	**130.481**
Loans and advances to banks	-	575.157	-	12.715	-	-	-	**587.872**
Trading securities	-	4.730	3.000	10.004	-	-	592	**18.326**
Derivative financial instruments	499	-	-	-	-	-	-	**499**
Loans and advances to customers	(80.194)	1.805.482	326.498	62.583	42.678	149.405	60.216	**2.366.668**
Investment securities	-	28.657	35.080	14.226	2.276	56.980	20	**137.239**
Investment in subsidiaries and associates	1.533	-	-	-	-	-	-	**1.533**
Intangible assets	8.345	-	-	-	-	-	-	**8.345**
Property and equipment	47.178	-	-	-	-	-	-	**47.178**
Deferred tax assets	8.194	-	-	-	-	-	-	**8.194**
Investment property	22.129	-	-	-	-	-	-	**22.129**
Other assets	55.785	1.284	-	1.333	-	6.776	-	**65.178**
Total assets	**89.781**	**2.519.479**	**364.578**	**100.861**	**44.954**	**213.161**	**60.828**	**3.393.642**
Liabilities								
Cash and balances with Central Bank	-	17.990	5.999	-	-	-	-	**23.989**
Loans and advances to banks	20.405	1.864.177	487.561	207.417	72.423	4.068	-	**2.656.051**
Trading securities	2.135	-	-	-	-	-	-	**2.135**
Derivative financial instruments	29.558	5.669	279.860	24.834	-	-	-	**339.921**
Employee benefits	9.496	-	-	-	-	-	-	**9.496**
Other provisions	5.700	-	-	-	-	-	-	**5.700**
Current tax	1.113	-	-	-	-	-	-	**1.113**
Deferred tax assets	917	-	-	-	-	-	-	**917**
Other liabilities	82.608	21.950	-	-	-	79	280	**104.917**
Total liabilities	**151.932**	**1.909.786**	**773.420**	**232.251**	**72.423**	**4.147**	**280**	**3.144.239**
Total gap	**(62.151)**	**609.693**	**(408.842)**	**(131.390)**	**(27.469)**	**209.014**	**60.548**	**249.403**

35.2 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 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. Liquidity risk ratios are within regulatory requirements and are calculated based on PDTE (Bank of Greece) 2560/1-4-2005 decision.

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

31 December 2006	Up to 1 month	1-3 months	3-6 months	6-12 months	1 to 5 years	Over 5 years	Total
Assets							
Cash and balances with Central Bank	181.185	2.133	-	-	-	-	**183.318**
Loans and advances to banks	536.942	11.679	-	-	5.321	18	**553.960**
Trading securities	16.417	-	-	-	-	-	**16.417**
Loans and advances to customers	937	-	-	-	-	-	**937**
Investment securities	653.517	60.091	621.726	138.875	680.366	587.539	**2.742.114**
Investment in associates	41.332	30.325	48.446	8.272	86.710	27.034	**242.119**
Intangible assets	-	-	-	-	-	7.606	**7.606**
Property and equipment	-	-	-	-	-	56.801	**56.801**
Deferred tax assets	-	-	-	-	7.937	-	**7.937**
Investment property	-	-	-	-	19.106	-	**19.106**
Other assets	14.702	3.567	11.189	568	11.353	17.792	**59.171**
Total assets	**1.445.032**	**107.795**	**681.361**	**147.715**	**810.793**	**696.790**	**3.889.486**
Liabilities							
Deposits from banks	320.522	10.113	-	-	18	2	**330.655**
Deposits from customers	1.462.856	463.633	174.892	72.511	655.519	223	**2.829.634**
Derivative financial instruments	2.331	-	-	-	-	-	**2.331**
Current tax liability	-	-	-	4.000	299.232	28.157	**331.389**
Employee benefits	-	-	-	-	8.415	471	**8.886**
Other liabilities	-	-	2.864	-	-	-	**2.864**
Deferred tax liabilities	-	-	-	-	687	-	**687**
Debt securities in issue and other borrowed funds	86.077	10.689	2.257	1.559	10.146	782	**111.510**
Total liabilities	**1.871.786**	**484.435**	**180.013**	**78.070**	**974.017**	**29.635**	**3.617.956**
Net liquidity gap	**(426.754)**	**(376.640)**	**501.348**	**69.645**	**(163.224)**	**667.155**	**271.530**

31 December 2005	Up to 1 month	1-3 months	3-6 months	6-12 months	1 to 5 years	Over 5 years	Total
Asset							
Cash and balances with Central Bank	129.481	-	-	1.000	-	-	**130.481**
Loans and advances to banks	574.314	825	-	12.715	-	18	**587.872**
Trading securities	18.173	-	-	-	153	-	**18.326**
Derivative financial instruments	50	446	3	-	-	-	**499**
Loans and advances to customers	610.688	63.017	581.176	140.186	636.990	334.611	**2.366.668**
Investment securities	25.712	13.533	4.226	2.300	63.416	28.052	**137.239**
Investment in associates	-	-	-	-	-	1.533	**1.533**
Intangible assets	-	-	-	-	-	8.345	**8.345**
Property and equipment	-	-	-	-	-	47.178	**47.178**
Deferred tax assets	-	-	-	-	8.194	-	**8.194**
Investment property	-	-	-	-	22.129	-	**22.129**
Other assets	31.679	2.132	1.920	1.176	12.093	16.178	**65.178**
Total asset	**1.390.097**	**79.953**	**587.325**	**157.377**	**742.975**	**435.915**	**3.393.642**
Liabilities							
Deposits from banks	23.920	65	-	-	2	2	**23.989**
Deposits from customers	1.273.276	486.737	204.801	73.167	617.964	106	**2.656.051**
Derivative financial instruments	1.637	193	305	-	-	-	**2.135**
Debt securities in issue and other borrowed funds	-	-	-	2.500	307.863	29.558	**339.921**
Employee benefits	-	-	-	-	-	9.496	**9.496**
Other provisions	-	-	-	-	-	5.700	**5.700**
Current tax liability	-	-	1.113	-	-	-	**1.113**
Deferred tax liabilities	-	-	-	-	917	-	**917**
Other liabilities	70.098	7.718	1.715	698	13.533	11.155	**104.917**
Total liabilities	**1.368.931**	**494.713**	**207.934**	**76.365**	**940.279**	**56.017**	**3.144.239**
Net liquidity gap	**21.166**	**(414.760)**	**379.391**	**81.012**	**(197.304)**	**379.898**	**249.403**

35.3 Market risk

Market risk is the risk of occurring possible losses caused by the fluctuation and volatility of market prices, such as share prices, interest rate and foreign exchange rate fluctuations.

The Group applies a 'value at risk' methodology (VAR) to estimate the market risk.

The measurement of the value at risk is an estimate of the change in value of the portfolio at a specific confidence level in a specified period of time. The Group uses the Variance-Covariance methodology in estimating VaR. It is measured with a confidence level of 99% assumes and a one holding day period.

VAR for the trading portfolio as at 31 December 2006 amounted to EUR 137 thousand (31 December 2005 EUR 446 thousand), whereas the total limit is EUR 800 thousand.

35.4 Currency risk

The Bank takes on exposure to the effects of fluctuations in the prevailing exchange rates on its financial position and cash flows. Management sets 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 summarizes the Bank's exposure to foreign currency exchange risk at 31 December. Included in the table on the Bank's assets and liabilities at carrying amounts categorized by currency (the amounts are in thousands of Euro):

31 December 2006	EUR	USD	GBP	CHF	JPY	Other	Total
Asset							
Cash and balances with Central Bank	151.064	1.965	1.626	248	115	28.300	**183.318**
Loans and advances to banks	293.506	216.450	12.892	628	336	30.148	**553.960**
Trading securities	16.334	-	-	-	-	83	**16.417**
Derivative financial instruments	792	145	-	-	-	-	**937**
Loans and advances to customers	2.588.576	115.204	-	6.426	7.048	24.860	**2.742.114**
Investment securities	170.798	71.321	-	-	-	-	**242.119**
Investments in associates	7.533	-	-	-	-	73	**7.606**
Intangible assets	52.793	-	-	-	-	4.008	**56.801**
Property and equipment	7.937	-	-	-	-	-	**7.937**
Investment property	19.106	-	-	-	-	-	**19.106**
Other assets	53.503	351	9	16	7	5.285	**59.171**
Total asset	**3.361.942**	**405.436**	**14.527**	**7.318**	**7.506**	**92.757**	**3.889.486**
Liabilities							
Deposits from banks	303.059	322	116	-	-	27.158	**330.655**
Deposits from customers	2.279.504	413.086	13.812	879	83.490	38.863	**2.829.634**
Derivative financial instruments	2.331	-	-	-	-	-	**2.331**
Debt securities in issue and other borrowed funds	331.389	-	-	-	-	-	**331.389**
Employee benefits	8.886	-	-	-	-	-	**8.886**
Current tax liability	2.864	-	-	-	-	-	**2.864**
Deferred tax liabilities	687	-	-	-	-	-	**687**
Other liabilities	106.397	1.785	103	14	23	3.188	**111.510**
Total liabilities	**3.035.117**	**415.193**	**14.031**	**893**	**83.513**	**69.209**	**3.617.956**
Net on balance sheet position	**345.948**	**(12.941)**	**566**	**6.402**	**(76.011)**	**7.567**	**271.531**
Forwards	(74.066)	12.344	321	(6.110)	76.032	(10.578)	**(2.057)**
Total position	**(93.187)**	**15.526**	**251**	**(6.087)**	**76.036**	**5.402**	**(2.059)**

31 December 2005	EUR	USD	GBP	CHF	JPY	Other	Total
Asset							
Cash and balances with Central Bank	118.466	5.653	717	285	18	5.342	**130.481**
Loans and advances to banks	414.533	152.768	13.324	2.972	596	3.679	**587.872**
Trading securities	18.326	-	-	-	-	-	**18.326**
Derivative financial instruments	499	-	-	-	-	-	**499**
Loans and advances to customers	2.131.916	199.710	4.701	4.346	6.481	19.514	**2.366.668**
Investment securities	101.101	30.731	-	327	-	5.080	**137.239**
Investments in associates	1.533	-	-	-	-	-	**1.533**
Intangible assets	8.301	-	-	-	-	44	**8.345**
Property and equipment	43.968	-	-	-	-	3.210	**47.178**
Deferred tax assets	8.194	-	-	-	-	-	**8.194**
Investment property	22.129	-	-	-	-	-	**22.129**
Other assets	61.770	1.822	7	1	7	1.571	**65.178**
Total asset	**2.930.736**	**390.684**	**18.749**	**7.931**	**7.102**	**38.440**	**3.393.642**
Liabilities							
Deposits from banks	21.537	1.234	90	-	-	1.128	**23.989**
Deposits from customers	2.138.304	394.613	11.931	1.201	91.935	18.067	**2.656.051**
Derivative financial instruments	2.135	-	-	-	-	-	**2.135**
Debt securities in issue and other borrowed funds	339.921	-	-	-	-	-	**339.921**
Employee benefits	9.496	-	-	-	-	-	**9.496**
Other provision	5.700	-	-	-	-	-	**5.700**
Current tax liability	1.113	-	-	-	-	-	**1.113**
Deferred tax liabilities	917	-	-	-	-	-	**917**
Other liabilities	98.202	3.791	853	3	20	2.048	**104.917**
Total liabilities	**2.617.325**	**399.638**	**12.874**	**1.204**	**91.955**	**21.243**	**3.144.239**
Net off balance sheet position	**313.411**	**(8.954)**	**5.875**	**6.727**	**(84.853)**	**17.197**	**249.403**
Forwards	(91.387)	8.359	(3.901)	(4.912)	84.828	(330)	**(7.343)**
Total gap	**222.024**	**(595)**	**1.974**	**1.815**	**(25)**	**16.867**	**242.060**

35.5 Credit risk

Credit risk is the risk of loss resulting from counter party default. The Bank considers credit risk for loans as the loss, which the Bank would suffer if a client or counter party fails to meet their contractual obligations.

The Bank has established credit limits based on the creditworthiness of the counter party in order to minimize the credit risk that the Bank undertakes. The creditworthiness analysis for each client is based on the country domicile, the business sector and other qualitative and quantitative characteristics for the client, the nature of the transaction and the collateral.

For credit control purposes, credit exposure is measured by the nature of the client in the following categories: central governments (for purchase and holdings of debt instruments), financial institutions, corporate customers (with reliable financial data), small and medium size entities (SME) and retail customers. The largest credit risk represents the loss from the failure of the counter party to meet their contractual obligations. The Bank along with specialized consulting firms has developed a series of valuation models to assess the risk for each category.

A financial (quantitative) and business (qualitative) analysis is performed to valuate the credit risk for corporate customers. Financial analysis is based on the published financial statements of the customer. Business analysis depends on the quality characteristics of the business sector where the company operates. For SMEs the valuation mode takes into account qualitative characteristics as well as their payment behavior. Two models exist for retail customers. The first one takes into account the qualitative and financial information of the customers. The first one takes into account the qualitative and financial information of the customer when the customer applies for a loan and the second model depends on evaluating the payment performance and the Bank's relationship with the customer. At the approval stage, the credit risk as a whole is assessed of the counter party individually or collectively taken into account the credit limits approved by the divisions of the Bank. Collaterals and other securities that mitigate the credit risk are used to determine the credit limits. On a systematic basis, the Bank monitors the counter party risk and credit exposure along with the credit limits. Off balance sheet items and credit exposures from settlement transactions are also used to develop credit exposures.

In order to assess the country risk the Bank approves limits that depend on credit ratings performed by credit agencies, macroeconomic data of the country as well as international and political developments. For counter party risks with financial institutions, the Bank places limits for each type of banking transaction based on the risk of the transaction. The credit limit for each financial institution is split into trade limits and money market limits. These limits are based on the credit rating of the bank, their financial data and other qualitative information.

36. Reclassifications to prior year figures

	Published 31/12/2005	Previously 31/12/2006	Reclassification
Income statement			
Interest income	167.147	167.981	833
Interest expense	(72.547)	(72.661)	(114)
Commission income	42.796	42.759	(37)
Commission expense	(7.336)	(8.440)	(1.105)
Net trading results	5.727	5.408	(320)
Other income	6.545	5.389	(1.155)
Personnel expenses	(63.321)	(62.863)	459
Other administrative expense	(29.562)	(28.236)	1.325
Tax	(8.491)	(8.377)	114
Assets			
Loans to customers	2.392.513	2.366.668	(25.845)
Other assets	69.656	95.501	25.845
Liabilities			
Due to customers	2.700.022	2.656.051	(43.971)
Provisions	16.730	15.196	(1.534)
Other liabilities	61.442	106.947	45.505

Reclassifications made were done in order to have a fair presentation.

4. Auditor's Report for the Financial Statements of the Bank as at 31/12/2006

INDEPENDENT AUDITOR'S REPORT

(Translation from Greek to English)

To the Shareholders of
EGNATIA BANK A.E

Report on the Financial Statements

We have audited the accompanying financial statements of EGNATIA BANK A.E, which comprise the balance sheet as at 31 December 31 2006, 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.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of EGNATIA BANK A.E. as of 31 December 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion we draw attention to note 12 to the financial statements that explains that the tax obligations of the Bank 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 cannot presently be determined.

Report on Other Legal and Regulatory Requirements

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

Athens, 20 February 2007

KPMG Kyriacou Certified Auditors A.E.

Nick Vouniseas
Certified Auditor Accountant
AM SOEL 18701

5. Financial Statements of the Bank as at 31/12/2006

Income Statement
For the year ended 31 December 2006
(In thousands of Euro)

	Note	2006	2005
Interest income		192.573	159.810
Interest expense		(97.642)	(70.380)
Net interest income	**5**	**94.931**	**89.430**
Fee and commission income		23.838	24.100
Fee and commission expense		(2.089)	(2.931)
Net fee and commission income	**6**	**21.749**	**21.169**
Net trading income	**7**	5.144	3.067
Operating income		568	175
Dividend income	**8**	496	417
Other income	**9**	2.218	4.136
Operating income		**125.106**	**118.394**
Impairment losses loans	**18**	(18.495)	(14.483)
Impairment losses other assets	**20**	(5.449)	0
Staff costs	**10**	(57.366)	(53.305)
Depreciation	**21, 22**	(5.737)	(5.855)
Other operating expenses	**11**	(26.450)	(22.790)
Profit before tax		**11.609**	**21.961**
Income tax expense	**12**	(3.970)	(7.337)
Profit after tax		**7.639**	**14.624**
Earnings per share (Euro)	**13**		
Basic and diluted		0,08	0,17

Thessaloniki 24 January 2007

The Chairman of the Board of Directors	The Managing Director	The Manager of the Finance Department
Vassilios N. Theocharakis A.D.T. S 231179/98	Eleftherios A. Chiliadakis A.D.T. P 073667/90	Aggelos N. Sapranidis A.D.T. AA 273117/05 Permit No. 0016834/18-07-2001

Balance Sheet
31 December 2006
(Amounts in thousands of Euro)

Assets	**Note**	**2006**	**2005**
Cash and balances with Central Bank	**14**	108.028	103.251
Loans and advances to banks	**15**	585.721	623.912
Trading securities	**16**	13.037	15.589
Derivative financial instruments	**17**	937	34
Loans and advances to customers	**18**	2.601.090	2.276.223
Investment securities	**19**	241.995	127.343
Investments in subsidiaries and associates	**20**	41.496	44.046
Intangible assets	**21**	7.264	7.373
Property and equipment	**22**	44.162	41.102
Deferred tax assets	**23**	7.302	7.439
Investment property		19.106	22.129
Other assets	**24**	26.173	15.706
Total assets		**3.696.311**	**3.284.147**
Liabilities			
Deposits from banks	**25**	277.022	5.684
Deposits from customers	**26**	2.759.631	2.624.388
Derivative financial instruments	**17**	2.331	1.600
Debt securities in issue and other borrowed funds	**27**	308.852	315.087
Employee benefits	**28**	8.315	9.062
Other provisions		0	5.700
Current tax liability		2.175	231
Deferred tax liabilities	**23**	652	345
Other liabilities	**29**	78.523	72.391
Total liabilities		**3.437.501**	**3.034.488**
Share capital	**30**	109.145	107.840
Share premium	**30**	116.827	138.479
Reserves	**31**	18.605	17.189
Retained earnings/ Accumulated deficit		14.233	(13.849)
Total equity		**258.810**	**249.659**
Total liabilities and equity		**3.696.311**	**3.284.147**

Statement of Changes in Shareholders' Equity
For the year ended 31 December 2006
(Amounts in thousands of Euro)

	Share capital	Share premium	Other reserves	Revaluation reserves available-for-sale	Accumulated deficit	Total
Balance at 1 January 2005	**99.893**	**124.786**	**17.593**	**(571)**	**(21.643)**	**220.058**
Increase of share capital by converting bonds	7.947	13.693				21.640
Revaluation of available for sale portfolio				167		167
Dividends for 2004					(6.830)	(6.830)
Profit for the year					14.624	14.624
Balance at 31 December 2005	**107.840**	**138.479**	**17.593**	**(404)**	**(13.849)**	**249.659**
Balance at 1 January 2006	**107.840**	**138.479**	**17.593**	**(404)**	**(13.849)**	**249.659**
Increase of share capital by converting bonds	1.305	1.991				3.296
Dividends for 2005					(4.462)	(4.462)
Allocation to reserves			1.484		(1.484)	
Revaluation of available for sale portfolio				826		826
Transfer to income statement due to transfer to trading book				(894)		(894)
Profit for the year					7.639	7.639
Offset losses against share premium		(23.643)			23.643	
Offset losses against preference shares					2.746	2.746
Balance at 31 December 2006	**109.145**	**116.827**	**19.077**	**(472)**	**14.233**	**258.810**

Cash Flow Statement
For the year ended 31 December 2006

	2006	2005
Operating activities		
Profit before tax	11.609	21.961
Adjustments for non-cash items		
Depreciation	5.737	5.855
Impairment loans and advances	18.495	14.483
Employee benefit	1.031	1.465
Valuation trading portfolio	(2.587)	(921)
Transfer to investing activities	(856)	(4.805)
Transfer to financing activities	11.902	5.056
	45.331	**43.094**
Changes in operating assets and liabilities		
Loans and advances to banks	(4.285)	(37.072)
Trading securities and derivatives	4.236	(6.339)
Loans and advances to customers	(304.116)	(286.917)
Other assets	(7.307)	364
Changes in operating liabilities		
Deposits from banks	271.337	(3.280)
Deposits from customers	135.244	184.419
Other liabilities	(31.652)	(1.826)
Net cash flow from operating activities before taxes	**108.788**	**(107.557)**
Tax paid	(10.577)	(7.389)
Net cash flow from operating activities	**98.211**	**(114.946)**
Investing activities		
Investments in subsidiaries and associates	(2.900)	(1.069)
Net increase/(decrease) in investments	(114.720)	(30.424)
Dividends received	496	417
Purchase of assets	(8.723)	(9.167)
Sale of assets	85	124
Other flows from investing activities	5.709	4.584
Cash flows from investing activities	**(120.053)**	**(35.535)**
Financing activities		
Dividends paid	(4.462)	(6.830)
Issue/(payment) of debt	(18.138)	252.974
Share capital increase	(20.346)	21.640
Other cash flows from financing activities	26.389	0
Cash flows from financing activities	**(16.557)**	**267.784**
Total cash flows	**(38.399)**	**117.303**
Foreign exchange difference	700	775
Net cash flow movement	**(37.699)**	**118.078**
Cash and cash equivalents, opening	**677.430**	**559.352**
Cash and cash equivalents, closing	**639.731**	**677.430**
Cash and cash equivalents consists of :		
Cash and cash balances with Central Bank	108.028	103.251
Due from banks	531.703	574.179
	639.731	**677.430**

1. General Information on the Bank

Egnatia Bank ("the Bank") operates as a financial institution and provides primarily financial and banking services to individuals and businesses.

The Bank has 1 356 employees. The Bank's primary activities are in Greece, but it also has subsidiaries that operate in Romania and Cyprus.

The Bank is listed in the Athens Stock Exchange after the merger with Central Bank in accordance with the Ministry of Development decision K2-8832/30.07.99. It operates as a limited by shares company (A.E.) and follows the accounting policies stated in Company Law 2190/1920 and banking regulations 2076/1992.

The Bank's registered office is at 4 Danaidon Str. in the municipality of Thessalonica.

According to article 3 of the Articles of Association the purpose of the Bank is to provide recognised and approved banking services on its own behalf, on behalf of third parties in Greece and abroad.

There were two changes in the shareholder structure in 2006. Marfin Group purchased the control of the Bank on 29 March 2006. Control was obtained originally by purchasing 34.45% of ordinary shares and obtaining the majority in voting rights and the management in several boards of the Bank. During the year, Marfin Group increased its participation to 44.95%. In December 2006, Marfin Popular Bank Public Company Ltd (formerly Popular Bank Cyprus Ltd) made a public offer to acquire 100% of ordinary and preference shares of the Bank and Marfin Group proceeded in selling its investment. First on 13 December 2006 it sold 14,08% to institutional investors and on 21 December 2006, 30.86% of the Bank shares were exchanged with Marfin Popular Bank shares.

As a result of the public offer the Bank as at 29 December 2006 is considered a subsidiary of Marfin Popular Bank Public Company Ltd and holds 86.44% of ordinary shares and 84.31% of preference shares. Therefore the results for the period from 29 March 2006 to 21 December 2006 are included in the consolidated financial statements of Marfin Financial Group A.E. whereas its assets, liabilities and net worth is included in the consolidated financial statements of Marfin Popular Bank Public Company Ltd.

The Boards of Marfin Bank ATE, Egnatia Bank A.E. and Laiki Bank (Hellas) A.E. wholly owned subsidiaries of Marfin Popular Bank Public Company Ltd decided to proceed in the legal merger of Marfin Bank ATE and Laiki Bank (Hellas) A.E. with Egnatia Bank. The transition date is 31 December 2006.

2. Basis of preparation

2.1 Principles of compliance

The financial statements for the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) and its interpretations adopted by the International Standards Board (IASB) as adopted by the European Union.

The Board of Directors approved these financial statements on 24 January 2007.

2.2 Basis of presentation

The financial statements are presented in euro rounded to the nearest thousand. They are prepared on a historic cost basis except for the following assets and liabilities that are stated at their fair value:

- financial instruments classified as available-for-sale securities,
- financial instruments held for trading,
- derivative financial instruments and
- investment property.

2.3 Estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and 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 judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Deviations to accounting estimates are recognized 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 the current and future periods.

3. Significant Accounting Principles

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

3.1 Investments in subsidiaries and associates

Investments in subsidiaries and associates are stated at cost less impairment losses where considered necessary.

3.2 Foreign currency transactions

Transactions in foreign currencies are translated to euro, the reporting currency at the foreign exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies, at the balance sheet date are translated to euro at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency that are translated to euro using the exchange rate 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 foreign exchange rates ruling at the dates the fair value was determined. Differences arising from the translation of non-monetary assets, such as trading securities, are reported in the profit and loss.

3.3 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 recognizes 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 recognized. Loans and receivables are recognized when cash 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 started at cost, including transaction costs, less impairment losses.

All non-trading financial liabilities, loans and receivables and held-to-maturity assets are measured at amortized cost less impairment losses. Amortized cost is calculated using the effective interest rate method. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument and amortized 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 deducting 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 as 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 recognized directly in equity. When the financial assets are sold, collected or otherwise disposed of the cumulative gain or loss recognized 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 recognized in the income statement.

3.4 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 the gains and losses that result 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.

When a derivative financial instrument hedges the exposures to changes in the fair value of a recognized asset or liability, the hedged item is at fair value in respect of the risk being hedged. Gains and losses on re-measurement of both the hedging instrument and the hedged items are recognized in the income statement. These amounts are included in net trading income/(expense).

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

3.5 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 recognized. The amounts paid are recognized in loans to either banks or customers. The receivables are shown as collateralized by the underlying security. Investments sold under repurchase agreements continue to be recognized 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 consideration is recognized on an accrual basis over the period of the transaction and is included in interest.

3.6 Property and equipment

Items of property and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses.

Certain items of property and equipment that have been revalued 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 property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Buildings	40	years
Furniture and office equipment	6-9	years
Vehicles	6-7	years
Computer hardware	4	years

Leasehold improvements are depreciated over the useful life of the improvement or the duration of the lease whichever is the lower.

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

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 that 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.

3.7 Investment property

Investment property are properties held by the Bank either to earn rental income or for capital appreciation. The Bank records investment property at fair value as determined by an independent valuation company having an appropriate recognised professional qualification. Some of these assets are leased but the lease contract was signed prior to its acquisition by the Bank. Initially investment property is recorded at cost including acquisition expenses. Any gain or loss arising from a change in fair value is recognised in profit or loss.

3.8 Intangible assets

Intangible assets consist of software that has been acquired by the Bank and stated at cost less accumulated amortization and impairment losses.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful life of the software, which is between 4 to 8 years.

3.9 Cash and cash equivalents

Cash and cash equivalents include monetary assets with an original maturity of three months or less, such as cash balance, placements with the Central Bank and amounts due from financial institutions. Cash and cash equivalents are started at amortized cost.

3.10 Impairment

(a) Assets carried at amortized 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 reorganization;

(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 recognized 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 amortized 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 recognized 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 collateralized 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 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 of 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 to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognized 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 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 recognized in the income statement – is removed from equity and recognized in the income statement. Impairment losses recognized 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 recognized in profit or loss, the impairment loss is reversed through the income statement.

3.11 Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest rate method. Financial liabilities include amounts due to credit institutions, customers and debt securities issued.

3.12 Employee benefits

(a) Defined contribution plans

The Bank pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Bank has not 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 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 an independent qualified actuary using the projected unit method less the fair value of any plan assets and adjusted for unrecognized gains or losses and past service costs.

All actuarial gains and losses as at 1 January 2004, the date of transition to IFRSs, were recognized. 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 unrecognized 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 recognized 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 recognized.

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 recognized in the income statement using the corridor method amortizing any amounts based on the term of the pension liability.

3.13 Provisions

A provision is recognized 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 been 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.

3.14 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legal enforceable right to set off recognized amounts and the transactions are intended to be settled on a net basis. Income and expense are offset it they are part of group transactions.

3.15 De-recognition

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

3.16 Interest income and expense

Interest income and expense is recognized in the income statement as it accrues, taking into account the effective yield of the instrument or an applicable floating rate. 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 and expense includes the amortization of any premium or discount 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.

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.

3.17 Fees and commission income

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

3.18 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.

3.19 Dividend income

Dividend income is recognized in the income statement on the date the dividend is approved.

3.20 Income tax

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

Current tax is the expected tax payable on the taxable income for the year, using the 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 is based on the expected manner of realization 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 recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is probable that the related tax benefit will not be realized.

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

3.21 Share capital

(a) Share issues 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 the tax from the proceeds.

(b) Dividends on ordinary shares

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

(c) Repurchase of share capital

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

3.22 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.

3.23 New standards

A number of new standards, amendments to standards and interpretations adopted by the European Union are not yet effective for the year ended 31 December 2006, and have not been applied in these financial statements:

- IFRS 7 *Disclosures in Financial Instruments,* which becomes mandatory for the 2007 financial statements, is not expected to have any impact on the Bank's net position.
- IFRS 8 *Operating Segments,* which becomes mandatory from 1 January 2009 is not expected to have any impact on the Bank's net position.
- IFRIC 7 *Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies,* which was issued 1 March 2006 is not expected to have any impact on the financial statements.
- IFRIC 8 *Scope of IFRS 2 Share-based Payment,* which was issued 1 May 2006 is not expected to have any impact on the financial statements.
- IFRIC 9 *Reassessment of Embedded Derivatives,* which was issued 1 June 2006 is not expected to have any impact on the financial statements.
- IFRIC 10 *Interim Financial Reporting and Impairment,* which was issued 1 November 2006 will become mandatory for the 2007 financial statements.
- IFRIC 11 *Group and Treasury Share Transactions,* which is applicable from 1 March 2007 is not expected to have any impact on the financial statements.
- IFRIC 12 *Service Concession Agreements,* which is applicable from 1 January 2008 is not expected to have any impact on the financial statements.

4. Segment reporting

Geographical

The Bank operates primarily in Greece. Its branch network consists of 78 branches. All of its revenues are from activities in Greece.

Business

The Bank has the following business segments:

a) Investment and corporate banking

b) Retail

c) Asset management

d) Treasury and money market

e) Investments

31 December 2006

Amounts in thousands of Euro	Investment and corporate banking	Retail	Asset management	Treasury and money market	Investments	Total
Operating results	16.032	97.143	440	11.491	-	**125.106**
Profit before tax	**3.980**	**5.065**	**(67)**	**8.689**	**(6.058)**	**11.609**
Income tax	-	**-**	-	**-**	-	**(3.970)**
Profit after tax	**-**	**-**	**-**	**-**	**-**	**7.639**
Total Assets	686.605	2.105.812	228	903.666	-	**3.696.311**
Total Liabilities	320.940	2.300.511	55.000	761.050	-	**3.437.501**
Additions	130	8.520	30	43	-	**8.723**
Depreciation and amortization	602	4.907	19	209	-	**5.737**
Impairment	1.426	17.069	-	-	5.449	**23.944**

31 December 2005

Amounts in thousands of Euro	Investment and corporate banking	Retail	Asset management	Treasury and money market	Investments	Total
Operating results	9.794	96.046	498	12.056	-	**118.394**
Profit before tax	374	12.377	(8)	9.219	-	**21.961**
Income tax	-	-	-	-	-	**(7.337)**
Profit after tax	-	-	-	-	-	**14.624**
Total assets	610.809	1.849.145	218	823.975	-	**3.284.147**
Total liabilities	291.810	2.230.068	17.780	494.830	-	**3.034.488**
Additions	209	8.857	41	60	-	**9.167**
Depreciation and amortization	394	5.106	21	334	-	**5.855**
Impairment	1.973	12.510	-	-	-	**14.483**

5. Net interest income

(In thousands of Euro)

	2006	2005
Interest income		
Securities	5.822	4.674
Loans and advances to customers	164.087	142.097
Loans and advances to financial institutions	21.957	12.608
Other interest income	707	431
	192.573	**159.810**
Interest expense		
Customers deposits	(81.744)	(63.996)
Deposits from banks	(3.145)	(276)
Debt securities	(11.902)	(5.960)
Other interest expense	(851)	(148)
	(97.642)	**(70.380)**
Net interest income	**94.931**	**89.430**

6. Net fee and commission income

(In thousands of Euro)

	2006	2005
Fee and commission income		
Loans	7.117	7.558
Letters of guarantees	2.126	1.734
Credit cards	5.275	6.460
Consumer credit	1.698	1.459
Custodian	1.385	766
Working capital	2.285	2.077
Imports – Exports	855	1.043
Equity brokerage activities	348	245
Other	2.749	2.758
	23.838	**24.100**
Fee and commission expense		
Credit cards	(739)	(1.617)
Other	(1.350)	(1.314)
	(2.089)	**(2.931)**
Net fee and commission income	**21.749**	**21.169**

7. Net trading income

(In thousands of Euro)

	2006	2005
Foreign exchange differences	2.198	2.258
Gain from the sale and revaluation of trading securities	2.479	1.171
(Loss) from derivative financial instruments	467	(362)
Net trading income / (expense)	**5.144**	**3.067**

8. Dividend income

(In thousands of Euro)

	2006	2005
Trading securities	357	308
Available-for-sale securities	73	97
Subsidiaries and associates	66	12
Dividend income	**496**	**417**

9. Other income

(In thousands of Euro)

	2006	2005
Investment property	168	143
Sundry	2.050	3.993
Other income	**2.218**	**4.136**

10. Staff costs

(In thousands of Euro)

	2006	2005
Wages and salaries	(42.788)	(40.214)
Social security contributions	(10.172)	(9.389)
Defined benefit plan expense (note 27)	(1.538)	(1.186)
Other costs	(2.868)	(2.516)
Staff costs	**(57.366)**	**(53.305)**

The number of staff at the end of the year was 1.356 (2005: 1.370)

11. Other operating expenses

(In thousands of Euro)

	2006	2005
Rent (operating leases)	(7.903)	(7.213)
Taxes, stamp and duties	(2.087)	(1.702)
Repairs and maintenance	(1.504)	(1.287)
Third party fees (legal, engineers, etc)	(4.140)	(3.460)
Telephone and postage	(2.593)	(2.658)
Other expenses	(8.223)	(6.470)
Other operating expenses	**(26.450)**	**(22.790)**

12. Income tax expense

(In thousands of Euro)

	2006	2005
Current tax expense	2.425	5.833
Deferred tax	444	1.504
Tax on reserves	313	-
Prior year taxes	788	-
Income tax expense	**3.970**	**7.337**

Further information about deferred tax is provided in note 23. The reconciliation of the effective tax rate is as follows:

	%	2006	%	2005
Profits before tax		**11.609**		**21.961**
Profit before tax	29%	3.367	32%	7.028
Income tax	8%	873	6%	1.408
Non-deductible expenses	(4%)	(415)	(2%)	(418)
Prior year taxes	7%	788	0%	0
Tax on reserves	3%	313	0%	0
Other	(8%)	(956)	(3%)	(681)
Income tax expense	**34%**	**3.970**	**33%**	**7.337**

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 are accepted as final. Therefore entities remain contingently liable for additional taxes and penalties, which may be assessed upon such examination. In 2006, the tax authorities completed their audit and the Bank has settled all obligations up to and including the year ended 31 December 2004. As a result an amount of EUR 6.488 thousand in taxes was assessed for which the Bank utilized an amount of EUR 5.700 in other provisions and an amount of EUR 788 thousand was recorded to the income statement. 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.

13. Earnings Per Share

Basic earnings per share is calculated by dividing the profit after tax that is attributable to the shareholders of the parent company with the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by dividing the profit after tax that is attributable to the shareholders of the parent company after adjusting for the interest expense attributable to the holders of the Bank's convertible bond issue with the weighted average number of ordinary shares adjusted by the number of ordinary shares converted from the convertible bond issue.

	2006	2005
Basic earnings per share		
Profit attributable to shareholders of the Bank (in thousands of Euro)	7.639	14.624
Weighted average number of outstanding ordinary shares (In thousands)	93.057	87.430
Basic earnings per share	**0,08**	**0,17**
Diluted earnings per share		
Profit attributable to shareholders of the Bank (in thousands of Euro)	7.719	15.439
Weighted average number of outstanding ordinary shares (in thousands)	93.558	93.558
Diluted earnings per share	**0,08**	**0,17**

14. Cash and balances with Central Bank

(In thousands of Euro)

	2006	2005
Cash	26.657	23.022
Other placements with the Central Bank	30.988	32.308
Obligatory reserve deposits with the Central Bank	50.383	47.921
Cash and balances with Central Bank	**108.028**	**103.251**

15. Loans and advances to banks

(In thousands of Euro)

	2006	2005
Current accounts	12.869	8.309
Loans to banks	19.000	13.715
Placements with banks	553.852	601.888
Loan and advances to banks	**585.721**	**623.912**

16. Trading securities

(In thousands of Euro)

	2006	2005
Government bonds – FRN	-	9.980
Other bonds – FRN	-	3.999
Bank bonds	3.997	-
Bond	**3.997**	**13.979**
Listed in the ASE stocks	2.659	1.610
Local mutual fund units	6.381	-
Trading securities	**13.037**	**15.589**

During 2006 an amount of EUR 5.431 thousand was transferred to trading securities from available for sale. As a result an amount of EUR 894 thousand (gain) was recorded in the income statement.

17. Derivatives

(In thousands of Euro)

31 December 2006

		Fair value	
	Notional Amount	**Assets**	**Liabilities**
Deposits with embedded derivatives	815	49	49
Currency forwards	138.866	223	2.282
Futures	12.692	665	-
	152.373	**937**	**2.331**

31 December 2005

		Fair value	
	Notional Amount	**Assets**	**Notional Amount**
Interest rate swaps	114.473	34	1.600

18. Loans and advances to customers

(In thousands of Euro)

	2006	2005
Retail customers:		
Consumer	658.105	642.325
Credit cards	105.357	108.318
Housing	310.332	184.675
Other	1.282	1.627
	1.075.076	**936.945**
Corporate customers:		
Construction	128.502	83.397
Industrial	167.469	146.359
Commercial	490.325	403.098
Manufacturing	76.626	89.551
Service companies	357.513	263.695
Shipping	197.649	266.050
Factoring	49.255	46.521
Other	129.159	131.843
	1.596.498	**1.430.514**
Impairment	(70.484)	(91.236)
Loans to customers	**2.601.090**	**2.276.223**

Movement in impairment	**2006**	**2005**
Balance at 1 January	91.236	93.438
Provision for impairment	18.495	14.483
Write-offs	(39.247)	(16.685)
31 December	**70.484**	**91.236**

19. Investment securities

(In thousands of Euro)

	2006	2005
Available for sale		
Mutual fund units – local	-	5.536
Mutual fund units – abroad	37.965	-
Listed shares in the ASE	-	1.467
Listed shares abroad	-	327
Non listed shares	463	885
Greek Government bonds – fixed	19.888	-
Greek Government bonds – float	8.644	-
Other Government bonds – fixed	36.489	26.332
Corporate bonds – fixed	23.164	-
Corporate bonds – float	25.715	-
	152.328	**34.547**
Held to maturity		
Greek Government bonds – fixed	44.288	44.512
Greek Government bonds – float	10.000	10.000
Corporate bonds abroad – fixed	5.833	8.731
Corporate bonds abroad - float	29.546	29.553
	89.667	**92.796**
Investment securities	**241.995**	**127.343**

20. Investments in subsidiaries and associates

(In thousands of Euro)

	Country	% Ownership interest 2006	2006	% Ownership interest 2005	2005
Egnatia Bank Romania A.E.	Romania	98,99%	18.317	98,99%	18.317
Egnatia Leasing Romania A.E.	Romania	99,00%	217	99,00%	111
Εγνατία Finance ΑΧΕΠΕΥ	Greece	70,00%	13.002	70,00%	13.002
Εγνατία ΑΕΔΑΚ	Greece	51,00%	307	51,00%	307
Εγνατία Leasing A.E.	Greece	99,90%	9.001	99,90%	9.001
Egnatia Fin A.E.	Greece	99,00%	290	99,00%	290
Eurocambio Foreign Exchange A.E.	Greece	90,29%	0	81,85%	2.659
Egnatia Insurance Brokers L.T.D.	Greece	60,00%	180	60,00%	180
Egnatia Finance plc	United Kingdom	100,00%	19	100,00%	18
Obafemi Holdings Ltd	Cyprus	100,00%	2	-	-
Egnatia Financial Services Ltd (direct 5%, indirect 32.2%)	Cyprus	37,20%	161	37,20%	161
			41.496		**44.046**

In June 2006 the Bank established Obafemi Holdings.

In a General Shareholder's meeting on 7 December 2006 the shareholders of Eurocambio decided to dissolve the company. This will be completed in the first semester of 2007, and no results if any will occur for the Bank.

Taken this into consideration the Bank made a full impairment as follows:

		2006	2005
Eurocambio Foreign Exchange	Cost (share capital increase EUR 2.790 thousand)	5.449	2.659
	Impairment loss	(5.449)	0
	As shown in balance sheet	0	2.659

21. Intangible assets

(In thousands of Euro)

Cost	
Balance at 1 January 2005	16.530
Additions	3.105
Disposals	-
Balance at 31 December 2005	**19.635**
Balance 1 January 2006	19.635
Additions	1.206
Disposals	-
Balance at 31 December 2006	**20.841**
Amortization	
Balance at 1 January 2005	11.158
Amortization for the year	1.104
Disposals	-
Balance at 31 December 2005	**12.262**
Balance at 1 January 2006	12.262
Amortization for the year	1.315
Disposals	-
Balance at 31 December 2006	**13.577**
Carrying amounts	
At 1 January 2005	5.372
At 31 December 2005	**7.373**
At 1 January 2006	7.373
At 31 December 2006	**7.264**

22. Property and equipment

(In thousands of Euro)

	Land	Buildings	Leasehold improvements	Furniture and equipment	Other	Total
Cost						
Balance at 1 January 2005	10.277	15.500	21.124	28.641	4.305	79.847
Additions	1.646	1.845	737	1.386	448	6.062
Disposals	-	-	-	(10)	(149)	(159)
Balance at 31 December 2005	**11.923**	**17.345**	**21.861**	**30.017**	**4.604**	**85.750**
Balance at 1 January 2006	11.923	17.345	21.861	30.017	4.603	85.749
Additions	-	360	2.315	4.548	295	7.518
Disposals	-	-	(2.078)	(43)	(113)	(2.234)
Balance at 31 December 2006	**11.923**	**17.705**	**22.098**	**34.521**	**4.785**	**91.033**
Depreciation						
Balance at 1 January 2005	-	4.006	12.687	20.961	2.278	39.932
Additions	-	402	1.174	2.663	512	4.751
Disposals	-	-	-	(10)	(25)	(35)
Balance at 31 December 2005	**-**	**4.408**	**13.861**	**23.614**	**2.765**	**44.648**
Balance at 1 January 2006	-	4.408	13.861	23.614	2.765	44.648
Additions	-	431	1.335	2.152	505	4.423
Disposals	-	-	(2.076)	(43)	(80)	(2.199)
Balance at 31 December 2006	**-**	**4.839**	**13.120**	**25.723**	**3.190**	**46.872**
Carrying amounts						
At 1 January 2005	10.277	11.494	8.438	7.680	2.027	39.916
At 31 December 2005	**11.923**	**12.937**	**8.000**	**6.403**	**1.839**	**41.102**
At 1 January 2006	11.923	12.937	8.000	6.403	1.838	41.102
At 31 December 2006	**11.923**	**12.866**	**8.978**	**8.798**	**1.595**	**44.161**

23. Deferred tax

(In thousands of Euro)

Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	2006	2005
Deferred tax assets		
Intangible assets	4	84
Employee benefits obligation	1.881	1.863
Impairment loans and advances	1.662	3.253
Impairment of investments	1.397	35
Deferred income	685	431
Preference shares	227	-
Other items	1.446	1.773
	7.302	**7.439**
Deferred tax liability		
Property and equipment	120	345
Intangible assets	275	-
Other	257	-
	652	**345**

Movement in temporary differences during the year

	Balance 1 January 2005	Recognized in income	Balance 31 December 2005
Intangible assets	208	(124)	84
Employee benefits obligation	1.804	59	1.863
Impairment loans	3.883	(630)	3.253
Impairment of investments	35	-	35
Deferred income	219	212	431
Property and equipment	(296)	(49)	(345)
Other	2.745	(972)	1.773
	8.598	**(1.504)**	**7.094**

	Balance 1 January 2006	Recognized in income	Balance 31 December 2006
Intangible assets	84	(355)	(271)
Employee benefits obligation	1.863	18	1.881
Impairment loans and advances	3.253	(1.591)	1.662
Impairment of investments	35	1.362	1.397
Deferred income	431	254	685
Preference shares	-	227	227
Property and equipment	(345)	(57)	(402)
Other	1.773	(301)	1.471
	7.094	**(444)**	**6.650**

24. Other assets

(In thousands of Euro)

	2006	2005
Prepayments	1.746	1.032
Accrued interest income	12.574	8.755
Other	11.853	5.919
Other assets	**26.173**	**15.706**

25. Deposits from banks

(In thousands of Euro)

	2006	2005
Central Bank	55.000	-
Current deposits	9.582	3.653
Term deposits	1.621	1.590
Money markets	175.688	436
Loans	35.131	5
Deposits from banks	**277.022**	**5.684**

26. Deposits from customers

(In thousands of Euro)

	2006	2005
Retail customers:		
Current accounts	77.421	74.930
Saving accounts	488.595	472.727
Term deposits	1.342.806	1.312.485
	1.908.822	**1.860.142**
Corporate customers:		
On demand	194.602	184.457
Term	629.262	550.167
	823.864	**734.624**
Government entities		
On demand	23.162	7.690
Term	3.783	21.932
	26.945	**29.622**
Deposits from customers	**2.759.631**	**2.624.388**

Included in term deposits are funds that the Bank has raised by selling Greek governments bond, under agreements to repay their funds by repurchasing the bonds of future dates at the same price plus interest at a pre-determined rate. At 31 December 2006 the funds received amounted to EUR 0 thousand (2005: EUR 61 104 thousand). The majority of the repurchase agreements expire within one month of the balance sheet date and the total interest expense on repurchase agreements for 2006 was EUR 891 thousand (2005: EUR 1 734 thousand).

27. Debt securities in issue and other borrowed funds

(In thousands of Euro)

	2006	2005
Preference shares	13.026	12.522
Share premium on preference shares	15.130	17.036
Convertible subordinated debt maturity- 2013	852	5.783
Subordinated debt maturity 2015	80.000	80.000
Debt security (2008)	199.844	199.746
Debt securities in issue and other borrowed funds	**308.852**	**315.087**

The Bank's preference shares are not convertible. Preference shares have the following benefits: a) to receive the minimum dividend as stated in article 28 paragraph 2 of the article of association before ordinary shareholders and the right to receive any additional benefit that the ordinary shareholders will receive b) to receive a cumulative amount in the future if in any period a dividend is not distributed or if the Bank pays an amount that is less than 6% of the share capital in one or more financial periods c) first right to the net asset amount before the ordinary shareholders in case of liquidation and in any excess of any amount over the share capital.

The reduction of preference shares of EUR 1.906 thousand is from EUR 2.745 in losses absorbed and an a conversion of EUR 839 thousand from preference bonds.

Convertible subordinated debt holders have the right to exchange one note for one share. As at 31 December 2006 convertible debt holders had the right to exchange 271.710 notes for an equivalent number of ordinary shares and 31.910 preference shares. The bonds have a face value of EUR 3.2 per bond.

The convertible bond was issued 21 January 2003 and has a maturity of 10 years with the right of first redemption after 5 years. It has a rate of interest of Euribor plus 1.75% up to the date of redemption and 3.25% until maturity. Interest accrues every 3 months starting 21 January 2003.

The subordinated debt with maturity 2015 was issued 4 May 2005 and has a 10 year term with the right to fixed redemption after the end of the fifth year. It has an interest rate of Euribor plus 1.10% up to redemption date and 2.40% up to maturity. It accrues interest quarterly starting 4 August 2005.

The subordinated debt is used as secondary capital (Tier II capital) for capital adequacy purposes.

Debt security matures in 2008 (3 years) and pays Euribor plus 55 bps until maturity.

28. Employee benefits

(In thousands of Euro)

	2006	2005
Present value of unfunded obligations	9.157	7.995
Present value of funded obligations	820	907
Total present value	**9.977**	**8.903**
Fair value of plan assets	(565)	(550)
Past service costs	(1.008)	0
Unrecognised actuarial gains and losses	(710)	(1.303)
Recognized liability for defined benefit obligations	**7.695**	**7.050**
Provision for vacation not taken	579	1.151
Provision for employee bonus	0	600
Salaries due	41	261
Employee benefits	**8.315**	**9.062**
Movement in plan assets:		
Opening balance	550	600
Expected return	22	26
Contributions received	167	153
Contributions paid	(173)	(223)
Amounts in income statement	(2)	(1)
Actuarial (loss)/gain	2	(4)
Closing balance	**565**	**550**

	2006	2005
Net liability for defined benefit obligations at 1 January	7.050	6.463
Contributions received	(153)	(134)
Benefits paid	(740)	(465)
Expense recognized in the income statement	1.538	1.186
Net liability for defined benefit obligations at 31 December	**7.695**	**7.050**

Expense recognized in the income statement

	2006	2005
Current service costs	668	558
Expected return on plan assets	(22)	(26)
Actuarial loss recognition	33	0
Termination cost	507	320
Interest on obligation	352	333
	1.538	**1.186**

Principal actuarial assumptions used for 2006 and 2005 were as follows:

	2006	2005
Discount rate	4,20%	4,00%
Expected return on plan assets	4,20%	4,00%
Future salary increases	4,50%	4,50%
Remaining employment service	14,24	14,77

29. Other liabilities

(In thousands of Euro)

	2006	2005
Taxes and duties (other than income tax)	2.049	2.039
Due to social security funds	2.152	2.027
Suppliers and other creditors	8.063	6.413
Finance lease obligation	1.711	2.210
Amounts collected on behalf and due to third parties	635	459
Deferred income	15.726	10.518
Accrued expenses	4.417	13.526
Cheques and orders payable	29.389	21.950
Other	14.381	13.249
Other liabilities	**78.523**	**72.391**

30. Share capital, share premium

	2006	2005
Number of ordinary shares (par value € 1.17)	**93.286.729**	**92.170.669**
Share capital paid (in thousands of Euro)	**109.145**	**107.840**
Share premium (in thousands of Euro)	**116.827**	**138.479**

The Bank's share capital was reduced by EUR 26.389 thousand to offset losses and an equivalent increase from reserves and share premium reserve of EUR 23.643 thousand and 2.746 preference share (note 27). In addition the share premium reserve increased by EUR 1.991 thousand after converting bonds.

31. Reserves

(In thousands of Euro)

	2006	2005
Statutory reserve	7.210	6.481
Untaxed reserves	425	2.706
Extraordinary reserves	11.442	8.406
Revaluation reserve available-for-sale securities	(472)	(404)
Reserves	**18.605**	**17.189**

Statutory reserve: Under the provisions of 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 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 tax at the rate applicable on the date of distribution.

In 2006 after legislation issued the Bank paid an amount of EUR 313 thousand estimated as 15% tax on tax-free reserves of EUR 2.087 thousand. These reserves are now free of tax and may be distributed or capitalized.

Extraordinary reserves: Includes all other reserves that do not belong in the other categories.

32. Contingent liabilities and commitments

32.1 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 note expected to have a material adverse effect on the financial condition of the Bank.

32.2 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):

	2006	**2005**
Letters of guarantees	215.183	194.497
Letters of credit	5.471	3.643

32.3 Operating leases

The Bank's commitment from lease contracts refers 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):

	2006	**2005**
Up to 1 year:	106	2 243
1 to 5 years:	13.246	4.344
Over 5 years:	38.333	32.416

33. Related Parties

The total amount of transactions with related parties amount to (amounts in thousands of Euro):

Board of Directors and Management	**2006**	**2005**
Loans and advances to customers	251	422
Deposits from customers	23.994	6.669
Income		
Interest and commission income	16	76
Expense		
Interest and commission expense	751	127

Subsidiaries and associates	2006	2005
Assets		
Loans and advances to banks	77.145	48.240
Loans and advances to customers	143.576	93.701
Other assets	670	370
Total Assets	**221.391**	**142.311**
Liabilities		
Deposits from customers	38.700	24.582
Debt securities	279.843	279.746
Other liabilities	3.890	3.864
Total Liabilities	**322.434**	**308.192**
Income		
Interest income	8.189	4.207
Commission income	875	712
Dividend income	357	308
Other operating income	1.007	599
Total Income	**10.428**	**5.826**
Expenses		
Interest expense	10.786	4.254
Fee and commission income	25	71
Other operating expenses	1.395	733
Total Expenses	**12.205**	**5.059**

Other related parties	2006	2005
Assets		
Loans and advances to customers	23.441	26.976
Due from banks	66.365	0
Other assets	459	0
Property and equipment	1.552	1.082
Total Assets	**91.817**	**28.058**
Liabilities		
Deposits from customers	57.106	4.905
Debt securities	176.201	0
Other liabilities	1.362	613
Total Liabilities	**234.669**	**5.518**

Other related parties	2006	2005
Income		
Interest and similar income	2.937	917
Fee and commission income	176	81
Total Income	**3.113**	**998**
Expenses		
Interest expense	2.775	1.584
Other	958	788
Total Expenses	**3.734**	**2.372**

Fees to BOD members and key management in 2006 amounted to EUR 3.556 thousand (31.12.2005: EUR 2.794 thousand).

34. Fair value

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):

	2006		2005	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Loans and advances to banks	585.721	586.238	623.912	626.469
Loans and advances to customers	2.601.090	2.616.842	2.276.223	2.287.543
Investment securities held-to-maturity	89.667	89.306	92.796	93.130
Investment in subsidiaries	41.496	41.496	44.046	44.046
Financial liabilities				
Deposits from banks	277.022	277.244	5.684	5.690
Deposits from customers	2.759.631	2.768.626	2.624.388	2.615.668
Debt securities in issue	308.852	310.868	315.087	315.087

35. 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.

35.1 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 different 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 Bank applies the Static Repricing Gap that separates products by maturity (fixed) or next repricing (floating) and calculates the gap each period and also to measure sensitivity. The Bank uses IRS to hedge interest risk.

31 December 2006	Non interest	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Assets								
Cash and balances with Central Bank	28.904	79.124	-	-	-	-	-	**108.028**
Loans and advances to banks	5.532	551.799	23.390	5.000	-	-	-	**585.721**
Trading securities	9.042	995	3.000	-	-	-	-	**13.037**
Derivative financial instruments	937	-	-	-	-	-	-	**937**
Loans and advances to customers	(63.022)	2.070.050	350.251	69.551	39.483	115.960	18.817	**2.601.090**
Investment securities	38.428	41.943	38.401	26.042	2.479	64.142	30.560	**241.995**
Investment in subsidiaries and associates	41.496	-	-	-	-	-	-	**41.496**
Intangible assets	7.264	-	-	-	-	-	-	**7.264**
Property and equipment	44.162	-	-	-	-	-	-	**44.162**
Deferred tax assets	7.302	-	-	-	-	-	-	**7.302**
Investment property	19.106	-	-	-	-	-	-	**19.106**
Other assets	26.173	-	-	-	-	-	-	**26.173**
Total assets	**165.324**	**2.743.911**	**415.042**	**100.593**	**41.962**	**180.102**	**49.377**	**3.696.311**
Liabilities								
Deposits from banks	2.769	274.170	83	-	-	-	-	**277.022**
Deposits from customers	66.516	1.987.267	453.441	173.534	71.476	7.397	-	**2.759.631**
Derivative financial instruments	2.331	-	-	-	-	-	-	**2.331**
Debt securities in issue and other borrowed funds	28.157	695	280.000	-	-	-	-	**308.852**
Employee benefits	8.315	-	-	-	-	-	-	**8.315**
Current tax	2.175	-	-	-	-	-	-	**2.175**
Deferred tax liabilities	652	-	-	-	-	-	-	**652**
Other liabilities	78.523	-	-	-	-	-	-	**78.523**
Total liabilities	**189.438**	**2.262.132**	**733.524**	**173.534**	**71.476**	**7.397**	**-**	**3.437.501**
Interest sensitivity gap	**(24.114)**	**481.779**	**(318.482)**	**(72.941)**	**(29.514)**	**172.705**	**49.377**	**258.810**
Hedged item	**-**	**(247)**	**6.569**	**(253)**	**(253)**	**(5.817)**	**-**	**-**
Total gap	**(24.114)**	**481.532**	**(311.913)**	**(73.194)**	**(29.767)**	**166.888**	**49.377**	**258.810**

31 December 2005	Non interest	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Assets								
Cash and balances with Central Bank	24.846	78.405	-	-	-	-	-	**103.251**
Loans and advances to banks	-	598.457	12.740	12.715	-	-	-	**623.912**
Trading securities	-	2.585	3.000	10.004	-	-	-	**15.589**
Derivative financial instruments	34	-	-	-	-	-	-	**34**
Loans and advances to customers	(80.194)	1.870.100	278.666	65.235	38.113	95.981	8.322	**2.276.223**
Investment securities	-	28.066	30.000	10.000	2.276	56.981	20	**127.343**
Investment in subsidiaries and associates	44.046	-	-	-	-	-	-	**44.046**
Intangible assets	7.373	-	-	-	-	-	-	**7.373**
Property and equipment	41.102	-	-	-	-	-	-	**41.102**
Deferred tax assets	7.439	-	-	-	-	-	-	**7.439**
Investment property	22.129	-	-	-	-	-	-	**22.129**
Other assets	13.941	1.765	-	-	-	-	-	**15.706**
Total assets	**80.716**	**2.579.378**	**324.406**	**97.954**	**40.389**	**152.962**	**8.342**	**3.284.147**
Liabilities								
Deposits from banks	-	5.620	64	-	-	-	-	**5.684**
Deposits from customers	-	1.858.963	484.634	205.007	72.178	3.606	-	**2.624.388**
Derivative financial instruments	1.600	-	-	-	-	-	-	**1.600**
Debt securities in issue and other borrowed funds	29.558	5.669	279.860	-	-	-	-	**315.087**
Employee benefits	9.062	-	-	-	-	-	-	**9.062**
Other provisions	5.700	-	-	-	-	-	-	**5.700**
Current tax	231	-	-	-	-	-	-	**231**
Deferred tax liabilities	345	-	-	-	-	-	-	**345**
Other liabilities	50.441	21.950	-	-	-	-	-	**72.391**
Total liabilities	**96.937**	**1.892.202**	**764.558**	**205.007**	**72.178**	**3.606**	**-**	**3.034.488**
Interest sensitivity gap	**(16.221)**	**687.176**	**(440.152)**	**(107.053)**	**(31.789)**	**149.356**	**8.342**	**249.659**

35.2 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's aim is to invest its available capital (deposits, credit securities and share capital) but also to maintain a security level so as not to be exposed to any liquidity risk. The management of liquidity risk includes the location of liquidity needs, their quantification, as also the actions for maintaining a sufficient liquidity level. In order to monitor the liquidity risk, methodology of liquidity gap is applied, by which all financial asset – liabilities are thoroughly represented in time periods, according their remaining duration till maturity.

In addition, liquidity ratios are calculated and monitored as defined by the Presidential Decree 2560/1-4-2005 and the Bank’s liquidity is maintained within the limits prescribed by regulators.

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

31 December 2006	**Up to 1 month**	**1-3 months**	**3-6 months**	**6-12 months**	**1-5 years**	**Over 5 years**	**Total**
Assets							
Cash and balances with Central Bank	105.895	2.133	-	-	-	-	**108.028**
Loans and advances to banks	502.024	29.679	-	-	54.000	18	**585.721**
Trading securities	13.037	-	-	-	-	-	**13.037**
Derivative financial instruments	937	-	-	-	-	-	**937**
Loans and advances to customers	626.115	53.856	634.608	118.882	663.283	504.346	**2.601.090**
Investment securities	41.208	30.325	48.446	8.272	86.710	27.034	**241.995**
Investment in subsidiaries and associates	-	-	-	-	-	41.496	**41.496**
Intangible assets	-	-	-	-	-	7.264	**7.264**
Property and equipment	-	-	-	-	-	44.162	**44.162**
Deferred tax assets	-	-	-	-	7.302	-	**7.302**
Investment property	-	-	-	-	19.106	-	**19.106**
Other assets	8.297	3.388	8.979	461	2.883	2.165	**26.173**
Total assets	**1.297.513**	**119.381**	**692.033**	**127.615**	**833.284**	**626.485**	**3.696.311**
Liabilities							
Deposits from banks	266.935	10.083	-	-	2	2	**277.022**
Due to customers	1.402.272	453.441	173.534	71.476	658.908	-	**2.759.631**
Derivative financial instruments	2.331	-	-	-	-	-	**2.331**
Debt securities in issue and other borrowed funds	-	-	-	-	280.695	28.157	**308.852**
Employee benefits	-	-	-	-	8.315	-	**8.315**
Current tax liability	-	-	2.175	-	-	-	**2.175**
Deferred tax liabilities	-	-	-	-	652	-	**652**
Other liabilities	53.722	10.673	2.195	1.228	9.923	782	**78.523**
Total liabilities	**1.725.260**	**474.197**	**177.904**	**72.704**	**958.495**	**28.941**	**3.437.501**
Net liquidity gap	**(427.747)**	**(354.816)**	**514.129**	**54.911**	**(125.211)**	**597.544**	**258.810**

31 December 2005	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Assets							
Cash and balances with Central Bank	102.251	-	-	1.000	-	-	**103.251**
Loans and advances to banks	562.113	13.066	-	12.715	35.000	1.018	**623.912**
Trading securities	15.589	-	-	-	-	-	**15.589**
Derivative financial instruments	34	-	-	-	-	-	**34**
Loans and advances to customers	636.543	60.698	590.394	131.117	586.419	271.052	**2.276.223**
Investment securities	24.637	9.527	-	2.300	63.416	27.463	**127.343**
Investment in subsidiaries and associates	-	-	-	-	-	44.046	**44.046**
Intangible assets	-	-	-	-	-	7.373	**7.373**
Property and equipment	-	-	-	-	-	41.102	**41.102**
Deferred tax assets	-	-	-	-	7.439	-	**7.439**
Investment property	-	-	-	-	22.129	-	**22.129**
Other assets	6.494	2.100	1.691	463	2.843	2.115	**15.706**
Total assets	**1.347.661**	**85.391**	**592.085**	**147.595**	**717.246**	**394.169**	**3.284.147**
Liabilities							
Deposits from banks	5.616	64	-	-	2	2	**5.684**
Due to customers	1.243.473	484.634	205.007	72.178	619.096	-	**2.624.388**
Derivative financial instruments	1.600	-	-	-	-	-	**1.600**
Debt securities in issue and other borrowed funds	-	-	-	-	285.529	29.558	**315.087**
Employee benefits	-	-	-	-	-	9.062	**9.062**
Other provisions	-	-	-	-	-	5.700	**5.700**
Current tax liability	-	-	231	-	-	-	**231**
Deferred tax liabilities	-	-	-	-	345	-	**345**
Other liabilities	45.063	7.902	2.584	699	13.034	3.109	**72.391**
Total liabilities	**1.295.752**	**492.600**	**207.822**	**72.877**	**918.006**	**47.431**	**3.034.488**
Net liquidity gap	**51.909**	**(407.209)**	**384.263**	**74.718**	**(200.760)**	**346.738**	**249.659**

35.3 Market risk

Market risk is the risk of occurring possible losses caused by the fluctuation and volatility of market prices, such as share prices, interest rate and foreign exchange rate fluctuations.

The Bank applies a 'value at risk' methodology (VAR) to estimate the market risk.

The measurement of the value at risk is an estimate of the change in value of the portfolio at a specific confidence level in a specified period of time. The Bank uses the Variance-Covariance methodology in estimating VaR. It is measured with a confidence level of 99% assumes and a one holding day period. Management has approved the VAR limits and the VAR manual.

VAR for the trading portfolio as at 31 December 2006 amounted to EUR 137 thousand (31 December 2005 EUR 446 thousand), where as the limit is EUR 800 thousand.

35.4 Currency risk

The Bank takes on exposure to the effects of fluctuations in the prevailing exchange rates on its financial position and cash flows. Management sets 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 summarizes the Bank's exposure to foreign currency exchange risk at 31 December. Included in the table on the Bank's assets and liabilities at carrying amounts categorized by currency (the amounts are in thousands of Euro):

31 December 2006	EUR	USD	GBP	CHF	JPY	Other	Total
Assets							
Cash and balances with Central Bank	103.007	1.816	1.552	230	115	1.308	**108.028**
Loans and advances to banks	348.206	211.068	12.309	555	332	13.251	**585.721**
Trading securities	13.037	-	-	-	-	-	**13.037**
Derivative financial instruments	792	145	-	-	-	-	**937**
Loans and advances to customers	2.481.000	106.616	-	6.426	7.048	-	**2.601.090**
Investment securities	170.674	71.321	-	-	-	-	**241.995**
Investments in subsidiaries and associates	41.477	-	19	-	-	-	**41.496**
Intangible assets	7.264	-	-	-	-	-	**7.264**
Property and equipment	44.162	-	-	-	-	-	**44.162**
Deferred tax assets	7.302	-	-	-	-	-	**7.302**
Investment property	19.106	-	-	-	-	-	**19.106**
Other assets	24.535	1.597	9	16	10	6	**26.173**
Total Assets	**3.260.562**	**392.563**	**13.889**	**7.227**	**7.505**	**14.565**	**3.696.311**
Liabilities							
Deposits from banks	275.890	322	116	-	-	694	**277.022**
Deposits from customers	2.255.191	403.397	13.714	811	83.490	3.028	**2.759.631**
Derivative financial instruments	2.331	-	-	-	-	-	**2.331**
Debt securities in issue and other borrowed funds	308.852	-	-	-	-	-	**308.852**
Employee benefits	8.315	-	-	-	-	-	**8.315**
Current tax liability	2.175	-	-	-	-	-	**2.175**
Deferred tax liabilities	652	-	-	-	-	-	**652**
Other liabilities	76.580	1.783	103	14	27	16	**78.523**
Total Liabilities	**2.929.986**	**405.502**	**13.933**	**825**	**83.517**	**3.738**	**3.437.501**
Net on balance sheet position	**330.576**	**(12.939)**	**(44)**	**6.402**	**(76.012)**	**10.827**	**258.810**
Forwards	(74.066)	12.344	321	(6.110)	76.032	(10.578)	**(2.057)**
Total position	**256.510**	**(595)**	**277**	**292**	**20**	**249**	**256.753**

31 December 2005	EUR	USD	GBP	CHF	JPY	Other	Total
Assets							
Cash and balances with Central Bank	96.221	5.320	650	18	258	784	**103.251**
Loans and advances to banks	444.360	162.238	11.539	596	1.500	3.679	**623.912**
Trading securities	15.589	-	-	-	-	-	**15.589**
Derivative financial instruments	34	-	-	-	-	-	**34**
Loans and advances to customers	2.077.389	190.289	-	6.481	2.064	-	**2.276.223**
Investment securities	100.511	26.505	-	-	327	-	**127.343**
Investments in subsidiaries and associates	44.028	-	18	-	-	-	**44.046**
Intangible assets	7.373	-	-	-	-	-	**7.373**
Property and equipment	41.102	-	-	-	-	-	**41.102**
Deferred tax assets	7.439	-	-	-	-	-	**7.439**
Investment property	22.129	-	-	-	-	-	**22.129**
Other assets	14.007	1.683	7	7	1	1	**15.706**
Total Assets	**2.870.182**	**386.035**	**12.214**	**7.102**	**4.150**	**4.464**	**3.284.147**
Liabilities							
Deposits from banks	4.481	677	90	-	-	436	**5.684**
Deposits from customers	2.121.620	393.511	12.070	91.935	1.335	3.919	**2.624.388**
Derivative financial instruments	1.600	-	-	-	-	-	**1.600**
Debt securities in issue and other borrowed funds	315.087	-	-	-	-	-	**315.087**
Employee benefits	9.062	-	-	-	-	-	**9.062**
Other provisions	5.700	-	-	-	-	-	**5.700**
Current tax liability	231	-	-	-	-	-	**231**
Deferred tax liabilities	345	-	-	-	-	-	**345**
Other liabilities	70.328	1.858	170	20	1	14	**72.391**
Total Liabilities	**2.528.454**	**396.046**	**12.330**	**91.955**	**1.336**	**4.369**	**3.034.488**
Net on balance sheet position	**341.728**	**(10.011)**	**(116)**	**(84.853)**	**2.814**	**95**	**249.659**
Forwards	(91.387)	8.371	101	84.828	(3.149)	(330)	**(1.567)**
Total position	**250.341**	**(1.640)**	**(15)**	**(25)**	**(335)**	**(235)**	**248.092**

35.5 Credit risk

Credit risk is the risk of loss resulting from counterparty default. The Bank considers credit risk for loans as the loss, which the Bank would suffer if a client or counterparty fails to meet their contractual obligations.

The Bank has established credit limits based on the creditworthiness of the counterparty in order to minimize the credit risk that the Bank undertakes. The creditworthiness analysis for each client is based on the country domicile, the business sector and other qualitative and quantitative characteristics for the client, the nature of the transaction and the collateral.

For credit control purposes, credit exposure is measured by the nature of the client in the following categories: central governments (for purchase and holdings of debt instruments), financial institutions, corporate customers (with reliable financial data), small and medium size entities (SME) and retail customers. The largest credit risk represents the loss from the failure of the counterparty to meet their contractual obligations. The Bank along with specialized consulting firms has developed a series of valuation models to assess the risk for each category.

A financial (quantitative) and business (qualitative) analysis is performed to valuate the credit risk for corporate customers. Financial analysis is based on the published financial statements of the customer. Business analysis depends on the quality characteristics of the business sector where the company operates. For SMEs the valuation mode takes into account qualitative characteristics as well as their payment behaviour. Two models exist for retail customers. The first one takes into account the qualitative and financial information of the customers. The first one takes into account the qualitative and financial information of the customer when the customer applies for a loan and the second model depends on evaluating the payment performance and the Bank's relationship with the customer. At the approval stage, the credit risk as a whole is assessed of the counterparty individually or collectively taken into account the credit limits approved by the divisions of the Bank. Collaterals and other securities that mitigate the credit risk are used to determine the credit limits. On a systematic basis, the Bank monitors the counterparty risk and credit exposure along with the credit limits. Off balance sheet items and credit exposures from settlement transactions are also used to develop credit exposures.

In order to assess the country risk the Bank approves limits that depend on credit ratings performed by credit agencies, macroeconomic data of the country as well as international and political developments. For counterparty risks with financial institutions, the Bank places limits for each type of banking transaction based on the risk of the transaction. The credit limit for each financial institution is split into trade limits and money market limits. These limits are based on the credit rating of the bank, their financial data and other qualitative information.

36. Reclassifications to prior year figures

	Published 31/12/2005	Previously 31/12/2006	Reclassification
Income statement			
Interest income	159.368	159.810	442
Interest expense	(70.240)	(70.380)	(140)
Commission income	24.532	24.100	(432)
Commission expense	(1.852)	(2.931)	(1.079)
Net trading results	3.562	3.242	(320)
Other income	4.598	4.136	(462)
Personnel expenses	(53.764)	(53.305)	459
Other administrative expenses	(24.208)	(22.790)	1.418
Tax	(7.451)	(7.337)	114
Assets			
Loans to customers	2.277.988	2.276.223	(1.765)
Other assets	43.509	45.274	1.765
Liabilities			
Due to customers	2.646.338	2.624.388	(21.950)
Other liabilities	51.017	72.967	21.950

Reclassifications made were done in order to have a fair presentation.

6. Information Requested According to Article 10 of Law 3401/2005

Date	Announcement	Web Address
3/1/2006	Comment on Press Publications	www.egnatiabank.gr
10/1/2006	Comment on Press Publications	www.egnatiabank.gr
24/1/2006	Comment on Press Publications	www.egnatiabank.gr
10/2/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
21/2/2006	Announcement	www.egnatiabank.gr
28/2/2006	Program of Intended Corporate Actions	www.egnatiabank.gr
1/3/2006	Program of Intended Corporate Actions - Rectified Announcement	www.egnatiabank.gr
2/3/2006	Comment on Press Publications	www.egnatiabank.gr
7/3/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
8/3/2006	Participation change of Marfin Financial Group SA in the share capital of EGNATIA BANK SA	www.egnatiabank.gr
14/3/2006	Amendment of the Program of Intended Corporate Actions	www.egnatiabank.gr
20/3/2006	Fianancial Statements 2005: Condensed Financial Data and Information for the period from January 1, 2005 to December 31, 2005 Financial Statements and Consolidated Financial Statements on 31 December 2005 in accordance with International Financial Reporting Standards Consolidated Report of the Board of Directors as at 31 December 2005	www.egnatiabank.gr
20/3/2006	Press Release: Full Year 2005 Results	www.egnatiabank.gr
21/3/2006	Program of Intended Corporate Actions of the Year 2006	www.egnatiabank.gr
21/3/2006	Comment on Press Publications	www.egnatiabank.gr
23/3/2006	Strategic Collaboration V. Theocharakis - MARFIN, Common Goal is the Concentration of Powers in the Mid-Size Bank Market	www.egnatiabank.gr
30/3/2006	Interest Rate for the next quarterly period (1 April 2006- 30 June 2006) of the Convertible Loan	www.egnatiabank.gr
30/3/2006	Participation change of Marfin Financial Group SA in the share capital of EGNATIA BANK SA	www.egnatiabank.gr
6/4/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
11/4/2006	Composition of the Board of Directors - Executive Committee	www.egnatiabank.gr
12/4/2006	Composition of the Board of Directors - Executive Committee - Rectified Announcement	www.egnatiabank.gr
13/4/2006	Announcement	www.egnatiabank.gr
19/4/2006	Participation change of Marfin Financial Group SA in the share capital of EGNATIA BANK SA	www.egnatiabank.gr
26/4/2006	New Internal Control Committee	www.egnatiabank.gr
28/4/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
10/5/2006	Participation change of Marfin Financial Group SA in the share capital of EGNATIA BANK SA	www.egnatiabank.gr
10/5/2006	Postponement of the Presentation to Analysts	www.egnatiabank.gr
22/5/2006	Announcement	www.egnatiabank.gr
22/5/2006	New General Manager, Mr Theodoros Gezepis - Departure of the General Managers, Messrs Grerory Dounis and Tenia-Metaxia Tzimea	www.egnatiabank.gr
25/5/2006	Interim Financial Statements 1st Quarter 2006:	www.egnatiabank.gr

	Financial Data and Information for the period from January 1st, 2006 to March 31st, 2006 Interim Financial Statements and Interim Consolidated Financial Statements on 31 March 2006 in accordance with International Financial Reporting Standards	
25/5/2006	Press Release: 1st Quarter 2006 Results	www.egnatiabank.gr
26/5/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
30/5/2006	Invitation to the Annual Meeting of Common Shareholders	www.egnatiabank.gr
30/5/2006	Invitation to the Annual Meeting of Preferred Shareholders	www.egnatiabank.gr
1/6/2006	New Managing Director, Mr. Lefteris Hiliadakis	www.egnatiabank.gr
1/6/2006	Board of Directors Report in accordance with article 289 of the Athens Exchange Regulation	www.egnatiabank.gr
6/6/2006	Board of Directors Report in accordance with article 289 of the Athens Exchange Regulation - Rectified Announcement	www.egnatiabank.gr
6/6/2006	Availability of the Annual Report 2005 (C.M.C. rule 7/372/2006)	www.egnatiabank.gr
14/6/2006	Liquidation of material registered shares	www.egnatiabank.gr
14/6/2006	New General Manager, Mr. Bernard Anthony Payne - New General Manager, Mrs. Androniki Plakomichelaki - New Deputy General Manager, Mr. Antonis Mihopoulos	www.egnatiabank.gr
20/6/2006	Liquidation of material registered shares- Rectified Announcement	www.egnatiabank.gr
22/6/2006	Press Release: Annual General Meeting	www.egnatiabank.gr
23/6/2006	Dividend Announcement for the Financial Year 2005	www.egnatiabank.gr
23/6/2006	Decisions of the Annual General Meeting	www.egnatiabank.gr
23/6/2006	Postponement of the General Meeting of Preferred Shareholders	www.egnatiabank.gr
26/6/2006	New composition of the Board of Directors - New Executive Committee	www.egnatiabank.gr
27/6/2006	Invitation to the 1st Repeated General Meeting of Preferred Shareholders	www.egnatiabank.gr
29/6/2006	Interest Rate for the next quarterly period (1 July 2006- 30 September 2006) of the Convertible Loan	www.egnatiabank.gr
30/6/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
6/7/2006	Decisions of the Annual General Meeting - Rectified Announcement	www.egnatiabank.gr
7/7/2006	Commencement of the Merger Procedure	www.egnatiabank.gr
11/7/2006	Press Release: 1st Repeated General Meeting of Preferred Shareholders	www.egnatiabank.gr
12/7/2006	Decisions of the 1st Repeated General Meeting of Preferred Shareholders	www.egnatiabank.gr
13/7/2006	Modified Interim Financial Statements 1st Quarter 2005 (01/01/2005-31/03/2005)	www.egnatiabank.gr
14/7/2006	Corrections in published interim financial statements	www.egnatiabank.gr
26/7/2006	New Internal Control Comitee	www.egnatiabank.gr
26/7/2006	Comment on Press Publications	www.egnatiabank.gr
31/7/2006	Modified Interim Financial Statements 1st Semester 2005 (01/01/2005-30/06/2005)	www.egnatiabank.gr
31/7/2006	Corrections in published interim financial statements	www.egnatiabank.gr
3/8/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
7/8/2006	Participation change of Marfin Financial Group SA in the share capital of EGNATIA BANK SA	www.egnatiabank.gr

EGNATIA BANK

16/8/2006	Date of Analysts' Briefing	www.egnatiabank.gr
28/8/2006	Interim Financial Statements 1st Semester 2006: Financial Data and Information for the period from January 1st, 2006 to June 30th, 2006 Interim Financial Statements and Interim Consolidated Financial Statements on 30 June 2006 in accordance with International Financial Reporting Standards	www.egnatiabank.gr
28/8/2006	Press Release: 1st Semester 2006 Results	www.egnatiabank.gr
29/8/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
6/9/2006	The Analysts' Briefing took place	www.egnatiabank.gr
28/9/2006	Announcement for a Tantamount Reduction and Increase in Share Capital	www.egnatiabank.gr
29/9/2006	Interest Rate for the next quarterly period (1 October 2006- 31 December 2006) of the Convertible Loan	www.egnatiabank.gr
5/10/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
19/10/2006	Announcement - remaining Convertible Bonds	www.egnatiabank.gr
20/10/2006	Sale of Shares that originate from Undisposed Fractional Rights	www.egnatiabank.gr
25/10/2006	The Sale of Shares that originated from Undisposed Fractional Rights took place	www.egnatiabank.gr
31/10/2006	Modified Interim Financial Statements Nine Month 2005 (01/01/2005-30/09/2005)	www.egnatiabank.gr
31/10/2006	Corrections in published interim financial statements	www.egnatiabank.gr
2/11/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
7/11/2006	Departure of General Manager Mr. Bernard Anthony Payne	www.egnatiabank.gr
27/11/2006	Interim Financial Statements Nine month 2006: Financial Data and Information for the period from January 1st, 2006 to September 30th, 2006 Interim Financial Statements and Interim Consolidated Financial Statements on 30 September 2006 in accordance with International Financial Reporting Standards	www.egnatiabank.gr
27/11/2006	Press Release: Nine Month 2006 Financial Results	www.egnatiabank.gr
8/12/2006	Liquidation of "Eurocambio - Foreign Exchange and Tourist Enterprises S.A."	www.egnatiabank.gr
8/12/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
15/12/2006	Participation change of Marfin Financial Group SA in the share capital of EGNATIA BANK SA	www.egnatiabank.gr
22/12/2006	Introduction of shares from the conversion of bonds of the Convertible Bond (issued 21-1-2003) into shares	www.egnatiabank.gr
27/12/2006	Announcement of MARFIN POPULAR BANK PUBLIC COMPANY LIMITED about the Results of the Voluntary Tender Offers	www.egnatiabank.gr
28/12/2006	Interest Rate for the next quarterly period (1 January 2007- 31 March 2007) of the Convertible Loan	www.egnatiabank.gr
2006	**Transactions' Notifications**	www.egnatiabank.gr

7. Transactions between the Bank and its Subsidiaries (According to Article 2 § 4 of Law 3016/2002)

Table of Transactions between the Bank and its Subsidiaries

(In thousands of Euro)

Company Name	Receivables	Payables	Income	Expenses
EGNATIA BANK ROMANIA S.A.	77.190	48	2.068	0
EGNATIA FINANCE STOCK BROKERS & INVESTMENT ADVISORS S.A.	10.172	36.931	994	45
EGNATIA MUTUAL FUND MANAGEMENT COMPANY S.A.	66	176	675	79
EGNATIA LEASING S.A.	89.681	2.067	3.825	106
EGNATIA FIN A.E.	516	527	92	1.115
EUROCAMBIO – FOREIGN EXCHANGE & TOURISM ENTERPRISES S.A.	341	140	181	28
EGNATIA INSURANCE SERVICES S.A.	126	624	796	12
EGNATIA FINANCE PLC	0	281.597	0	10.640
EGNATIA LEASING ROMANIA S.A.	36.517	0	1.569	0
EGNATIA BANK TRAVEL LTD	752	225	43	180
EGNATIA CONSUMER SERVICES S.A.	64	70	-141	0
OBAFEMI HOLDINGS LTD	5.936	10	175	0
FINANCIAL SERVICES LTD	30	19	151	0
Total	**221.391**	**322.434**	**10.428**	**12.205**

8. Condensed Financial Data and Information of the Group and the Bank

EGNATIA BANK S.A.
FINANCIAL DATA AND INFORMATION
FOR THE PERIOD FROM JANUARY 1st, 2006 TO DECEMBER 31th 2006
(In accordance with the law 2190, art. 135, for the companies that draw up annual financial statements, consolidated and non-consolidated, under IFRS)

The financial information set out below provides a general presentation of the financial position and results of Egnatia Bank S.A. and the Group. The reader, who wishes to have an integral view of Bank's financial position and its results, may have access to the annual financial statements prepared in accordance with International Financial Reporting Standards (I.F.R.S) and to the Auditor's Report. Indicatively, the reader is recommended to visit the Bank website, where the pre-mentioned financial information is posted.

COMPANY PROFILE

Head Office	4 Danaidon Street, 546 26 Thessaloniki
Company Registration Number	6072/06/B/86/11
Responsible Regulatory Body	Bank of Greece, Ministry of Development
Date of approval of the annual financial statements from which the condensed information has been extracted	January 24, 2007
Certified Auditor Accountant	Nick E. Vouniseas (A.M. SOEL 18701)
Audit company	KPMG Kyriacou Certified Auditors A.E.
Type of Auditor's Report	Unqualified opinion - Emphasis of matter for open tax years
Company Website	www.Egnatiabank.gr

BOARD OF DIRECTORS COMPOSITION

Chairman - Executive member	Vassilios N. Theocharakis
Vice-chairman - Non-executive member	Alexandros K. Bakatselos
Managing Director - Executive member	Eleftherios A. Chiliadakis
Executive members	Andreas E. Vgenopoulos
	Androniki D Plakomichelaki
	Panagiotis K. Throuvalas
Non-executive memebers	Panagiotis I. Theocharakis
	Despoina V. Theocharaki
	Mihalis L. Louis
Independent - Non-executive members	Konstantinos D. Los
	Ioannis C. Grammatidis

BALANCE SHEET

(Amounts in thousands of Euros)

	EGNATIA GROUP		EGNATIA BANK	
ASSETS	**31 December 2006**	**31 December 2005**	**31 December 2006**	**31 December 2005**
Cash and balances with Central Bank	183,318	130,481	108,028	103,251
Loans and advances to banks	553,960	587,872	585,721	623,912
Trading securities	16,417	18,326	13,037	15,589
Derivative financial instruments	937	499	937	34
Loans and advances to customers	2,742,114	2,366,668	2,601,090	2,276,223
Investment securities	242,119	137,239	241,995	127,343
Investments in subsidiaries	0	0	41,496	43,885
Investments in associates	0	1,533	0	161
Intangible assets	7,606	8,345	7,264	7,373
Property, plant and equipment	56,801	47,178	44,162	41,102
Other assets	86,214	95,501	52,581	45,274
TOTAL ASSETS	**3,889,486**	**3,393,642**	**3,696,311**	**3,284,147**
LIABILITIES				
Deposits from banks	330,655	23,989	277,022	5,684
Deposits from customers	2,829,634	2,656,051	2,759,631	2,624,388

INCOME STATEMENT

(Amounts in thousands of Euros)

	EGNATIA GROUP		EGNATIA BANK	
	1/1 - 31/12/2006	**1/1 - 31/12/2005**	**1/1 - 31/12/2006**	**1/1 - 31/12/2005**
Interest and similar income	204,383	167,981	192,573	159,810
Interest expense and similar changes	100,946	72,661	97,642	70,380
Net interest income	**103,437**	**95,320**	**94,931**	**89,430**
Fee and commission income	54,598	42,759	23,838	24,100
Fee and commission expense	12,277	8,440	2,089	2,931
Net fee and commission income	**42,321**	**34,319**	**21,749**	**21,169**
Dividend income	166	175	496	417
Net trading income / (expense)	9,148	5,408	5,712	3,242
Other income	3,869	5,389	2,218	4,136
Total income	**158,941**	**140,611**	**125,106**	**118,394**
Impairment losses on loans and advances	19,675	15,170	18,495	14,483
Staff costs	70,064	62,863	57,366	53,305
Other operating expenses	34,859	28,237	26,450	22,790
Depreciation	8,777	7,385	5,737	5,855
Impairment losses from property	0	0	5,449	0
Share of loss of associates	0	(8)	0	0

Derivative financial instruments	2,331	2,135	2,331	1,600
Debt securities in issue and other borrowed funds	331,389	339,921	308,852	315,087
Other provisions	8,886	15,196	8,315	14,762
Other liabilities	115,061	106,947	81,350	72,967
Total Liabilities (a)	**3,617,956**	**3,144,239**	**3,437,501**	**3,034,488**
Share Capital	109,145	107,840	109,145	107,840
Share premium	116,827	138,479	116,827	138,479
Other reserves and accumulated deficit	35,393	(4,203)	32,838	3,340
Equity attributable to the Bank's equity holders (b)	**261,365**	**242,116**	**258,810**	**249,659**
Minority interest (c)	10,165	7,287	0	0
Total Equity (d) = (b) + (c)	**271,530**	**249,403**	**258,810**	**249,659**
TOTAL LIABILITIES AND EQUITY (a) + (d)	**3,889,486**	**3,393,642**	**3,696,311**	**3,284,147**

Profit before tax	**25,566**	**26,948**	**11,609**	**21,961**
Tax	5,737	8,377	3,970	7,337
Profit after tax from	**19,829**	**18,571**	**7,639**	**14,624**
Attributable to:				
Equity holders of the Bank	18,382	18,085	7,639	14,624
Minority interest	1,447	486		
Earnings per share (Euro per share)				
Basic	0.20	0.21	0.08	0.17
Diluted	0.20	0.20	0.08	0.17
Proposed dividend per share (in Euros)			0.05	0.05

STATEMENT OF CHANGES IN EQUITY	**EGNATIA GROUP**		**EGNATIA BANK**	
from 01 January 2006 to 31 December 2006	**31 December 2006**	**31 December 2005**	**31 December 2006**	**31 December 2005**
(Amounts in thousands of Euros)				
Balance at 1 January 2006 and 2005	249,403	216,492	249,659	220,058
Profit for the period after tax	19,829	18,571	7,639	14,624
Share capital increase/decrease	(20,346)	21,640	(20,346)	21,640
Dividends paid	(4,805)	(7,222)	(4,462)	(6,830)
Net income recognised directly in equity	(12)	65	(69)	167
Other movements	27,461	(143)	26,389	0
Balance at the end of period	**271,530**	**249,403**	**258,810**	**249,659**

CASH FLOW STATEMENT	**EGNATIA GROUP**		**EGNATIA BANK**	
from 01 January 2006 to 31 December 2006	**1/1 - 31/12/2006**	**1/1 - 31/12/2005**	**1/1 - 31/12/2006**	**1/1 - 31/12/2005**
(Amounts in thousands of Euros)				
Net cash flows from operating activities (a)	161,398	(102,647)	98,211	(114,946)
Net cash flows from investing activities (b)	(115,179)	(42,397)	(120,053)	(35,535)
Net cash flows from financing activities (c)	(19,279)	265,693	(16,557)	267,784
Net increase (decrease) in cash and cash equivalents (a) + (b) + (c)	**26,940**	**120,649**	**(38,399)**	**117,303**
Effect of exchange rate fluctuations on cash and cash equivalents	700	749	700	775
Total cash flow for the period	**27,640**	**121,398**	**(37,699)**	**118,078**
Cash and cash equivalents at beginning of the period	704,621	583,223	677,430	559,352
Cash and cash equivalents at end of the period	**732,261**	**704,621**	**639,731**	**677,430**

Additional data and information:

1) Companies presented below have been included in the consolidated financial statements as at 31 December 2006 under the method of Full Consolidation:

Company name	Registered Office	Participation %	Open tax years
1. EGNATIA BANK ROMANIA S.A.	ROMANIA	98.99%	2003-2006
2. EGNATIA FINANCE STOCK BROKERS & INVESTMENT ADVISORS S.A.	GREECE	70.00%	2002-2006
3. EGNATIA MUTUAL FUND MANAGEMENT COMPANY S.A.	GREECE	51.00%	2003-2006
4. EGNATIA LEASING S.A.	GREECE	99.90%	2005-2006
5. EGNATIA FIN S.A.	GREECE	99.00%	2000-2006
6. EUROCAMBIO - FOREIGN EXCHANGE & TOURISM ENTERPRISES S.A.	GREECE	90.29%	2003-2006
7. EGNATIA INSURANCE SERVICES S.A.	GREECE	60.00%	2005-2006
8. EGNATIA FINANCE Plc	UNITED KINGDOM	100.00%	2005-2006
9. EGNATIA LEASING ROMANIA S.A.	ROMANIA	99.00%	2003-2006
10. EGNATIA BANK TRAVEL Ltd	GREECE	99.00%	2005-2006
11. EGNATIA CONSUMER SERVICES S.A.	GREECE	99.00%	2005-2006
12. OBAFEMI HOLDINGS Ltd	CYPRUS	100.00%	2006
13. EGNATIA PROPERTIES SRL	ROMANIA	100.00%	2006
14. EGNATIA FINANCIAL SERVICES Ltd	CYPRUS	51.00%	2001-2006

The companies No. 12-13 were consolidated for the first time on 30/06/2006, due to their establishment within the year 2006. On 31/12/2005, the company No.14 was consolidated under the Equity method. On 31/12/2006, the company No.14 was consolidated under the method of Full Consolidation, due to the acquisition of right to exercise control. The change on the consolidation method has not brought about any change above 25% totally on the turnover, or/and on the results after tax and the company minority interest, or/and shareholders' equity.

2) "EGNATIA BANK S.A." has been audited by the tax authorities up to and including the year 2004.
3) The Group and the parent Company have adopted accounting principles according to IFRS.
4) No Group fixed assets have been pledged from others.
5) There are no pending legal cases or issues in progress, which may have a material impact on the financial statements of the Group and the Bank.
6) The total number of employees of the Group as at December 31, 2006 was 1,751 and the total number of employees of the Bank as at December 31, 2006 was 1,356, (2005: 1,692, 1,370).
7) The Group balances as at 31.12.2006 arising from transactions with the related parties are as follows (in thousands of Euros): a) Receivables 91,817, b) Payables 234,669, c) Income 3,113 and d) Expenses 3,734. The Bank balances arising from transactions with the related parties (including subsidiaries) are as follows (in thousands of Euros): a) Receivables 313,208, b) Payables 557,103, c) Income 13,541, d) Expenses 15,939. The Bank and Group balances arising from transactions with the members of Board of Directors and the executive managers are as follows (in thousands of Euros): a) Receivables 251, b) Payables 23,994, c) Income 16, d) Expenses 4,307 out of which 3,556 account for remuneration.
8) For comparison reasons, the financial figures as at 31/12/2005 have been reclassified compared to the financial figures published for the respective period last year. Explanations on the changes are analytically referred in the note 36 of the Bank and Group financial statements.
9) The consolidated financial statements of the Bank are included in:
a) the consolidated financial statements of Marfin Popular Bank Public Company Ltd, 154 Lemesou Avenue, P.O. Box 22032, 1598 Nicosia, Cyprus, under the method of full consolidation. Marfin Popular Bank participates in the company's share capital by 86.44% by 22/12/2006.
b) the Group results for the period between 29/03/2006 and 21/12/2006 are included in the consolidated financial statements of MARFIN FINANCIAL GROUP HOLDINGS S.A., 24 Kifisias Av., Marousi, Athens, under the method of full consolidation. MFG participates in the company's share capital by 44.94% up to 21/12/2006.

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Athens, January 24, 2007

THE CHAIRMAN OF THE BOARD OF DIRECTORS	MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER
VASSILIOS N.THEOCHARAKIS Reg. No S 231179/98	ELEFTHERIOS A.CHILIADAKIS Reg. No P 073667/90	AGGELOS N. SAPRANIDIS Reg. No AA 273117/05 Permit 0016834/18-07-2001

EGNATIA BANK S.A.

Company Reg. No. 6072/06/B/86/11

4 Danaidon Street, 546 26 Thessaloniki

FINANCIAL DATA AND INFORMATION

FOR THE PERIOD FROM JANUARY 1st, 2006 TO SEPTEMBER 30th 2006

(In accordance with the decision 2/396/31.08.2006 of the Capital Market Commission's Board of Directors)

The financial information set out below provides a general presentation of the financial position and results of Egnatia Bank S.A. and the Group. We recommend to the reader, before any investment decision or transaction is performed with the Bank to visit the web site where both the interim financial statements prepared in accordance with International Financial Reporting Standards (I.F.R.S), and Auditors' Review Report, when requested, are available

COMPANY'S INFORMATION

Web site address	www.Egnatiabank.gr
Date of approval of the Interim Financial Statements by the Board of Directors	3/11/2006

BALANCE SHEET

(Amounts in thousands of Euros)

	EGNATIA GROUP		EGNATIA BANK	
ASSETS	**30 September 2006**	**31 December 2005**	**30 September 2006**	**31 December 2005**
Cash and balances with Central Bank	148,924	130,481	90,776	103,251
Loans and advances to banks	498,490	587,872	529,778	623,912
Trading securities	17,572	18,326	14,089	15,589
Derivative financial instruments	285	499	282	34
Loans and advances to customers	2,572,047	2,392,513	2,462,355	2,277,988
Investment securities	194,782	137,239	194,175	127,343
Investments in subsidiaries	0	0	41,335	43,885
Investments in associates	1,907	1,533	161	161
Intangible assets	8,103	8,345	7,167	7,373
Property, plant and equipment	55,767	47,178	40,972	41,102
Other assets	88,215	69,656	52,631	43,509
TOTAL ASSETS	**3,586,092**	**3,393,642**	**3,433,721**	**3,284,147**
LIABILITIES				
Deposits from banks	216,250	23,989	185,590	5,684
Deposits from customers	2,673,118	2,700,022	2,614,790	2,646,338
Derivative financial instruments	1,005	2,135	1,004	1,600
Debt securities in issue and other borrowed funds	334,212	339,921	308,907	315,087
Other provisions	12,802	16,730	12,208	14,762
Other liabilities	84,414	61,442	54,642	51,017

INCOME STATEMENT

(Amounts in thousands of Euros)

	EGNATIA GROUP				EGNATIA BANK			
	1 Jan. - 30 Sep. 2006	**1 Jan. - 30 Sep. 2005**	**1 Jul. - 30 Sep. 2006**	**1 Jul. - 30 Sep. 2005**	**1 Jan. - 30 Sep. 2006**	**1 Jan. - 30 Sep. 2005**	**1 Jul. - 30 Sep. 2006**	**1 Jul. - 30 Sep. 2005**
Interest and similar income	148,583	123,670	52,068	42,530	140,441	117,611	48,566	40,635
Interest expense and similar changes	72,489	51,986	26,205	18,966	69,983	50,237	25,323	18,514
Net interest income	**76,094**	**71,684**	**25,863**	**23,564**	**70,458**	**67,374**	**23,243**	**22,121**
Fee and commission income	39,770	31,356	11,624	11,297	17,164	17,595	5,515	6,089
Fee and commission expense	9,498	6,949	3,219	2,607	1,524	2,177	588	761
Net fee and commission income	**30,272**	**24,407**	**8,405**	**8,690**	**15,640**	**15,418**	**4,927**	**5,328**
Dividend income	165	172	10	83	496	417	10	38
Net trading income / (expense)	5,541	3,390	2,716	2,086	3,573	2,114	2,001	955
Other income	1,992	3,605	424	2,478	1,376	3,463	463	2,351
Total income	**114,064**	**103,258**	**37,418**	**36,901**	**91,543**	**88,786**	**30,644**	**30,793**
Impairment losses on loans and advances	15,178	11,020	3,597	3,791	14,614	10,571	3,374	3,611
Staff costs	51,497	45,670	16,581	15,335	42,950	39,454	13,997	13,174
Other operating expenses	23,872	19,837	8,165	6,679	18,552	16,316	6,549	5,720
Depreciation	5,364	5,365	1,825	1,877	4,208	4,482	1,433	1,488
Impairment losses from property	0	0	0	0	2,659	0	0	0
Share of loss of associates	374	(55)	125	(27)	0	0	0	0
Profit before tax	**18,527**	**21,311**	**7,375**	**9,192**	**8,560**	**17,963**	**5,291**	**6,800**
Income tax expense	4,376	5,664	1,740	1,953	2,584	4,832	1,268	1,557
Deferred tax	221	1,108	(32)	791	193	1,034	33	750
Tax-audit differences	44	88	0	0	0	0	0	0

EGNATIA BANK

Total Liabilities (a)	**3,321,801**	**3,144,239**	**3,177,141**	**3,034,488**
Share Capital	109,115	107,840	109,115	107,840
Share premium	116,773	138,479	116,773	138,479
Other reserves and accumulated deficit	30,518	(4,203)	30,692	3,340
Equity attributable to the Bank's equity holders	**256,406**	**242,116**	**256,580**	**249,659**
Minority interest	7,885	7,287	0	0
Total Equity (b)	**264,291**	**249,403**	**256,580**	**249,659**
TOTAL LIABILITIES AND EQUITY (a) + (b)	**3,586,092**	**3,393,642**	**3,433,721**	**3,284,147**

Profit after tax	**13,886**	**14,451**	**5,667**	**6,448**	**5,783**	**12,097**	**3,990**	**4,493**
Attributable to:								
Equity holders of the Bank	12,953	14,145	5,549	6,223	5,783	12,097	3,990	4,493
Minority interest	933	306	118	225	0	0	0	0
Earnings per share (Euro per share)								
Basic	0.14	0.16	0.06	0.07	0.06	0.14	0.04	0.05
Diluted	0.14	0.16	0.06	0.07	0.06	0.14	0.04	0.05

STATEMENT OF CHANGES IN EQUITY

from 01 January 2006 to 30 September 2006

(Amounts in thousands of Euros)

	EGNATIA GROUP		**EGNATIA BANK**	
	30 September 2006	**30 September 2005**	**30 September 2006**	**30 September 2005**
Balance at 1 January 2006 and 2005	249,403	216,492	249,659	220,059
Profit for the period after tax	13,886	14,451	5,783	12,097
Share capital increase	(20,431)	13,482	(20,431)	13,482
Dividends paid	(4,805)	(7,222)	(4,462)	(6,830)
Net income recognised directly in equity	(341)	204	(358)	430
Other movements	26,579	1,211	26,389	0
Balance at the end of period	**264,291**	**238,618**	**256,580**	**239,238**

CASH FLOW STATEMENT

from 01 January 2006 to 30 September 2006

(Amounts in thousands of Euros)

	EGNATIA GROUP		**EGNATIA BANK**	
	1 Jan. - 30 Sep. 2006	**1 Jan. - 30 Sep. 2005**	**1 Jan. - 30 Sep. 2006**	**1 Jan. - 30 Sep. 2005**
Net cash flows from operating activities (a)	4,437	(123,458)	(54,672)	(145,714)
Net cash flows from investing activities (b)	(67,520)	(40,089)	(66,735)	(34,072)
Net cash flows from financing activities (c)	(15,197)	268,909	(13,242)	269,493
Net increase (decrease) in cash and cash equivalents (a) + (b) + (c)	**(78,280)**	**105,362**	**(134,649)**	**89,707**
Effect of exchange rate fluctuations on cash and cash equivalents	574	575	574	575
Total cash flow for the period	**(77,706)**	**105,937**	**(134,075)**	**90,282**
Cash and cash equivalents at beginning of the period	704,621	583,223	677,430	559,351
Cash and cash equivalents at end of the period	**626,915**	**689,160**	**543,355**	**649,633**

Additional data and information:

1) Companies included in the consolidated financial statements, as well as the parent's participation directly or indirectly in them as at 30.09.2006 are:

Subsidiaries fully consolidated:

Company name	**Registered office**	**Participation %**	**Open tax years**
1. EGNATIA BANK ROMANIA A.E	Romania	98.99%	2003-2005
2. EGNATIA FINANCE STOCK BROKERS & INVESTMENT ADVISORS S.A.	Greece	70.00%	2002-2005
3. EGNATIA MUTUAL FUND MANAGEMENT COMPANY S.A.	Greece	51.00%	2003-2005
4. EGNATIA LEASING S.A.	Greece	99.90%	2005
5. EGNATIA FIN S.A.	Greece	99.00%	2000-2005
6. EUROCAMBIO - FOREIGN EXCHANGE & TOURIST ENTERPRISES S.A.	Greece	81.85%	2003-2005
7. EGNATIA INSURANCE SERVICES S.A.	Greece	60.00%	2005
8. EGNATIA FINANCE PLC	United Kingdom	100.00%	2005
9. EGNATIA LEASING ROMANIA S.A.	Romania	99.00%	2004-2005
10. EGNATIA BANK TRAVEL LTD	Greece	99.00%	2005
11. EGNATIA CONSUMER SERVICES S.A.	Greece	99.00%	2005
12. OBAFEMI HOLDINGS LTD	Cyprus	100.00%	-
13. EGNATIA PROPERTIES SRL	Romania	100.00%	-

Associates accounted for under the equity method:

Company name			
14. EGNATIA FINANCIAL SERVICES LTD	Cyprus	37.20%	2005

Companies 12-13 are consolidated for the first time on 30/06/2006.

2) The "EGNATIA BANK S.A." has been audited by the tax authorities up to and including the year 1999. Regular tax audit is performed for the years 2000-2004.
3) The Group and the parent Company have adopted accounting principles according to IFRS.
4) No Group fixed assets have been pledged.
5) There are no pending legal cases or issues in progress, which may have a material impact on the financial statements of the Group and the Bank.
6) The total employees of the Group as at September 30, 2006 were 1,716 and the employees of the Bank as at September 30, 2006 were 1,360, (2005: 1668, 1360).
7) The group's balances of receivables and liabilities with the related parties at the end of the current period, come up to thousands of Euros 98.956 and 74.430 respectively. The amounts of income and expenses in thousands of Euros 1.691 and 1.891 respectively. The bank's balances of receivables and liabilities with the related parties at the end of the current period, come up to thousands of Euros 282.897 and 394.632 respectively. The amounts of income and expenses in thousands of Euros 8.328 and 10.458 respectively.The bank's and group's balances of receivables and liabilities with the directors and executive managers at the end of the current period, come up to thousands of Euros 90 and 49.310 respectively. The amounts of income and expenses in thousands of Euros 10 and 3.364 (remuneration 2.661) respectively.
8) The results as at September 30, 2005 have been reclassified and amended in comparison to the results disclosed the respective period, last year. The pre-mentioned amendments are due to corrections that were made at the end of the financial year 2005. Explanations on these amendments are analytically stated at the note 16 of the bank's and group's interim financial statements.The implications of these amendments come up to thousands of Euros, as follows: bank's and group's turnover +354 and +617 respectively. Profit after tax and minority interest of the bank and the group in thousands of Euros -1.683 and -2.981 respectively.Bank's and group's equity attributed to the shareholders in thousands of Euros -1.912 and -3.380 respectively.
9) The consolidated financial statements of the Bank are included in the consolidated financial statements of MARFIN FINANCIAL GROUP HOLDINGS S.A., 24 Kifisias Av., Marousi, Athens. MFG participates to the company's share capital by 43.86%.

Thessaloniki , November 3, 2006

THE PRESIDENT OF THE BOARD OF DERECTORS	MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER
VASSILIOS N.THEOCHARAKIS Reg. No S 231179/98	ELEFTHERIOS A.CHILIADAKIS Reg. No P 073667/90	AGGELOS N. SAPRANIDIS Reg. No AA 273117/05 Permit 0016834/18-07-2001

EGNATIA BANK

EGNATIA BANK

EGNATIA BANK A.E.

FINANCIAL DATA AND INFORMATION

FOR THE PERIOD FROM JANUARY 1st, 2006 TO JUNE 30th 2006

(In accordance with Law 2190, article 135 and the decision 17/336/21.04.2005 of the Capital Market Commission)

The financial information set out below provides a general presentation of the financial position and results of Egnatia Bank A.E. and the Group. We recommend to the reader, before any investment decision or transaction is performed with the Group or parent company to visit the web site www.Egnatiabank.gr where both the interim financial statements as at June 30th prepared in accordance with International Financial Reporting Standards (I.F.R.S) and Auditors' Review Report are available.

COMPANY'S INFORMATION

Registered office	:4 Danaidon Street, 546 26 Thessaloniki
R.N.S.A.	:6072/06/B/86/11
Supervising authority	:Bank of Greece, Ministry of Development
Date of approval of the Interim Financial Statements (from which the condensed financial statements were derived)	:26/7/2006
Certified Auditors	:Nick Vouniseas, AM SOEL 18701
Audit company	:K.P.M.G. Kyriacou Certified Auditors
Type of Auditor's Report	:Unqualified opinion - Emphasis of matter for open tax years
Web site address	:www.Egnatiabank.gr

BALANCE SHEET

(Amounts in thousands of Euros)

	EGNATIA GROUP		EGNATIA BANK	
ASSETS	**30/6/2006**	**31/12/2005**	**30/6/2006**	**31/12/2005**
Cash and balances with Central Bank	165,937	130,481	122,391	103,251
Loans and advances to banks	531,903	587,872	569,258	623,912
Trading securities	8,951	18,326	5,728	15,589
Derivative financial instruments	168	499	152	34
Loans and advances to customers	2,462,452	2,392,513	2,350,548	2,277,988
Investment securities	173,183	137,239	172,593	127,343
Investments in subsidiaries	0	0	41,227	43,885
Investments in associates	1,782	1,533	161	161
Intangible assets	8,251	8,345	7,305	7,373
Property, plant and equipment	52,600	47,178	41,432	41,102
Other assets	82,309	69,656	50,497	43,509
TOTAL ASSETS	**3,487,536**	**3,393,642**	**3,361,292**	**3,284,147**
LIABILITIES				
Deposits from banks	126,843	23,989	99,870	5,684
Deposits from customers	2,672,867	2,700,022	2,626,401	2,646,338

INCOME STATEMENT

(Amounts in thousands of Euros)

	EGNATIA GROUP				EGNATIA BANK			
	1/1 - 30/06/2006	**1/1 - 30/06/2005**	**1/4 - 30/06/2006**	**1/4 - 30/06/2005**	**1/1 - 30/06/2006**	**1/1 - 30/06/2005**	**1/4 - 30/06/2006**	**1/4 - 30/06/2005**
Interest and similar income	96,516	81,140	51,247	41,129	91,875	76,976	48,743	38,689
Interest expense and similar changes	46,284	33,020	23,984	16,255	44,661	31,723	23,037	15,675
Net interest income	**50,232**	**48,120**	**27,263**	**24,874**	**47,214**	**45,253**	**25,706**	**23,014**
Fee and commission income	28,146	20,059	12,883	10,243	11,649	11,506	5,612	5,952
Fee and commission expense	6,280	4,343	3,119	2,381	935	1,416	661	915
Net fee and commission income	**21,866**	**15,716**	**9,764**	**7,862**	**10,714**	**10,090**	**4,951**	**5,037**
Dividend income	155	89	155	89	485	379	485	379
Net trading income / (expense)	2,825	1,304	1,228	(1,468)	1,572	1,159	888	(337)
Other income	1,568	1,128	843	612	913	1,113	585	672
Total income	**76,646**	**66,357**	**39,253**	**31,969**	**60,898**	**57,994**	**32,615**	**28,765**
Impairment losses on loans and advances	11,581	7,229	4,240	3,352	11,240	6,960	3,899	3,240
Staff costs	34,916	30,335	18,132	15,198	28,953	26,280	14,613	12,825
Other operating expenses	15,708	13,157	7,835	7,143	12,002	10,597	6,175	5,445
Depreciation	3,538	3,487	1,793	1,680	2,774	2,995	1,409	1,508
Impairment losses from property	0	0	0	0	2,659	0	0	0
Share of loss of associates	249	(28)	150	(4)	0	0	0	0

Derivative financial instruments	1,526	2,135	1,521	1,600
Debt securities in issue and other borrowed funds	336,836	339,921	311,842	315,087
Other provisions	13,386	16,730	12,824	14,762
Other liabilities	80,176	61,442	58,602	51,017
Total Liabilities (a)	**3,231,634**	**3,144,239**	**3,111,060**	**3,034,488**
Share Capital	109,046	107,840	109,046	107,840
Share premium	140,558	138,479	140,558	138,479
Other reserves and accumulated deficit	(1,460)	(4,203)	628	3,340
Equity attributable to the Bank's equity holders	**248,144**	**242,116**	**250,232**	**249,659**
Minority interest	7,758	7,287	0	0
Total Equity (b)	**255,902**	**249,403**	**250,232**	**249,659**
TOTAL LIABILITIES AND EQUITY (a) + (b)	**3,487,536**	**3,393,642**	**3,361,292**	**3,284,147**

Profit before tax	**11,152**	**12,121**	**7,403**	**4,592**	**3,270**	**11,162**	**6,519**	**5,747**
Income tax expense	2,636	3,712	1,778	1,709	1,316	3,274	1,316	1,504
Deferred tax	253	318	(32)	254	160	284	(8)	267
Tax-audit differences	44	88	17	0	0	0	0	0
Profit after tax	**8,219**	**8,003**	**5,640**	**2,629**	**1,794**	**7,604**	**5,211**	**3,976**
Attributable to:								
Equity holders of the Bank	7,404	7,921	5,450	2,714	1,794	7,604	5,211	3,976
Minority interest	815	82	190	(85)	0	0	0	0
Earnings per share (Euro per share)								
Basic	0.08	0.09	0.06	0.03	0.02	0.09	0.06	0.05
Diluted	0.08	0.09	0.06	0.03	0.02	0.09	0.06	0.05

STATEMENT OF CHANGES IN EQUITY

from 01 January 2006 to 30 June 2006

(Amounts in thousands of Euros)

	EGNATIA GROUP		**EGNATIA BANK**	
	30/6/2006	**30/6/2005**	**30/6/2006**	**30/6/2005**
Balance at 1 January 2006 and 2005	249,403	216,492	249,659	220,059
Share capital increase	3,285	10	3,285	10
Dividends paid	(4,805)	(7,222)	(4,462)	(6,830)
Net income recognised directly in equity	(45)	(225)	(44)	19
Profit for the period after tax	8,219	8,003	1,794	7,604
Other movements	(155)	1,599	0	0
Balance at the end of period	**255,902**	**218,657**	**250,232**	**220,862**

CASH FLOW STATEMENT

from 01 January 2006 to 30 June 2006

(Amounts in thousands of Euros)

	EGNATIA GROUP		**EGNATIA BANK**	
	1/1 - 30/06/2006	**1/1 - 30/06/2005**	**1/1 - 30/06/2006**	**1/1 - 30/06/2005**
Net cash flows from operating activities (a)	29,952	(251,984)	(1,333)	(273,371)
Net cash flows from investing activities (b)	(44,576)	(35,893)	(47,723)	(33,241)
Net cash flows from financing activities (c)	(10,849)	72,173	(9,891)	71,948
Net increase (decrease) in cash and cash equivalents (a) + (b) + (c)	**(25,473)**	**(215,704)**	**(58,947)**	**(234,664)**
Effect of exchange rate fluctuations on cash and cash equivalents	387	167	387	310
Total cash flow for the period	**(25,086)**	**(215,537)**	**(58,560)**	**(234,354)**
Cash and cash equivalents at beginning of the period	704,621	583,223	677,430	559,352
Cash and cash equivalents at end of the period	**679,535**	**367,686**	**618,870**	**324,998**

Additional data and information:

1) Companies included in the consolidated financial statements, as well as the parent's participation directly or indirectly in them as at 30.06.2006 are:

Subsidiaries fully consolidated:

Company name	**Registered office**	**Participation %**	**Open tax years**
1. EGNATIA BANK ROMANIA A.E	Romania	98.99%	2003-2005
2. EGNATIA FINANCE STOCK BROKERS & INVESTMENT ADVISORS S.A.	Greece	70.00%	2002-2005
3. EGNATIA MUTUAL FUND MANAGEMENT COMPANY S.A.	Greece	51.00%	2003-2005
4. EGNATIA LEASING S.A.	Greece	99.90%	2005
5. EGNATIA FIN S.A.	Greece	99.00%	2000-2005
6. EUROCAMBIO - FOREIGN EXCHANGE & TOURIST ENTERPRISES S.A.	Greece	81.85%	2003-2005
7. EGNATIA INSURANCE SERVICES S.A.	Greece	60.00%	2005
8. EGNATIA FINANCE PLC	United Kingdom	100.00%	2005
9. EGNATIA LEASING ROMANIA S.A.	Romania	99.00%	2004-2005
10. EGNATIA BANK TRAVEL LTD	Greece	99.00%	2005
11. EGNATIA CONSUMER SERVICES S.A.	Greece	99.00%	2005
12. OBAFEMI HOLDINGS LTD	Cyprus	100.00%	-
13. EGNATIA PROPERTIES SRL	Romania	100.00%	-

Associates accounted for under the equity method:

Company name			
14. EGNATIA FINANCIAL SERVICES LTD	Cyprus	37.20%	2005

Companies 12-13 are consolidated for the first time on 30/06/2006.

2) The "EGNATIA BANK S.A." has been audited by the tax authorities up to and including the year 1999,
3) The Group and the parent Company have adopted accounting principles according to IFRS.
4) No Group fixed assets have been pledged from others.
5) There are no pending legal cases or issues in progress, which may have a material impact on the financial statements of the Group and the Bank.
6) The total employees of the Group as at June 31, 2006 were 1,709 and the employees of the Bank as at June 30, 2006 were 1,368, (2005: 1631, 1357).
7) The bank's balances of receivables and liabilities with the related parties in accordance with IFRS 24, at the end of the current period, come up to thousands of Euros 194.371 and 415.323 respectively. The amounts of income and expenses in thousands of Euros 5.166 and 8.586 respectively.
8) The consolidated financial statements of the Bank are included in the consolidated financial statements of MARFIN FINANCIAL GROUP S.A.

Thessaloniki , July 26, 2006

THE PRESIDENT OF THE BOARD OF DERECTORS	MANAGING DIRECTOR	CHIEF FINANCIAL OFFICER
VASSILIOS N.THEOCHARAKIS Reg. No S 231179/98	ELEFTHERIOS A.CHILIADAKIS Reg. No P 073667/90	AGGELOS N. SAPRANIDIS Reg. No AA 273117/05 Permit 0016834/18-07-2001

EGNATIA BANK A.E.
FINANCIAL DATA AND INFORMATION
FOR THE PERIOD FROM JANUARY 1st, 2006 TO MARCH 31st 2006
(In accordance with Law 2190, article 135 and the decision 17/336/21.04.2005 by the Money Market Commission)

The financial information set out below provides a general presentation of the financial position and results of Egnatia Bank A.E. and the Group. The reader who seeks to have a complete view of the financial position and its results may visit the company's web site "www.Egnatiabank.gr" where the financial statements of March 31st prepared in accordance with International Financial Reporting Standards (I.F.R.S) are available.

COMPANY'S INFORMATION

Name	:	**EGNATIA BANK A.E.**
R.N.S.A.	:	6072/06/B/86/11
Registered office	:	4 Danaidon Street, 546 26 Thessaloniki

BALANCE SHEET

(Amounts in thousands of Euros)

	EGNATIA GROUP		EGNATIA BANK	
ASSETS	**31.03.2006**	**31.12.2005**	**31.03.2006**	**31.12.2005**
Cash and balances with Central Bank	171,453	130,481	127,384	103,251
Loans and advances to banks	559,730	587,872	603,669	623,912
Trading securities	13,765	18,326	10,530	15,589
Derivative financial instruments	595	499	553	34
Loans and advances to customers	2,479,132	2,392,513	2,262,374	2,277,988
Investment securities	130,210	137,239	125,301	127,344
Investments in subsidiaries	0	0	41,226	43,885
Investments in associates	1,632	1,533	161	161
Intangible assets	8,149	8,345	7,172	7,373
Property, plant and equipment	47,630	47,178	41,583	41,101
Other assets	62,026	69,656	43,657	43,509
TOTAL ASSETS	**3,474,322**	**3,393,642**	**3,263,610**	**3,284,147**
LIABILITIES				
Deposits from banks	23,026	23,989	4,045	5,684
Deposits from customers	2,785,159	2,700,022	2,629,811	2,646,338
Derivative financial instruments	2,871	2,135	2,750	1,600
Debt securities in issue and other borrowed funds	337,459	339,921	312,496	315,087
Other provisions	13,618	16,730	13,090	14,762
Other liabilities	57,090	61,442	52,050	51,017
Total Liabilities (a)	**3,219,223**	**3,144,239**	**3,014,242**	**3,034,488**
Share Capital	108,796	107,840	108,796	107,840
Share premium	140,127	138,479	140,127	138,479
Other reserves and accumulated deficit	(1,738)	(4,203)	445	3,340
Equity attributable to the Bank's equity holders	**247,185**	**242,116**	**249,368**	**249,659**
Minority interest	7,914	7,287	0	0

INCOME STATEMENT

(Amounts in thousands of Euros)

	EGNATIA GROUP		EGNATIA BANK	
	31.03.2006	**31.03.2005**	**31.03.2006**	**31.03.2005**
Interest and similar income	45,269	40,011	43,132	38,287
Interest expense and similar changes	22,300	16,765	21,623	16,048
Net interest income	**22,969**	**23,246**	**21,509**	**22,239**
Fee and commission income	15,263	9,815	6,038	5,554
Fee and commission expense	3,160	1,961	275	500
Net fee and commission income	**12,103**	**7,854**	**5,763**	**5,054**
Dividend income	0	0	0	0
Net trading income / (expense)	1,597	2,771	684	1,495
Other income	724	515	328	441
Total income	**37,393**	**34,386**	**28,284**	**29,229**
Impairment losses on loans and advances	7,341	3,876	7,341	3,720
Staff costs	16,784	15,136	14,340	13,456
Other operating expenses	7,873	6,015	5,827	5,151
Depreciation	1,746	1,807	1,365	1,486
Impairment losses from property	0	0	2,659	0
Share of loss of associates	99	(24)	0	0
Profit before tax	**3,748**	**7,528**	**(3,248)**	**5,416**
Income tax expense	859	2,003	0	1,771
Deferred tax	284	64	168	17
Tax-audit differences	26	88	0	0
Profit after tax	**2,579**	**5,373**	**(3,416)**	**3,628**
Attributable to:				
Equity holders of the Bank	1,954	5,206	(3,416)	3,628
Minority interest	625	167		

EGNATIA BANK

Total Equity (b)	**255,099**	**249,403**	**249,368**	**249,659**
TOTAL LIABILITIES AND EQUITY (a) + (b)	**3,474,322**	**3,393,642**	**3,263,610**	**3,284,147**

Earnings per share (Euro per share)				
Basic	0.02	0.06	(0.04)	0.04
Diluted	0.02	0.06	(0.04)	0.04

STATEMENT OF CHANGES IN EQUITY

	EGNATIA GROUP		**EGNATIA BANK**	
from 01 January 2006 to 31 March 2006	**31.03.2006**	**31.03.2005**	**31.03.2006**	**31.03.2005**
(Amounts in thousands of Euros)				
Balance at 1 January 2006 and 2005	249,403	216,492	249,659	220,059
Share capital increase	2,604	10	2,604	10
Dividends paid	0	0	0	0
Net income recognised directly in equity	527	(283)	521	(283)
Profit for the period after tax	2,579	5,373	(3,416)	3,628
Other movements	(14)	0	0	0
Balance at 31 March 2006 and 2005	**255,099**	**221,592**	**249,368**	**223,414**

CASH FLOW STATEMENT

	EGNATIA GROUP		**EGNATIA BANK**	
	From 1 January to		**From 1 January to**	
from 01 January 2006 to 31 March 2006	**31.03.2006**	**31.03.2005**	**31.03.2006**	**31.03.2005**
(Amounts in thousands of Euros)				
Net cash flows from operating activities (a)	9,608	(147,990)	(13,699)	(183,293)
Net cash flows from investing activities (b)	5,522	(33,059)	987	(29,585)
Net cash flows from financing activities (c)	(2,671)	(399)	(2,611)	(282)
Net increase (decrease) in cash and cash equivalents (a) + (b) + (c)	**12,459**	**(181,448)**	**(15,323)**	**(213,160)**
Effect of exhange rate fluctuations on cash and cash equivalents	193	133	193	133
Total cash flow for the period	**12,652**	**(181,315)**	**(15,130)**	**(213,027)**
Cash and cash equivalents at beginning of the period	704,620	583,223	677,430	559,352
Cash and cash equivalents at end of the period	**717,272**	**401,908**	**662,300**	**346,325**

Additional data and information:
1) Companies included in the consolidated financial statements, as well as the parent's participation directly or indirectly in them as at 31.03.2006 are:

Subsidiaries fully consolidated:

Company name	**Registered office**	**Participation %**
1.EGNATIA BANK (ROMANIA) S.A.	Romania	98.99%
2.EGNATIA FINANCE STOCK BROKERS & INVESTMENT ADVISORS S.A.	Greece	70.00%
3.EGNATIA MUTUAL FUND MANAGEMENT COMPANY S.A.	Greece	51%
4.EGNATIA LEASING S.A.	Greece	99.90%
5.EGNATIA FIN S.A.	Greece	99.00%
6.EUROCAMBIO - FOREIGN EXCHANGE & TOURIST ENTERPRISES S.A.	Greece	81.85%
7.EGNATIA INSURANCE SERVICES S.A.	Greece	60.00%
8.EGNATIA FINANCE PLC	United Kingdom	100.00%
9.EGNATIA LEASING ROMANIA S.A.	Romania	99.00%
10.EGNATIA BANK TRAVEL LTD.	Greece	100.00%
11.EGNATIA CONSUMER SERVICES S.A.	Greece	99.00%

Associates accounted for under the equity method:

Company name	**Registered office**	**Participation %**
12.EGNATIA FINANCIAL SERVICES LTD	Cyprus	37.20%

2) The companies of the Group that have been audited by the tax authorities are: a) "EGNATIA BANK S.A." up to and including the year 1999, b) "EGNATIA FINANCE STOCK BROKERS & INVESTMENT ADVISORS S.A." up to and including the year 2001, c) "EGNATIA MUTUAL FUND MANAGEMENT COMPANY S.A., "EGNATIA INSURANCE SERVICES S.A." and "EUROCAMBIO"up to and including the year 2002 d) "EGNATIA LEASING S.A." up to and including the year 2004 and e)"EGNATIA FIN S.A." , "EGNATIA BANK TRAVEL LTD" and " EGNATIA CONSUMER SERVICES A.E." have never been audited (1999 and 2005 the last two respectively).
3) The Group and the parent Company have adopted accounting principles according to IFRS.
4) No Group fixed assets have been pledged from others.
5) There are no pending legal cases or issues in progress, which may have a material impact on the financial statements of the Group and the Bank.
6) The total employees of the Group as at March 31, 2006 were 1,713 and the employees of the Bank as at March 31, 2006 were 1,378, (2005: 1566, 1329).
7) The bank's balances of receivables and liabilities with the related parties in accordance with IFRS 24, at the end of the current period, come up to thousands of Euros 180.990 and 339.784 respectively. The amounts of income and expenses in thousands of Euros 2.500 and 3.854 respectively.
8) The consolidated financial statements of the Bank are included in the consolidated financial statements of MARFIN FINANCIAL GROUP S.A.

Thessaloniki , May 23, 2006

THE PRESIDENT OF THE BOARD
OF DERECTORS

VASSILIOS N.THEOCHARAKIS
Reg. No S 231179/98

MANAGING DIRECTOR

VASSILIOS K
KELTSOPOULOS
Reg. No L 069011/79

CHIEF FINANCIAL OFFICER

AGGELOS N. SAPRANIDIS
Reg. No AA 273117/05
Permit 0016834/18-07-2001

9. Availability of the Financial Statements

The annual Financial Statements of the Bank and of the Group as well as the Auditor's Reports and Board of Directors' Report are available at the web site address www.egnatiabank.gr.

The annual Financial Statements as well as the Auditor's Reports and Board of Directors' Report of the companies that are included in the consolidated financial statements, are available after their publishing at the web site address www.egnatiabank.gr.