



ASPIS BANK S.A.



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INTERIM FINANCIAL STATEMENTS

31 March 2008

In accordance with International Financial Reporting Standards - IFRS

These financial statements are available at the following web page: www.aspisbank.gr



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**Income Statement***(In thousands of Euro)*

	Notes	FROM 1 JANUARY TO	
		31/3/2008	31/3/2007
Interest income		36 214	29 729
Interest expense		(25 995)	(17 262)
Net interest income		10 219	1 467
Commission income		6 247	6 479
Commission expense		(98)	(78)
Net commission income		6 149	6 401
Net trading income		(842)	817
Income from dividends		0	0
Other income		1 251	1 117
Total Operating Income	6	16 777	20 802
Staff costs		(11 142)	(8 239)
Depreciation and amortization		(1 355)	(1 309)
Other expenses		(6 763)	(6 062)
Impairment losses on loans and advances		(2 000)	(1 050)
<i>Total operating Expenses</i>		(21 261)	(16 660)
Profit before tax	6	(4 484)	4 142
Income tax	7	1 123	(878)
<i>Profit after tax</i>	6	(3 361)	3 264
Basic and diluted earnings per share		(0,05)	0,05

The attached notes form part of these financial statements.

**Balance Sheet***(In thousands of Euro)*

ASSETS	Notes	31/3/2008	31/12/2007
Cash and balances with Central Bank		140 892	93 119
Due to banks		503 422	473 786
Trading securities		6 836	7 756
Loans and advances to customers		2 057 672	2 043 186
Derivative financial assets		17	13
Investment and AFS securities		22 601	26 462
Investment in subsidiaries and associates		30 491	30 492
Property, plant and equipment	8	47 247	47 806
Intangible assets	9	4 798	4 590
Other assets		54 562	43 456
TOTAL ASSETS		2 868 537	2 770 666
LIABILITIES			
Due from banks		213 511	201 660
Due from customers		2 277 520	2 190 797
Derivative financial liabilities		0	0
Debt securities in issue and other borrowed funds	10	136 146	139 092
Other liabilities		44 522	37 881
Employee defined benefit obligations		3 549	3 456
TOTAL LIABILITIES		2 678 248	2 572 886
EQUITY			
Share capital		173 614	173 614
Share premium		17 053	1 053
Reserves		(1 399)	2 730
Profits brought forward		1 022	4 383
TOTAL EQUITY		190 289	197 780
TOTAL LIABILITIES AND EQUITY		2 868 537	2 770 666

The attached notes form part of these financial statements.

**CASH FLOW STATEMENT***(In thousands of Euro)*

	1/1-31/3/2008	1/1-31/3/2007
Operating activities		
Profit before taxes	(4 484)	4 142
Adjustments for non-cash items		
Depreciation	1 355	1 309
Impairment	2 000	1 050
Changes in provisions	119	295
Other non-cash items	3,006	(4 629)
Fair value (gain)/loss of trading instruments	233	(351)
(Gain)/loss on the sale of investments, property and equipment		
	2 229	1,821
Changes in operating assets and liabilities		
Due from banks over 3 months		
Trading securities	437	(4 513)
Derivative financial instruments	(3)	(10)
Loans and advances to customers	(18 499)	(52 879)
Other assets	(4 465)	(1 481)
Deposits from banks	11 850	6 526
Deposits from customers	86 723	(2 526)
Derivative financial instruments		
Other liabilities	<u>14 258</u>	<u>2 602</u>
Cash flows from operating activities	92 529	(50 462)
Investing activities		
Proceeds from sale of investments		18 710
Proceeds from sale of property and equipment		
Acquisition of property and equipment	(1 004)	(1 059)
Cash flows from investing activities	(1 004)	17 651
Financing activities		
Debt securities	(764)	(659)
Share capital increase expenses		
Cash flows from financing activities	(764)	(659)
Total net cash flows	<u>90,761</u>	<u>(33 470)</u>
Effect of exchange rate fluctuations on cash and cash equivalents	(13 352)	(1 579)
Net increase/(decrease) in cash flows		
Cash and cash equivalents starting period	566 904	495 403
Cash and cash equivalents at the end of the period	644 314	460 354
Cash and cash equivalents consists of:		
Cash and balances with Central bank	140 892	96 428
Due from banks	<u>503 422</u>	<u>363 926</u>
	644 314	460 354

Statement of changes in equity
For the period ended 31 March 2008
(In thousands of Euro)

	Share Capital	Share Premium	Reserves	Available for sale reserve	Accumulated deficit	Total
Balance at 1 January 2007	172 029	17 078	144	(1 394)	11 782	199 639
Valuation of available for sale securities				(3 015)		(3 015)
Share capital increase expenses						
Cash flow hedge			87			87
Other movements						
Profit for the period					3 264	3 264
Balance at 31 March 2007	172 029	17 078	231	(4 408)	15 046	199 975
Balance at 1 January 2008	173 614	17 053	6 689	(3 959)	4 383	197 780
Valuation of available for sale securities				(4 129)		(4 129)
Share capital increase expenses						
Cash flow hedge						
Other movements						
Profit for the period					(3 361)	(3 361)
Balance at 31 March 2008	173 614	17 053	6 689	(8 088)	1 022	190 289

1. General Information

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

The Bank operates in Greece in private, corporate and stock exchange sectors and other financial services sectors.

2. Basis of preparation

The condensed interim financial statements of 31/03/2008 have been prepared in accordance with International Accounting Standard (IAS) 34 «Interim Financial Reporting». The condensed interim financial statements do not include all the information required for full annual financial statements and they should be examined in accordance with the annual financial statements for the year ended 31 December 2007.

The financial statements are presented in Euro, rounded to the nearest thousand.

The condensed interim financial statements were authorized for issuance from Board of Directors on 19/5/2008.

3. Significant Accounting Principles

The condensed interim financial statements for 31st March 2008 have been prepared with the same accounting policies that were adopted in the annual financial statements for the year ended 31 December 2007.

New standards and interpretations

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2007, and have not been applied in preparing these financial statements:

- IFRS 8 “Operating Segments” introduces the “management approach” to segment reporting. IFRS 8, which becomes mandatory for the Bank’s 2009 financial statements, will require the disclosure of segment information based on the internal reports regularly reviewed by the Bank’s Chief Operating Decision Maker in order to assess each segment’s performance and to allocate resources to them.

- Revised IAS 23 “Borrowing Costs” removes the option to expense borrowing costs and requires that an entity capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset.
- IFRIC 11 IFRS 2 – “Group and Treasury Share Transactions” requires a share-based payment arrangement in which an entity receives goods or services as consideration for its own equity instruments to be accounted for as an equity-settled share-based payment transaction, regardless of how the equity instruments are obtained.
- a. IFRIC 12 “Service Concession Arrangements” provides guidance on certain recognition and measurement issues that arise in accounting for public-to-private service concession arrangements. IFRIC 12, which becomes mandatory for the Bank’s 2008 financial statements, is not expected to have any effect on the financial statements.
- b. IFRIC 13 “Customer Loyalty Programmes” addresses the accounting by entities that operate, or otherwise participate in, customer loyalty programmes for their customers. It relates to customer loyalty programmes under which the customer can redeem credits for awards such as free or discounted goods or services. IFRIC 13, which becomes mandatory for the Bank’s 2009 financial statements, is not expected to have any impact on the financial statements.
- c. IFRIC 14 IAS 19 – “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” clarifies when refunds or reductions in future contributions in relation to defined benefit assets should be regarded as available and provides guidance on the impact of minimum funding requirements (MFR) on such assets. It also addresses when a MFR might give rise to a liability.

4. Estimates

The preparation of interim financial statements in conformity with IAS 34 Interim Financial Reporting requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The underlying assumptions that have been adopted by the Bank for the estimation of particular accounting values and the sources of uncertainty affecting these estimations for the preparation of the interim financial statements are the same with those applied for the preparation of the annual financial statements for the year ended 31 December 2007.

5. Management of Financial Risks

The Bank’s financial risk management objectives and policies are consistent with that disclosed in the annual financial statements as at and for the year ended 31 December 2007.

6. Segment Reporting

The Bank is organized into three business segments:

- 1) Corporate Banking
- 2) Retail Banking
- 3) Brokerage Transactions

From 1 January to
(In thousands of Euro)

	Corporate Banking		Retail Banking		Brokerage Transactions		Total	
	31/3/2008	31/3/2007	31/3/2008	31/3/2007	31/3/2008	31/3/2007	31/3/2008	31/3/2007
Segment revenue (external customers)	3 781	2 493	12 004	16 804	992	1 505	16 777	20 802
Segment result before tax	1 640	743	(6 178)	2 925	54	474	(4 484)	4 142
Segment result after tax	1 230	586	(4 632)	2 305	41	373	(3 361)	3 264
Total assets	260 039	203 210	2 578 665	2 088 479	29 833	28 989	2 868 537	2 320 678
Total liabilities	34 107	23 221	2 638 201	2 089 529	5 940	7 953	2 678 248	2 120 703
Fixed assets purchase	0	0	849	850	155	8	1 004	858
Depreciations	3	4	1 332	1 279	20	26	1 355	1 309
Loans provisions	0	130	2 000	903	0	17	2 000	1 050

7. Income tax

The Bank's effective tax rate was 25 % for the period ended at 31 March 2008 (72% for the year ended 31 December 2007 and 21 % for the six period ended 31st March 2007).

- The income tax rate for companies was reduced from 29% to 25% from 1 January 2007.

8. Property, plant and equipment

For the three months period ended 31st March 2008 the Bank acquired fixed assets of value EUR 571 thousand

9. Intangible Assets

The Bank acquired during the period ended 31st March 2008 intangible assets of EUR 433 thousand.

10. Debt securities in issue and other borrowed funds

The movement, during the six months period ended 31st March 2008, is due to partial payment of expenses from the Bank's subsidiary, Aspisp Finance plc.

11. Related parties

All the Bank's transactions are neutral and are performed under the normal course of business.

The balances with related parties as at 31st March 2008 are set out in the table below (In thousands of Euro):

a) *Subsidiaries:*

	31/3/2008	31/12/2007
Available-for-sale securities	2 500	2 500
Loans and advances to customers	78 739	79 943
Other assets	5 220	3 408
Deposits from customers	24 333	28 883
Subordinated liabilities	140 250	140 250
Other liabilities	2 079	2 142
Interest income	1 097	3 692
Interest expense	2 522	7 787
Commission income	482	2 143
Net trading income	0	1 676
Other income	20	85
Other expenses	107	337

b) *Board of Directors and Senior Management:*

	31/3/2008	31/12/2007
Staff costs	573	3 044
Loans and advances to customers	18 754	15 934
Deposits from customers	6 096	10 184
Other Liabilities	113	0
Net interest income	241	284
Net commission income	28	64
Other operating expenses	99	341

c) *Balances and transactions with other related parties:*

	31/3/2008	31/12/2007
Loans and advances to customers	17 959	18 071
Other assets	0	0
Deposits from customers	40 568	46 912
Other liabilities	85	78
Net interest income	197	(528)
Net commission income	66	194
Other operating expenses	705	2 782

12. Contingent liabilities and commitments

12.1 Litigation

The Bank believes, after consultation with legal counsel, that the ultimate disposition of these matters is not expected to have a material adverse effect on the financial position of the Bank.

12.2 Credit commitments

(In thousands of Euro)

	31/3/2008	31/12/2007
Letters of guarantee	207 635	210 182
Letter of credit	4 995	10 118

12.3 Tax matters

The tax authorities have audited and the Bank has settled all obligations up to the year ended 31 December 2004. Because of the manner in which income taxes are concluded in Greece, the Bank remains contingently liable for additional taxes (or reduction of the tax losses that can be carried forward and offset against future tax profits) and penalties that might be assessed for the unaudited by the tax authorities' years.

12.4 Pledged assets

The Bank does not have any pledged assets.

12.5 Operating Leases

The Bank's commitments from lease contracts refer mainly to buildings used for its branches and other operating units. The future minimum lease payments under operating leases for 30 September 2006 are as follows (in thousands of Euro):

Up to 1 year	6 326
From 1 to 5 years	17 214
Over 5 years	5 583

13.Subsequent events

N/A