



**Interim Financial Statements
as at 30 September 2008**

**In accordance with International Financial Reporting Standards
(I.A.S. 34)**

23 Panepistimiou st, Athens, 10564

www.atebank.gr

A.M. 24402/06/B/91/39

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Interim income statement
For the period ended 30 September 2008
(Amounts in thousands of Euro)

| | Note | 1/1 - 30/9/2008 | 1/1 - 30/9/2007 | 1/7 - 30/9/2008 | 1/7 - 30/9/2007 |
|--|-----------|--------------------|--------------------|--------------------|--------------------|
| Interest and similar income | | 863.096 | 720.449 | 318.513 | 240.773 |
| Interest expense and similar charges | | (409.177) | (283.042) | (162.965) | (99.125) |
| Net interest income | 8 | 453.919 | 437.407 | 155.548 | 141.648 |
| Fee and commission income | | 69.350 | 58.403 | 31.912 | 18.194 |
| Fee and commission expense | | (22.348) | (16.878) | (8.487) | (6.136) |
| Net fee and commission income | 9 | 47.002 | 41.525 | 23.425 | 12.058 |
| Net trading income | 10 | (33.070) | 41.432 | (12.458) | (1.789) |
| Net gain/(loss) on disposal of non-trading financial instruments | 11 | 3.879 | 80.518 | (419) | 62.000 |
| Dividend income | 12 | 25.434 | 25.903 | 697 | 2.070 |
| Other operating income | 13 | 16.925 | 18.899 | 4.781 | 8.287 |
| Other income | | 13.168 | 166.752 | (7.399) | 70.568 |
| Operating income | | 514.089 | 645.684 | 171.574 | 224.274 |
| Impairment losses | 14 | (68.772) | (61.846) | (27.772) | (18.000) |
| Operating expenses | 15 | (352.621) | (335.923) | (125.536) | (116.055) |
| Profit before tax | | 92.696 | 247.915 | 18.266 | 90.219 |
| Income tax expense | 16 | (27.062) | (54.444) | (6.611) | (19.709) |
| Profit after tax | | 65.634 | 193.471 | 11.655 | 70.510 |
| Basic and diluted earnings per share (expressed in Euro per share) | 17 | 0,0725 | 0,2137 | 0,0129 | 0,0779 |

The Financial Statements on pages 1 to 15 have been prepared according to the International Financial Reporting Standards (IFRS) as adopted by the European Union applicable to Interim Financial Reporting (IAS 34), have been approved by the Board of Directors as of 28 November 2008 and are signed by:

The Governor

The Deputy Governor

The Head of Finance Department

Dimitrios Miliakos

Vasilios Drougas

Christos Stokas

The accompanying notes (pages from 5 to 15) are an integral part of these interim financial statements.

Interim balance sheet
For the period ended 30 September 2008
(Amounts in thousands of Euro)

| | Note | 30/9/2008 | 31/12/2007 |
|--|------|-------------------|-------------------|
| Assets | | | |
| Cash and balances with the Central Bank | | 1.364.712 | 1.180.630 |
| Loans and advances to banks | | 1.082.659 | 682.021 |
| Trading securities | | 657.220 | 518.479 |
| Derivative financial instruments | | 47.070 | 45.788 |
| Loans and advances to customers | 18.1 | 17.977.593 | 16.849.837 |
| Available-for-sale securities | 19 | 1.945.230 | 1.183.005 |
| Held-to-maturity securities | | 1.177.425 | 1.177.360 |
| Investments in subsidiaries and associates | | 423.238 | 478.742 |
| Investment property | | 163.697 | 169.658 |
| Property, plant and equipment | 21 | 293.971 | 298.529 |
| Intangible assets | | 4.785 | 5.512 |
| Deferred tax asset | | 327.128 | 304.538 |
| Other assets | | 705.238 | 505.120 |
| Non-current assets held for sale | | 77.156 | 0 |
| Total assets | | 26.247.122 | 23.399.219 |
| Liabilities | | | |
| Deposits from banks | | 4.513.464 | 769.327 |
| Deposits from customers | 22 | 19.829.965 | 20.713.674 |
| Derivative financial instruments | | 18.337 | 12.867 |
| Provision for employee benefits | 23 | 9.811 | 9.811 |
| Other liabilities | | 315.366 | 244.882 |
| Subordinated loans | | 447.990 | 199.616 |
| Total liabilities | | 25.134.933 | 21.950.177 |
| Equity | | | |
| Share capital | 24 | 651.920 | 651.920 |
| Share premium | | 93.868 | 94.231 |
| Other reserves | 25 | (21.111) | 279.914 |
| Accumulated surplus | | 387.512 | 422.977 |
| Total equity | | 1.112.189 | 1.449.042 |
| Total equity and liabilities | | 26.247.122 | 23.399.219 |

The accompanying notes (pages from 5 to 15) are an integral part of these interim financial statements.

Interim statement of changes in equity
For the period ended 30 September 2008
(Amounts in thousands of Euro)

| | Share capital | Treasury shares | Share premium | Reserves | Accumulated surplus / (deficit) | Total |
|--|------------------|--------------------|------------------|-----------------|---------------------------------------|------------------|
| Balance at 1/1/2007 | 651.920 | 0 | 94.714 | 365.195 | 222.668 | 1.334.497 |
| Profit for the period 1/1 - 30/09/2007 | 0 | 0 | 0 | 0 | 193.471 | 193.471 |
| Net gain/(loss) from changes in fair value of available-for-sale securities | 0 | 0 | 0 | 12.988 | 0 | 12.988 |
| Net (gain)/loss transferred to income statement on disposal of available-for-sale securities | 0 | 0 | 0 | (65.691) | 0 | (65.691) |
| Deferred tax on entries recognized directly to equity | 0 | 0 | (362) | 0 | 0 | (362) |
| Dividends paid | 0 | 0 | 0 | 0 | (81.490) | (81.490) |
| Transfer to reserves | 0 | 0 | 0 | (70.708) | 70.708 | 0 |
| Balance at 30/9/2007 | 651.920 | 0 | 94.352 | 241.784 | 405.357 | 1.393.413 |
| Profit for the period 1/10 - 31/12/2007 | 0 | 0 | 0 | 0 | 17.620 | 17.620 |
| Net gain/(loss) from changes in fair value of available-for-sale securities | 0 | 0 | 0 | 36.918 | 0 | 36.918 |
| Net (gain)/loss transferred to income statement on disposal of available-for-sale securities | 0 | 0 | 0 | 1.212 | 0 | 1.212 |
| Deferred tax on entries recognized directly to equity | 0 | 0 | (121) | 0 | 0 | (121) |
| Balance at 31/12/2007 | 651.920 | 0 | 94.231 | 279.914 | 422.977 | 1.449.042 |
| Profit for the period 1/1 - 30/9/2008 | 0 | 0 | 0 | 0 | 65.634 | 65.634 |
| Net gain/(loss) from changes in fair value of available-for-sale securities | 0 | 0 | 0 | (358.095) | 0 | (358.095) |
| Deferred tax on entries recognized directly to equity | 0 | 0 | (363) | 46.515 | 0 | 46.152 |
| Dividends paid | 0 | 0 | 0 | 0 | (90.544) | (90.544) |
| Transfer to reserves | 0 | 0 | 0 | 10.555 | (10.555) | 0 |
| Balance at 30/9/2008 | 651.920 | 0 | 93.868 | (21.111) | 387.512 | 1.112.189 |

The accompanying notes (pages from 5 to 15) are an integral part of these interim financial statements.

Interim cash flow statement
For the period ended 30 September 2008
(Amounts in thousands of Euro)

| | Note | 30/9/2008 | 30/9/2007 |
|---|-----------------|--------------------|-----------------|
| Operating activities | | | |
| Profit before tax | | 92.696 | 247.915 |
| Adjustment for: | | | |
| Depreciation and amortization | | 18.764 | 20.917 |
| Impairment losses | 14, 18.2 | 68.772 | 61.846 |
| Changes in provisions | | (132.789) | (68.021) |
| Change in fair value of trading investments | | 32.474 | (27.602) |
| (Gain)/loss on the sale of investments, property and equipment | | (28.199) | (128.829) |
| Changes in operating assets and liabilities | | | |
| Net (increase)/decrease in loans and advances to banks | | (403.890) | (263.592) |
| Net (increase)/decrease in trading securities | | (330.152) | 34.888 |
| Net (increase)/decrease in loans and advances to customers | | (1.132.110) | (783.879) |
| Net (increase)/decrease in other assets | | (39.716) | 8.268 |
| Net increase/(decrease) in deposits from banks | | 3.744.137 | 54.901 |
| Net increase/(decrease) in deposits from customers | | (883.709) | 1.077.609 |
| Net increase/(decrease) in other liabilities | | (12.715) | (318.282) |
| Cash flows from operating activities | | 993.563 | (83.861) |
| Investing activities | | | |
| Acquisition of intangible assets, property and equipment | | (14.039) | (23.070) |
| Proceeds from the sale of intangible assets, property and equipment | | 12.680 | 17.735 |
| (Purchases)/Proceeds of held to maturity portfolio | | 0 | 35.513 |
| (Purchases)/Sales of available for sale portfolio | | (1.011.057) | 120.940 |
| Dividends received | | 20.504 | 23.119 |
| Purchases of subsidiaries | | (24.858) | (40.821) |
| Sale of subsidiaries | | 4.049 | 0 |
| Cash flows from investing activities | | (1.012.721) | 133.416 |
| Financing activities | | | |
| Share capital return - Dividends paid | 26 | (45.272) | (81.490) |
| Proceeds from debt issued | | 248.374 | 0 |
| Cash flows from financing activities | | 203.102 | (81.490) |
| Effect of exchange rate changes on cash and cash equivalent | | 138 | (244) |
| Net increase/(decrease) in cash flows | | 184.082 | (32.179) |
| Cash and cash equivalents at 1 January | | 1.180.630 | 925.536 |
| Cash and cash equivalents at 30 September | | 1.364.712 | 893.357 |

The accompanying notes (pages from 5 to 15) are an integral part of these interim financial statements.

1. INFORMATION ABOUT THE BANK

Agricultural Bank, (the Bank or ATE), was founded in 1929 in order mainly to provide banking services on its own behalf and on behalf of third parties that contribute to the modernization and growth of the economy and specifically of the Agricultural Sector. From 2005 the bank uses the brand name "ATEbank".

The Bank has a network of 474 branches in Greece and 23 abroad, 22 of which in Romania «ATEbank Romania» and 1 in Germany which offer to their clients a wide range of banking activities. Approximately 45% of its branches are privately owned. The Bank also has 949 ATMs (Automatic Teller Machines) in Greece and 1 in Romania.

The Bank's shares have been listed since 2000 on the Athens Stock Exchange and are included in the FTSE 20 Index (index for Large Capitalization Companies).

2. STATEMENT OF COMPLIANCE

The interim financial statements as of 30 September 2008 have been prepared in accordance with the International Financial Reporting Standards (I.F.R.S.) as adopted by the European Union applicable to Interim Financial Reporting (IAS 34). They do not include all the information required for full annual Financial Statements, and should be read in conjunction with the Financial Statements of the Bank as at and for the year ended 31 December 2007.

ATEbank also prepares consolidated financial statements in consistency to the above mentioned accounting standards.

The financial statements in stand alone and consolidated basis were approved by the Board of Directors on 28 November 2008 and are available on the web address www.atebank.gr.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies which have been applied by the bank in the preparation of the interim financial statements as of 30 September 2008, are the same as those presented in the published financial statements as of 31 December 2007.

The Bank's functional currency is euro. Except indicated otherwise, these financial statements are presented in thousands of euro.

4. ESTIMATION

The preparation of the interim financial statements requires that Management makes judgements, estimates and assumptions which may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

During the current period there were no changes in the management estimation.

5. RISK MANAGEMENT AND CAPITAL ADEQUACY

Risk management of the Bank mainly concerns:

- To comply with the capital requirements set by the regulators of the Banking markets where the Bank operates;
- To safeguard the Bank's ability to continue as a going concern so that it can keep on providing returns and benefits for shareholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored by the Bank's authorized departments, employing techniques based on the guidelines developed by the Basel Committee and the European Community Directives, as adopted by the Bank of Greece. The required information is filed with the Authority on a quarterly basis.

The bank's capital adequacy is calculated according to the relevant directives by the Bank of Greece (2563/05 & 2587/2007), which is an enforcement of the directive of the European Union for the capital adequacy of financial institutions and investment funds.

The Bank's regulatory capital is divided into two tiers:

- Tier 1 capital
- Tier 2 capital

The risk-weighted assets are measured by means of a hierarchy of five risk weights classified according to their nature, reflecting an estimation of credit, market and other risks associated with each asset and counter party, taking into account any eligible collateral or guarantees. A similar treatment is adopted for off-balance exposure, with some adjustments to reflect the more contingent nature of the potential losses.

The table below summarizes the composition of regulatory capital of the Bank for the period ended 30 September 2008.

| | |
|---|-------------------|
| Tier 1 Capital | 30/9/2008 |
| Total equity | 1.112.189 |
| Less: Intangible assets | (4.785) |
| Adjustment and deductions according to Bank of Greece directive 2563/2005 & 2587/2007 | (84.113) |
| | 1.023.290 |
| Tier 2 Capital | |
| Supplementary capital | 447.990 |
| Adjustment and deductions according to Bank of Greece directive 2563/2005 & 2587/2007 | (170.681) |
| | 277.309 |
| Deductions from total regulatory capital | (77.156) |
| Regulatory capital | 1.223.443 |
| Risk-weighted assets | 14.020.073 |
| Capital adequacy ratio | 8,73% |

The capital ratio for the Bank as of 30/9/2008, is estimated to rise to 8,73%.

Within July of 2008, a subordinated loan, classified as Tier 2 Capital, for the amount of EUR 250 million was issued, which replaced the old one which was redeemed on 24.12.2007.

6. SEGMENT REPORTING

The segments that are considered to be as most representative for the Bank's business activity are analyzed as follows:

| (Amounts in thousand Euro) | | 30/9/2008 | | | | |
|-------------------------------|----------------|------------------------------|------------------|---------------|-----------------|----------------|
| | Retail banking | Small and medium enterprises | Corporate sector | Public sector | Treasury | Total |
| Net interest income | 319.609 | 36.398 | 60.729 | 51.571 | (14.388) | 453.919 |
| Net fee and commission income | 6.779 | 4.875 | 16.106 | 18.234 | 1.008 | 47.002 |
| Dividend income | 0 | 0 | 0 | 0 | 25.434 | 25.434 |
| Net trading income | 0 | 0 | 0 | 0 | (29.191) | (29.191) |
| Other operating income | 2.539 | 1.195 | 1.124 | 1.014 | 11.053 | 16.925 |
| Total operating income | 328.927 | 42.468 | 77.959 | 70.819 | (6.084) | 514.089 |
| Operating expenses | (232.730) | (29.155) | (34.454) | (33.554) | (22.728) | (352.621) |
| Impairment losses | (30.521) | (7.095) | (31.156) | 0 | 0 | (68.772) |
| Profit before tax | 65.676 | 6.218 | 12.349 | 37.265 | (28.812) | 92.696 |
| Income tax expense | | | | | | (27.062) |
| Profit after tax | | | | | | 65.634 |

| (Amounts in thousand Euro) | | 30/9/2007 | | | | |
|-------------------------------|----------------|------------------------------|------------------|---------------|----------------|----------------|
| | Retail banking | Small and medium enterprises | Corporate sector | Public sector | Treasury | Total |
| Net interest income | 260.128 | 31.309 | 57.013 | 66.715 | 22.242 | 437.407 |
| Net fee and commission income | 11.117 | 2.544 | 9.773 | 18.122 | (31) | 41.525 |
| Dividend income | 0 | 0 | 0 | 0 | 25.903 | 25.903 |
| Net trading income | 0 | 0 | 0 | 0 | 121.950 | 121.950 |
| Other operating income | 1.685 | 1.121 | 1.294 | 3.426 | 11.373 | 18.899 |
| Total operating income | 272.930 | 34.974 | 68.080 | 88.263 | 181.437 | 645.684 |
| Operating expenses | (196.515) | (27.441) | (32.450) | (40.478) | (39.039) | (335.923) |
| Impairment losses | (29.505) | (3.865) | (23.630) | 0 | (4.846) | (61.846) |
| Profit before tax | 46.910 | 3.668 | 12.000 | 47.785 | 137.552 | 247.915 |
| Income tax expense | | | | | | (54.444) |
| Profit after tax | | | | | | 193.471 |

7. ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATES

Within the current period the Bank mainly disposed some of its subsidiaries. The main transactions of the period are as follows:

- Disposal of the participation (75%) to ETANAL S.A. for the amount of Euro 360 thousand at 4/2/2008. A profit of Euro 250 thousand from the disposal of the above mentioned investment was recorded on the income statement of the period.

- b. Disposal of the participation (70,09%) to RODOPI S.A. for the amount of Euro 3.689 thousand. A profit of Euro 593 thousand from the disposal of the above mentioned investment was recorded on the income statement of the period.
- c. Additional acquisition of 1,23% in the share capital of the associate SEKAP S.A., with total cost of € 358 thousand
- d. Participation in the share capital increase of FBB of amount € 24.500 thousand without affecting the participation which remains at 49%
- e. The Shareholders' General Meeting of the Bank's subsidiary ATEbank ROMANIA, held at 22/2/2008 decided the Share Capital increase without the participation of existing shareholders. The Share Capital increase was paid in full by the International Finance Corporation, which consists the investing division of the World Bank. Upon completion of the procedure the participation of ATEbank is 74,13% (from 87,21%).
- f. The disposal of a main part of participation (almost 50% of share capital) in ATE Insurance S.A. was decided. The sale is estimated to be completed by the end of the current year. A specific note for the Discontinuing Operations is provided in the consolidated financial statements, in Note 8.

8. NET INTEREST INCOME

(Amounts in thousand Euro)

| | 1/1 - 30/9/2008 | 1/1 - 30/9/2007 |
|--|--------------------|--------------------|
| Interest and similar income: | | |
| Loans and advances to customers | 702.799 | 606.102 |
| Loans to banks | 41.610 | 60.869 |
| Debt instruments | 118.687 | 53.478 |
| | 863.096 | 720.449 |
| Interest expense and similar charges: | | |
| Customer deposits | (326.207) | (255.692) |
| Bank deposits | (68.599) | (10.028) |
| Subordinated loans | (12.234) | (15.282) |
| Financial leasing (Lessor) | (2.137) | (2.040) |
| | (409.177) | (283.042) |
| Net interest income | 453.919 | 437.407 |

9. NET FEE AND COMMISSION INCOME

(Amounts in thousand Euro)

| | 1/1 - 30/9/2008 | 1/1 - 30/9/2007 |
|--|--------------------|--------------------|
| Fee and commission income | | |
| Loans and advances to customers | 25.191 | 16.971 |
| Custody services | 2.424 | 3.167 |
| Import-exports | 815 | 793 |
| Letters of guarantee | 3.661 | 4.087 |
| Money transfers | 9.302 | 10.574 |
| Other | 27.957 | 22.811 |
| | 69.350 | 58.403 |
| Fee and commission expenses | | |
| Contribution to Savings Guarantee Fund | (9.453) | (8.101) |
| Other | (12.895) | (8.777) |
| | (22.348) | (16.878) |
| Net fee and commission income | 47.002 | 41.525 |

10. NET TRADING INCOME

(Amounts in thousand Euro)

| | 1/1 – 30/9/2008 | 1/1 - 30/9/2007 |
|----------------------------------|--------------------|--------------------|
| Trading Portfolio | | |
| Gain minus Losses | | |
| Derivative financial instruments | 19.747 | 7.894 |
| Foreign exchange differences | 1.950 | (2.962) |
| Sales | | |
| Equity instruments | (19.671) | 5.555 |
| Debt instruments | (2.284) | 3.343 |
| Revaluation | | |
| Equity instruments | (9.285) | 3.996 |
| Debt instruments | (10.151) | 4.784 |
| Derivative financial instruments | (13.376) | 18.822 |
| | (33.070) | 41.432 |

11. NET GAIN / (LOSS) ON DISPOSAL OF NON TRADING FINANCIAL INSTRUMENTS

(Amounts in thousand Euro)

| | 1/1 – 30/9/2008 | 1/1 - 30/9/2007 |
|--|--------------------|--------------------|
| Financial assets available for sale | | |
| From sale | | |
| Equity instruments | 843 | 71.094 |
| Debt instruments | (421) | 0 |
| Other | 3.457 | 9.424 |
| | 3.879 | 80.518 |

12. DIVIDEND INCOME

(Amounts in thousand Euro)

| | 1/1 – 30/9/2008 | 1/1 - 30/9/2007 |
|-------------------------------|--------------------|--------------------|
| Trading securities | 1.929 | 2.784 |
| Available for sale securities | 19.271 | 19.799 |
| Subsidiaries | 4.234 | 3.320 |
| | 25.434 | 25.903 |

13. OTHER OPERATING INCOME

(Amounts in thousand Euro)

| | 1/1 - 30/9/2008 | 1/1 - 30/9/2007 |
|------------------------------------|--------------------|--------------------|
| Gain from the sale of fixed assets | 6.297 | 8.400 |
| Income from investment property | 2.401 | 2.079 |
| Income from sequential activities | 4.647 | 4.336 |
| Telecommunication fees | 303 | 2.369 |
| Other | 3.277 | 1.715 |
| | 16.925 | 18.899 |

14. IMPAIRMENT LOSSES

(Amounts in thousand Euro)

| | 1/1 - 30/9/2008 | 1/1 - 30/9/2007 |
|---------------------------------|--------------------|--------------------|
| Loans and advances to customers | (68.772) | (60.000) |
| Other | 0 | (1.846) |
| | (68.772) | (61.846) |

15. OPERATING EXPENSES

(Amounts in thousand Euro)

| | 1/1 - 30/9/2008 | 1/1 - 30/9/2007 |
|------------------------------------|--------------------|--------------------|
| Staff costs | (253.128) | (246.216) |
| Third party fees | (20.803) | (14.026) |
| Advertising and promotion expenses | (11.673) | (12.273) |
| Telecommunication expenses | (8.400) | (6.075) |
| Insurance fees | (702) | (572) |
| Repairs and maintenance | (5.791) | (6.043) |
| Travel | (6.117) | (4.705) |
| Stationery | (2.122) | (1.901) |
| Utility services | (2.517) | (1.956) |
| Depreciation | (18.764) | (20.917) |
| Operating lease rentals | (10.360) | (8.622) |
| Other taxes | (3.940) | (3.043) |
| Other | (8.304) | (9.574) |
| | (352.621) | (335.923) |

The number of persons employed by the Bank at 30/9/2008 was 6.238 (30/9/2007: 6.491).

16. INCOME TAX EXPENSE

(Amounts in thousand Euro)

| | 1/1 - 30/9/2008 | 1/1 - 30/9/2007 |
|-----------------------------------|--------------------|--------------------|
| Tax differences for the year 2006 | 0 | (202) |
| Deferred tax | (27.062) | (54.242) |
| | (27.062) | (54.444) |

According to the Greek Law, the income tax on the profits of the period is calculated since the 1st January of 2007 on the basis of the tax rate of 25%.

In Greece, the results reported to the tax authorities by an entity are considered 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. The Bank has been audited by the tax authorities and has settled all its tax obligations up until 31 December 2004.

For the years 2005 to 2007 as well as for the period 01/01/2008 – 30/09/2008, the relative provision has been accounted according to IFRS.

17. BASIC AND DILUTED EARNINGS PER SHARE

| | 1/1 - 30/9/2008 | 1/1 - 30/9/2007 |
|---|--------------------|--------------------|
| Earnings after tax (in thousands of euro) | 65.634 | 193.471 |
| Weighted average of number of shares in issue | 905.444.444 | 905.444.444 |
| Basic and diluted earnings per share (expressed in euro per share) | 0,0725 | 0,2137 |

Basic earnings per share are calculated by dividing the net profit by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Bank and held as treasury shares.

Basic and diluted earnings per share are the same as the Bank has not issued any dilutive share instruments.

18. LOANS AND ADVANCES TO CUSTOMERS

(Amounts in thousand Euro)

| 18.1 | 30/9/2008 | 31/12/2007 |
|--------------------------------------|-------------------|-------------------|
| Credit cards | 422.822 | 308.298 |
| Consumer loans | 1.053.676 | 735.493 |
| Mortgages | 5.885.894 | 5.079.895 |
| Loans to private individuals | 7.362.392 | 6.123.686 |
| Loans to the agricultural sector | 2.099.923 | 1.978.305 |
| Corporate loans | 3.748.292 | 3.483.946 |
| Small and medium sized firms | 1.519.602 | 1.002.559 |
| Loans to corporate entities | 7.367.817 | 6.464.810 |
| Loans to the public sector | 4.027.422 | 5.183.478 |
| | 18.757.631 | 17.771.974 |
| Less: allowance for uncollectibility | (780.038) | (922.137) |
| | 17.977.593 | 16.849.837 |

The allocation of Loans and advances to customers into separate categories, as of 31/12/2007, has been restated in order to be easily compared with the equivalent categories as of 30/9/2008. This amendment is consistent with the new directive of the Basel II, which is applicable since 1/1/2008.

18.2 Allowance for uncollectibility

| Movement in the allowance for uncollectibility | 2008 | 2007 |
|--|----------------|------------------|
| Balance at 1 January | 922.137 | 1.300.856 |
| Provision for impairment | 68.772 | 60.000 |
| Loans written-off | (210.871) | (204.992) |
| Balance at 30 September | 780.038 | 1.155.864 |
| Balance at 1 October | | 1.155.864 |
| Provision for impairment | | 17.000 |
| Loans written-off | | (250.727) |
| Balance at 31 December | | 922.137 |

In order for a write off to be materialized, a proposal is submitted by the Write Off Committee, which is subsequently verified by the Asset and Liability Management Committee (ALCO) and the Board of Directors. Write offs are recorded on off balance sheet accounts in order to be monitored for prospective legal actions and probable collections.

19. AVAILABLE-FOR-SALE SECURITIES

(Amounts in thousand Euro)

| | 30/9/2008 | 31/12/2007 |
|-------------------------|-----------|------------|
| Debt securities: | | |
| Greek Government bonds | 159.612 | 91.408 |
| Other issuers | 1.218.696 | 298.886 |
| | 1.378.308 | 390.294 |

Equity securities:

| | | |
|-------------|---------|---------|
| Listed | 491.227 | 711.812 |
| Unlisted | 13.907 | 7.956 |
| Equity fund | 45.286 | 48.906 |
| | 550.420 | 768.674 |

Mutual fund units

| | | |
|--|------------------|------------------|
| | 16.502 | 24.037 |
| | 1.945.230 | 1.183.005 |

All available-for-sale securities are carried at fair value, except for the unlisted equity securities of EUR 13.907 thousand (31/12/2007: EUR 7.956 thousand), which are carried at cost because fair value can not be determined.

20. AMENDMENTS TO THE BANK'S FINANCIAL INSTRUMENTS BASED ON IAS 39

According to the IAS 39 amendments and due to financial markets instability, on 01/07/2008, the Bank reclassified part of its listed shares as well as other debt securities of EUR 169,4 million from its "Trading securities" to "Available for sale securities" and to "Loans and advances to customers". More specifically, securities of EUR 101,5 million were reclassified to the "Available for sale securities", suffering a loss of EUR 16,4 million for the period 1/07 - 30/09/08 which is recognized on "Revaluation reserve of available-for-sale investments". In addition, debt securities of EUR 67,9 million were reclassified to the "Loans and advances to customers" carried at the amortized cost (fair value as of 30/09/08: EUR 64,4 million). The loss resulting from the reclassification, for the period 01/01/08 to 30/06/08, amounts to EUR 12,9 million and is still recognized on "Net trading income" of the current period's income statement. The Bank has the intention and ability to hold these securities for the foreseeable future.

21. PROPERTY, PLANT AND EQUIPMENT

During the nine-month period, the Bank implemented purchases and sales of property, plant and equipment, of total net value EUR 7,6 million. (31/12/2007: EUR 24,2 million).

22. DEPOSITS FROM CUSTOMERS

(Amounts in thousand Euro)

| | 30/9/2008 | 31/12/2007 |
|---------------------------------|-------------------|-------------------|
| Retail customers: | | |
| Current accounts | 186.955 | 201.866 |
| Saving accounts | 10.329.469 | 11.736.435 |
| Term deposits | 6.661.797 | 5.926.875 |
| | 17.178.221 | 17.865.176 |
| Private sector entities: | | |
| Current accounts | 540.201 | 867.950 |
| Term deposits | 261.871 | 257.196 |
| | 802.072 | 1.125.146 |
| Public sector entities | | |
| Current accounts | 1.726.419 | 1.521.237 |
| Term deposits | 123.253 | 202.115 |
| | 1.849.672 | 1.723.352 |
| | 19.829.965 | 20.713.674 |

Term deposits include repurchase agreements of EUR 33.326 thousand as of 30/9/2008, (31/12/2007: EUR 75.212 thousand).

23. PROVISION FOR PENSION LIABILITIES

The Bank sponsors a funded plan that provides for the payment of a lump sum to retiring employees. The payment is determined based on the employee's length of service and salary on the date of retirement.

24. SHARE CAPITAL

As at 30/9/2008 the share capital of the Bank was EUR 651.919.999,68 and consisted of 905.444.444 authorized and issued common shares of nominal value of EUR 0,72 per share fully paid.

During the current period no changes in ATEbank's share capital have taken place.

25. RESERVES

(Amounts in thousand Euro)

| | 30/9/2008 | 31/12/2007 |
|--|-----------------|----------------|
| Statutory reserve | 56.505 | 45.950 |
| Tax free reserves | 61.115 | 61.115 |
| Revaluation reserve available-for-sale investments | (139.547) | 172.033 |
| Other reserves | 816 | 816 |
| | (21.111) | 279.914 |

Statutory reserve: In accordance with Greek corporate law, entities are required to transfer 5% of their annual profits after tax to a statutory reserve. This obligation ceases when the statutory reserve amounts to one third of the Bank's share capital. This reserve is not available for distribution, but it may be applied to extinguish losses.

Tax free reserves: In accordance with Greek tax law certain types of income and profits are not taxed if retained and recorded to a specific reserve account. In the event that these reserves are distributed or capitalized they will be taxed at the rate applicable on the date of distribution or capitalization. According to the regulations of the new tax L. 2634/2008, the above mentioned option has been ceased since the fiscal year of 2007. The tax-free reserves mentioned above had been formed in the fiscal year of 2006.

Available-for-sale reserve: This reserve arises from the changes in valuation of available-for-sale securities. It is transferred to income statement when the relevant securities are sold.

26. DIVIDEND PER SHARE

The annual shareholders' meeting on 14 May 2008 approved the Board of Directors' suggestion for distribution of dividends for year 2007 profits of total amount Euro 90,5 million (that is EUR 0,10 per share). In the above mentioned amount an interim dividend of EUR 45,27 million is included (that is EUR 0,05 per share), which was paid in December 2007. The remaining amount of the approved dividend has been fully paid within the current period.

27. CONTINGENT LIABILITIES AND COMMITMENTS

(a) Litigation

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

(b) Letters of credit and guarantee

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

(Amounts in thousand Euro)

| | 30/9/2008 | 31/12/2007 |
|----------------------|----------------|----------------|
| Letters of guarantee | 657.132 | 415.727 |
| Letters of credit | 62 | 1.519 |
| | 657.194 | 417.246 |

(c) Assets pledged

Assets are pledged with the Central Bank as guarantee for Repos deposits. Their nominal value amounts to EUR 2.302 million as of 30 September 2008 (31/12/2007: EUR 900 million).

28. RELATED PARTY TRANSACTIONS

The Bank is controlled by the Greek State that holds 77,3% of the share capital. The remaining share capital is widely held.

Related parties include a) BoD Members and members of the key management personnel, b) close members of the family and financial dependant of the above, c) subsidiaries and associate companies of the Group.

The balances of the related party transactions of the Bank are:

a) With BoD Members and members of the key management personnel, and close members of the family and financial dependant of the above

(Amounts in thousand Euro)

| | 30/9/2008 | 31/12/2007 |
|--------------------|-----------|------------|
| Loans and advances | 581 | 568 |
| Deposits | 1.041 | 895 |

| Key Management Personnel Fees | 30/9/2008 | 30/9/2007 |
|-------------------------------|-----------|-----------|
| Fees | (487) | (495) |
| Other | (112) | (106) |

b) With its subsidiaries and associates

(Amounts in thousand Euro)

| ASSETS | 30/9/2008 | 31/12/2007 |
|---------------------------------|----------------|----------------|
| Loans to banks | 22.000 | 0 |
| Loans and advances to customers | 526.990 | 643.504 |
| Other assets | 1.510 | 2.337 |
| Total assets | 550.500 | 645.841 |
| LIABILITIES | | |
| Deposits from customers | 91.472 | 141.987 |
| Other liabilities | 51.112 | 52.193 |
| Subordinated loans | 4.433 | 4.475 |
| Total liabilities | 147.017 | 198.655 |

| INCOME STATEMENT | 30/9/2008 | 30/9/2007 |
|-------------------------------|-----------------|-----------------|
| Income | | |
| Interest and similar income | 21.797 | 11.908 |
| Fee and commission income | 4.343 | 4.532 |
| Dividends received | 4.234 | 3.320 |
| Operating income | 2.012 | 2.037 |
| Total income | 32.386 | 21.797 |
| Expenses | | |
| Interest and similar expenses | (5.056) | (6.368) |
| Fee and commission expense | (16.967) | (8.358) |
| Operating expenses | (14.462) | (15.416) |
| Total expenses | (36.485) | (30.142) |

Besides the above mentioned transactions, ATEbank also performs transactions with a large number of companies under state control in the framework of its business (loans granted, deposits, other transactions such as wage payments, subsidy payments to farmers etc.).

29. SUBSEQUENT EVENTS

There are no significant issues that occurred after the balance sheet date that require reporting.