



**EFG EUROBANK ERGASIAS S.A.**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS ENDED**

**30 SEPTEMBER 2008**

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Company Registration No: 6068/06/B/86/07

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	Note	Nine months ended 30 September		Three months ended 30 September	
		2008	2007	2008	2007
		€million	€ million	€million	€ million
Net interest income		1,777	1,444	621	517
Net banking fee and commission income		447	409	138	145
Net insurance income		32	40	11	13
Income from non banking services		21	15	7	5
Dividend income		19	12	4	2
Net trading income/(loss)		(5)	41	-	19
Gains less losses from investment securities		71	78	1	11
Other operating income		33	14	17	2
<b>Operating income</b>		<b>2,395</b>	<b>2,053</b>	<b>799</b>	<b>714</b>
Operating expenses		(1,166)	(966)	(390)	(332)
Impairment losses on loans and advances	8	(413)	(296)	(150)	(110)
<b>Profit from operations</b>		<b>816</b>	<b>791</b>	<b>259</b>	<b>272</b>
Share of results of associates		(5)	8	3	4
<b>Profit before tax</b>		<b>811</b>	<b>799</b>	<b>262</b>	<b>276</b>
Income tax expense	7	(143)	(155)	(42)	(56)
<b>Profit for the period</b>		<b>668</b>	<b>644</b>	<b>220</b>	<b>220</b>
Net profit for the period attributable to minority interest		21	11	9	4
<b>Net profit for the period attributable to shareholders</b>	7	<b>647</b>	<b>633</b>	<b>211</b>	<b>216</b>
	Note	€	€	€	€
<b>Earnings per share</b>					
- basic	6	1.20	1.27	0.39	0.43
- diluted	6	1.20	1.27	0.39	0.43

Notes on pages 7 to 13 form an integral part of these condensed consolidated interim financial statements

	<b>Note</b>	<b>30 September 2008 €million</b>	<b>31 December 2007 € million</b>
<b>ASSETS</b>			
Cash and balances with central banks		3,170	2,732
Loans and advances to banks		4,366	4,577
Financial instruments at fair value through profit or loss		869	960
Derivative financial instruments		1,053	738
Loans and advances to customers		55,304	45,638
Investment Securities	9	11,581	11,095
Property, plant and equipment		1,276	1,120
Intangible assets		709	735
Other assets	11	1,060	794
<b>Total assets</b>		<b>79,388</b>	<b>68,389</b>
<b>LIABILITIES</b>			
Due to other banks		3,084	2,012
Repurchase agreements with banks		11,758	10,754
Derivative financial instruments		1,395	1,050
Due to customers		46,120	36,151
Debt issued and other borrowed funds	12	10,342	11,238
Other liabilities		1,631	1,825
<b>Total liabilities</b>		<b>74,330</b>	<b>63,030</b>
<b>EQUITY</b>			
Share capital	13	1,395	1,432
Share premium	13	1,136	1,325
Other reserves		1,446	1,495
<b>Ordinary shareholders' equity</b>		<b>3,977</b>	<b>4,252</b>
Preferred securities	15	738	777
<b>Ordinary and Preferred shareholders' equity</b>		<b>4,715</b>	<b>5,029</b>
Minority interest		343	330
<b>Total</b>		<b>5,058</b>	<b>5,359</b>
<b>Total equity and liabilities</b>		<b>79,388</b>	<b>68,389</b>

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	Attributable to ordinary shareholders of the Bank					Preferred securities €million	Minority interest €million	Total €million
	Share capital €million	Share premium €million	Special reserves €million	Retained earnings €million	Total €million			
<b>Balance at 1 January 2007</b>	1,242	176	991	248	2,657	786	181	3,624
Cash flow hedges								
- net changes in fair value, net of tax	-	-	(7)	-	(7)	-	-	(7)
- transfer to net profit, net of tax	-	-	(1)	-	(1)	-	-	(1)
Available-for-sale securities								
- net changes in fair value, net of tax								
• bonds	-	-	(118)	-	(118)	-	(0)	(118)
• equities and equivalents	-	-	106	-	106	-	-	106
- transfer to net profit from fair value hedges, net of tax								
• bonds	-	-	45	-	45	-	-	45
- transfer to net profit on disposal, net of tax								
• bonds	-	-	17	-	17	-	-	17
• equities and equivalents	-	-	(101)	-	(101)	-	-	(101)
Currency translation differences	-	-	31	-	31	-	1	32
Net income/(expense) recognised directly in equity	-	-	(28)	-	(28)	-	1	(27)
Profit for the period	-	-	-	633	633	-	11	644
Total recognised income for the nine months ended 30 September 2007	-	-	(28)	633	605	-	12	617
Distribution of free shares to executive directors, management and staff	3	22	-	-	25	-	-	25
Share capital increase, net of expenses	169	1,044	-	-	1,213	-	-	1,213
Minority's share in subsidiaries' capital increase	-	-	-	-	-	-	2	2
Acquisitions/Changes in participating interests in subsidiary and associated undertakings	-	-	-	(19)	(19)	-	(2)	(21)
Purchase of preferred securities	-	-	-	-	-	(19)	-	(19)
Sale of preferred securities	-	-	-	-	-	16	-	16
Preferred securities' dividend paid	-	-	-	(22)	(22)	-	-	(22)
Dividends for 2006	-	-	-	(214)	(214)	-	-	(214)
Dividends paid by subsidiaries attributable to minority interest	-	-	-	-	-	-	(4)	(4)
Employee share option scheme:								
- Value of employee services	-	-	7	-	7	-	-	7
Purchase of treasury shares	(14)	(119)	-	-	(133)	-	-	(133)
Sale of treasury shares	35	245	34	-	314	-	-	314
	193	1,192	41	(255)	1,171	(3)	(4)	1,164
<b>Balance at 30 September 2007</b>	1,435	1,368	1,004	626	4,433	783	189	5,405
<b>Balance at 1 January 2008</b>	1,432	1,325	1,160	335	4,252	777	330	5,359
Cash flow hedges								
- net changes in fair value, net of tax	-	-	20	-	20	-	-	20
- transfer to net profit, net of tax	-	-	(10)	-	(10)	-	-	(10)
Available-for-sale securities								
- net changes in fair value, net of tax								
• bonds	-	-	(138)	-	(138)	-	(0)	(138)
• equities and equivalents	-	-	(217)	-	(217)	-	-	(217)
- transfer to net profit from fair value hedges, net of tax								
• bonds	-	-	(9)	-	(9)	-	-	(9)
- transfer to net profit on disposal, net of tax								
• bonds	-	-	(34)	-	(34)	-	-	(34)
• equities and equivalents	-	-	(26)	-	(26)	-	-	(26)
Currency translation differences	-	-	(17)	-	(17)	-	(2)	(19)
Net income/(expense) recognised directly in equity	-	-	(431)	-	(431)	-	(2)	(433)
Profit for the period	-	-	-	647	647	-	21	668
Total recognised income for the nine months ended 30 September 2008	-	-	(431)	647	216	-	19	235
Distribution of free shares to executive directors, management and staff	4	23	-	-	27	-	-	27
Share capital increase due to re-investment of dividend	4	20	-	-	24	-	-	24
Acquisitions/Changes in participating interests in subsidiary and associated undertakings	-	-	-	(6)	(6)	-	(2)	(8)
Purchase of preferred securities	-	-	-	-	-	(42)	-	(42)
Sale of preferred securities	-	-	-	-	-	3	-	3
Preferred securities' dividend paid	-	-	-	(17)	(17)	-	-	(17)
Final dividend for 2007	-	-	-	(257)	(257)	-	-	(257)
Dividends paid by subsidiaries attributable to minority interest	-	-	-	-	-	-	(4)	(4)
Employee share option scheme:								
- Value of employee services	-	-	15	-	15	-	-	15
Purchase of treasury shares	(46)	(238)	-	-	(284)	-	-	(284)
Sale of treasury shares	1	6	0	-	7	-	-	7
	(37)	(189)	15	(280)	(491)	(39)	(6)	(536)
<b>Balance at 30 September 2008</b>	1,395	1,136	744	702	3,977	738	343	5,058

Note 13

Note 13

Note 15

Notes on pages 7 to 13 form an integral part of these condensed consolidated interim financial statements

	Note	Nine months ended 30 September	
		2008	2007
		€ million	€ million
<b>Cash flows from operating activities</b>			
Interest received and net trading receipts		3,895	3,597
Interest paid		(2,641)	(1,905)
Fees and commissions received		607	526
Fees and commissions paid		(148)	(83)
Dividends received		2	1
Other income received		48	28
Cash payments to employees and suppliers		(947)	(769)
Income taxes paid		(54)	(59)
Cash flows from operating profits before changes in operating assets and liabilities		762	1,336
<b>Changes in operating assets and liabilities</b>			
Net (increase)/decrease in cash and balances with central banks		57	349
Net (increase)/decrease in financial instruments at fair value through profit or loss		(222)	82
Net (increase)/decrease in loans and advances to banks		(34)	(267)
Net (increase)/decrease in loans and advances to customers		(9,525)	(7,668)
Net (increase)/decrease in derivative financial instruments assets		489	358
Net (increase)/decrease in other assets		173	(256)
Net increase/(decrease) in due to other banks and repos		2,022	(571)
Net increase/(decrease) in due to customers		9,755	3,931
Net increase/(decrease) in derivative financial instruments liabilities		(293)	(415)
Net increase/(decrease) in other liabilities		(672)	(48)
<b>Net cash from operating activities</b>		2,512	(3,169)
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(199)	(210)
Proceeds from sale of property, plant and equipment		13	10
Purchases of investment securities		(7,316)	(6,237)
Proceeds from sale/redemption of investment securities		6,293	7,147
Acquisition of subsidiary undertakings net of cash acquired		(21)	(50)
Proceeds from sale of associated undertakings		5	-
Dividends from investment securities and associated undertakings		17	13
Net contributions by minority interest		(5)	(4)
<b>Net cash used in investing activities</b>		(1,213)	669
<b>Cash flows from financing activities</b>			
Proceeds from debt issued and other borrowed funds	12	8,169	10,063
Repayments of debt issued and other borrowed funds	12	(9,161)	(7,168)
Purchases of preferred securities	15	(42)	(19)
Proceeds from sale of preferred securities	15	3	16
Preferred securities' dividend paid		(17)	(22)
Dividends paid, net of dividend re-invested		(233)	(214)
Issue of ordinary shares		-	1,229
Expenses for issue of ordinary and bonus shares		(1)	(4)
Purchases of treasury shares		(284)	(133)
Proceeds from sale of treasury shares		7	314
<b>Net cash used in financing activities</b>		(1,559)	4,062
Effect of exchange rate changes on cash and cash equivalents		(14)	4
<b>Net increase/(decrease) in cash and cash equivalents</b>		(274)	1,566
Cash and cash equivalents at beginning of period		4,690	3,563
<b>Cash and cash equivalents at end of period</b>		4,416	5,129

Notes on pages 7 to 13 form an integral part of these condensed consolidated interim financial statements

**1. General information**

EFG Eurobank Ergasias S.A. (the "Bank") and its subsidiaries (the "Group") are active in retail, corporate and private banking, asset management, insurance, treasury, capital markets and other services. The Bank is incorporated in Greece and its shares are listed on the Athens Stock Exchange. The Group operates mainly in Greece and in Central, Eastern and Southeastern Europe (New Europe).

These condensed consolidated interim financial statements were approved by the Board of Directors on 29 October 2008.

**2. Basis of preparation of condensed consolidated interim financial statements**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and they should be read in conjunction with the Group's published consolidated annual financial statements for the year ended 31 December 2007. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period. Except as indicated, financial information presented in euro has been rounded to the nearest million.

**3. Principal accounting policies**

The accounting policies and methods of computation in these condensed consolidated interim financial statements are consistent with those in the published consolidated annual financial statements for the year ended 31 December 2007. The Group has applied the amendments to IAS 39 and IFRS 7 issued in October 2008, effective from 1 July 2008. The effects of applying the above amendments are set out in Note 9.

**4. Critical accounting estimates and judgements in applying accounting policies**

In preparing these condensed consolidated interim financial statements, the significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the published consolidated annual financial statements for the year ended 31 December 2007.

**5. Business segments**

The Group is organised into five main business segments:

- Retail - incorporating customer current accounts, savings, deposits and investment savings products, credit and debit cards, consumer loans, small business banking and mortgages.
- Corporate - incorporating direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products to corporate entities.
- Wealth Management - incorporating private banking services, including total wealth management, to medium and high net worth individuals, insurance, mutual fund and investment savings products, and institutional asset management.
- Global and Capital Markets - incorporating investment banking services including corporate finance, merger and acquisitions advice, custody, equity brokerage, financial instruments trading and institutional finance to corporate and institutional entities, as well as, specialised financial advice and intermediation to private and large retail individuals as well as small and large corporate entities.
- New Europe - incorporating operations in Romania, Bulgaria, Serbia, Cyprus, Poland, Turkey and Ukraine.

Other operations of the Group comprise mainly of investing activities, including property management and investment, electronic commerce and the management of unallocated capital. Transactions between the business segments are on normal commercial terms and conditions. With the exception of Greece no other individual country contributed more than 10% of consolidated income.

	For the nine months ended 30 September 2008							
	Retail €million	Corporate €million	Wealth Management €million	Global & Capital Markets €million	Other €million	New Europe €million	Elimination center €million	Total €million
External revenue	964	286	124	218	19	784	-	2,395
Inter-segment revenue	40	10	(28)	(7)	28	(2)	(41)	-
Total revenue	1,004	296	96	211	47	782	(41)	2,395
Operating expenses	(456)	(86)	(47)	(56)	(40)	(522)	41	(1,166)
Impairment losses on loans and advances	(271)	(17)	-	(1)	-	(124)	-	(413)
Profit from operations	277	193	49	154	7	136	-	816
Profit before tax	278	192	49	154	2	136	-	811
Minority interest	-	-	-	-	(10)	(14)	-	(24)
Profit before tax attributable to shareholders	278	192	49	154	(8)	122	-	787
Income tax expense								(140)
Net profit attributable to shareholders								647

## 5. Business segments (continued)

	For the nine months ended 30 September 2007							
			Wealth	Global &			Elimination	
	Retail	Corporate	Management	Capital	Other	New Europe	center	Total
	€ million	€ million	€ million	Markets	€ million	€ million	€ million	€ million
External revenue	922	234	185	263	23	426	-	2,053
Inter-segment revenue	77	16	(47)	(28)	20	(1)	(37)	-
Total revenue	999	250	138	235	43	425	(37)	2,053
Operating expenses	(432)	(79)	(45)	(52)	(36)	(359)	37	(966)
Impairment losses on loans and advances	(233)	(13)	-	-	-	(50)	-	(296)
Profit from operations	334	158	93	183	7	16	-	791
Profit before tax	335	158	93	183	14	16	-	799
Minority interest	-	-	(2)	-	(6)	(4)	-	(12)
Profit before tax attributable to shareholders	335	158	91	183	8	12	-	787
Income tax expense								(154)
Net profit attributable to shareholders								633

## 6. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has one category of dilutive potential ordinary shares: share options. In order to adjust the weighted average number of shares for the share options a calculation is made to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Bank's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is added to the weighted average number of ordinary shares in issue in order to determine the weighted average number of ordinary shares used for the calculation of the diluted earnings per share.

		Nine months ended 30 September		Three months ended 30 September	
		2008	2007	2008	2007
Net profit for period attributable to ordinary shareholders (after deducting dividend attributable to preferred securities holders)	€ million	619	603	202	206
Weighted average number of ordinary shares in issue	Number of shares	514,811,035	473,853,277	510,765,577	479,598,949
Weighted average number of ordinary shares for diluted earnings per share	Number of shares	516,179,298	476,112,684	511,868,212	482,200,542
Basic earnings per share	€	1.202	1.273	0.394	0.430
Diluted earnings per share	€	1.199	1.267	0.394	0.427

Basic and diluted earnings per share for the period 1 January 2007 to 30 September 2007 and for the period 1 July 2007 to 30 September 2007 have been adjusted taken into account the distribution of free shares approved by the Extraordinary General Meeting held on 9 November 2007 and the Annual General Meeting held on 8 April 2008.

## 7. Income tax expense

From the financial year 2007 onwards, banks' gains arising from (a) listed shares (domestic and foreign), (b) derivatives (domestic and foreign) and (c) non-taxable profits under the provisions of article 99 of L.2238/1994, are taxed following the Greek Law 3634 that was enacted in January 2008. As a result in the 4th quarter of 2007, the Bank has been charged with an amount of € 16.6 million on the 2007 profits related to the above mentioned points, out of which a tax expense of € 15 million relates to gains for the nine months of 2007. If that amount was recognised in the Income Statement for the period ended 30 September 2007, the net profit attributable to shareholders would be adjusted to € 618 million.

## 8. Provision for impairment losses on loans and advances to customers

	Total € million
At 1 January 2008	1,031
Impairment losses on loans and advances charged in the period	413
Amounts recovered during the period	48
Loans written off during the period as uncollectible	(325)
Foreign exchange differences	(1)
At 30 September 2008	1,166



## 9. Investment Securities

Available-for-sale investment securities  
Held-to maturity investment securities  
Debt securities lending

30 September	
2008	2007
€ million	€ million
9,542	10,477
1,600	618
439	-
11,581	11,095

In accordance with the amendments to IAS 39, on 01-07-2008 the Group reclassified debt securities of € 427 million from available for sale portfolio to "Debt Securities Lending" portfolio carried at amortised cost.

The reclassified securities, which are funded through repo transactions, are not quoted in an active market and the Group has the intention and ability to hold them for the foreseeable future. From the reclassified amount, € 372 million are hedged for changes in the fair value attributable to interest rate risk, for which the Group will continue to apply hedge accounting. Interest on the reclassified securities will continue to be recognized in interest income using the effective interest rate method.

The carrying amount of the reclassified securities on 30-09-2008 is € 439 million (fair value: € 380 million). For the period 01-01-2008 to 30-06-2008, gains of €2.5 million net of tax, arising from changes in the fair value of the securities attributable to credit risk, are recorded in the available for sale revaluation reserve (period to 30-09-2007: losses of € 1.8 million, net of tax). If the financial assets had not been reclassified, changes in the fair value related to credit risk for the period 01-07-2008 to 30-09-2008 would have resulted in € 44.8 million loss net of tax recognized in the available for sale revaluation reserve.

## 10. Shares in subsidiary undertakings

The following is a listing of the Group's principal operating subsidiaries at 30 September 2008:

Name	Note	Percentage Holding	Country of incorporation	Line of business
EFG Business Services S.A.		100.00	Greece	Payroll and advisory services
Eurobank EFG Asset Management S.A.		100.00	Greece	Asset management
EFG Eurobank Ergasias Leasing S.A.		100.00	Greece	Leasing
Eurobank EFG Securities S.A.		100.00	Greece	Capital markets and investment services
EFG Eurolife General Insurance S.A.		100.00	Greece	Insurance services
EFG Eurolife Life Insurance S.A.		100.00	Greece	Insurance services
EFG Factors S.A.		100.00	Greece	Factoring
EFG Insurance Services S.A.		100.00	Greece	Insurance brokerage
EFG Internet Services S.A.		100.00	Greece	Internet and electronic banking
EFG Mutual Funds Mngt Company S.A.		100.00	Greece	Mutual fund management
Eurobank EFG Telesis Finance S.A.		100.00	Greece	Investment banking
Eurobank Cards S.A.		100.00	Greece	Credit card management
Eurobank Fin and Rent S.A.		100.00	Greece	Vehicle leasing and rental
Eurobank Properties R.E.I.C.		55.25	Greece	Investment Services
Eurobank Property Services S.A.		100.00	Greece	Real estate services
Financial Planning Services S.A.		100.00	Greece	Receivables collection
Global Fund Management S.A.	c	99.50	Greece	Investment advisors
OPEN 24 S.A.		100.00	Greece	Sundry services
Be-Business Exchanges S.A.		97.26	Greece	Business-to business e-commerce
Best Direct S.A.		100.00	Greece	Sundry services
Kalabokis Tours & Cargo SA		55.25	Greece	Real Estate
Eurobank EFG Bulgaria A.D.		99.70	Bulgaria	Banking
Bulgarian Retail Services A.D.		100.00	Bulgaria	Credit card management
EFG Auto Leasing E.O.O.D.		100.00	Bulgaria	Vehicle leasing and rental
EFG Leasing E.A.D.		100.00	Bulgaria	Leasing
EFG Property Services Sofia A.D.		80.00	Bulgaria	Real estate services
EFG Securities Bulgaria E.A.D.		100.00	Bulgaria	Capital markets and investment services
EFG Hellas (Cayman Islands) Ltd		100.00	Cayman Islands	Special purpose financing vehicle
EFG Hellas II (Cayman Islands) Ltd		100.00	Cayman Islands	Special purpose financing vehicle
Berberis Investments Limited		100.00	Channel Islands	Holding company
EFG Hellas Funding Limited		100.00	Channel Islands	Special purpose financing vehicle
Eurobank EFG Cyprus Ltd	a	100.00	Cyprus	Banking
CEH Balkan Holdings Ltd		100.00	Cyprus	Holding company
Eurocredit Retail Services Ltd		100.00	Cyprus	Credit card management
EFG Private Bank (Luxembourg) S.A.		100.00	Luxembourg	Banking
Aristolux Investment Fund Management Company S.A.		98.40	Luxembourg	Investment fund management
Eurobank EFG Fund Management Company, (Luxembourg) S.A.		100.00	Luxembourg	Fund management
Eurobank EFG Holding (Luxembourg) S.A.		100.00	Luxembourg	Holding company
EFG New Europe Funding B.V.		100.00	Netherlands	Finance company
EFG New Europe Holding B.V.		100.00	Netherlands	Holding company
EFG New Europe Funding II B.V.	e	100.00	Netherlands	Finance company
EFG Leasing Poland Sp. z o.o		100.00	Poland	Leasing
EFG Property Services Polska Sp. z o.o		100.00	Poland	Real estate services
Polbank Dystrybucja Sp. z o.o.		100.00	Poland	Sundry services
Bancpost S.A.		77.56	Romania	Banking

## 10. Shares in subsidiary undertakings (continued)

<u>Name</u>	<u>Note</u>	<u>Percentage Holding</u>	<u>Country of incorporation</u>	<u>Line of business</u>
EFG Eurobank Securities S.A.		100.00	Romania	Stock brokerage
EFG Eurobank Finance S.A.		100.00	Romania	Investment banking
EFG Leasing IFN S.A.		100.00	Romania	Leasing
EFG Eurobank Mutual Funds Management Romania S.A.I. S.A.				
		97.43	Romania	Mutual fund management
EFG Eurobank Property Services S.A.		80.00	Romania	Real estate services
EFG IT Shared Services S.A.		100.00	Romania	Informatics data processing
EFG Retail Services IFN S.A.		99.96	Romania	Credit card management
S.C. EFG Eurolife Asigurari de Viata S.A.		100.00	Romania	Insurance services
S.C. EFG Eurolife Asigurari Generale S.A.		100.00	Romania	Insurance services
Eliade Tower S.A.		55.25	Romania	Real estate
Bancpost Fond de Pensii S.A.		77.55	Romania	Pension fund
Retail Development S.A.		55.25	Romania	Real estate
Seferco Development S.A.		55.25	Romania	Real estate
Eurobank EFG Stedionica a.d. Beograd		99.98	Serbia	Banking
EFG Leasing a.d. Beograd		99.99	Serbia	Leasing
EFG Property Services d.o.o. Beograd		80.00	Serbia	Real estate services
EFG Retail Services a.d. Beograd		100.00	Serbia	Credit card management
Prospera Securities a.d. Beograd		88.32	Serbia	Capital market services
Reco Real Property a.d.		55.25	Serbia	Real estate
EFG Asset Fin d.o.o. Beograd		100.00	Serbia	Asset management
EFG Business Services d.o.o. Beograd		100.00	Serbia	Payroll and advisory services
Eurobank Tekfen A.S.		98.23	Turkey	Banking
EFG Istanbul Holding A.S.		100.00	Turkey	Holding company
EFG Istanbul Menkul Degerler A.S.		98.23	Turkey	Capital market services
EFG Finansal Kiralama A.S.		98.22	Turkey	Leasing
Anaptyxi 2006-1 PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi APC Ltd.		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi Options Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi SME I Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi SME I PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Daneion 2007-1 PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Daneion APC Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Daneion Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion V Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion V Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
EFG Hellas PLC		100.00	United Kingdom	Special purpose financing vehicle
Karta 2005 -1 PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Karta APC Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Karta Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Karta LNI 1 Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Karta Options Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion II Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion III Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion III Holdings Limited		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion IV Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion IV Holdings Limited		-	United Kingdom	Special purpose financing vehicle (SIC 12)
O.J.S.C. Universal Bank		99.95	Ukraine	Banking
Eurobank EFG Ukraine Distribution LLC		100.00	Ukraine	Sundry services
EFG Property Services Ukraine LLC	f	100.00	Ukraine	Real estate services

## (a) Eurobank EFG Cyprus Ltd

In February 2008, the Central Bank of Cyprus approved the conversion of the Cyprus branch into a subsidiary. The conversion was completed in March 2008.

## (b) Representative office, Russia

In March 2008, the Group obtained the approval from Russia's Central Bank to establish and operate a representative office in Moscow.

## (c) Global Fund Management S.A., Greece

In July 2008, the Group increased its participation in Global Fund Management S.A. to 99.5% from 72%.

## (d) GFM Levant Capital (Cayman) Ltd, Cayman

In July 2008, the Group disposed of its 72.5% participation in GFM Levant Capital (Cayman) Ltd.

## (e) EFG New Europe Funding II B.V., The Netherlands

In July 2008, the Group established, as a 100% subsidiary, EFG New Europe Funding II BV, a finance company operating in the Netherlands.

## (f) EFG Property Services Ukraine LLC, Ukraine

In July 2008, the Group established, as a 100% subsidiary, EFG Property Services Ukraine LLC, a real estate services company operating in Ukraine.

**11. Other assets**

As at 30 September 2008, Investments in associated undertakings amounted to € 36 million (31 December 2007: € 46 million, 30 September 2007: € 54 million) are presented within "Other Assets". Comparative figures have been adjusted accordingly.

The following is a listing of the Group's associates and joint ventures at 30 September 2008:

<u>Name</u>	<u>Note</u>	<u>Percentage Holding</u>	<u>Country of incorporation</u>	<u>Line of business</u>
Cardlink S.A.		50.00	Greece	POS administration
Dias S.A.	a	25.11	Greece	Closed-end investment fund
Tefin S.A.		50.00	Greece	Motor vehicle sales financing
Unitfinance S.A.		40.00	Greece	Financing company

Tefin S.A., Cardlink S.A. and Unitfinance S.A are the Group's joint ventures.

**(a) Dias SA**

In September 2008, the General Meeting of Shareholders of Dias SA and Global New Europe Fund approved the merger of Dias SA with Global New Europe Fund by absorption of the latter by the former. The share exchange ratio was determined at 3.6 Dias S.A. shares for each Global New Europe Fund share. Following the transaction, the Group decreased its participation in Dias S.A. to 25.11% from 42.04%

**12. Debt issued and other borrowed funds**

During the nine months ended 30 September 2008, the following new issues and repayments/repurchases of liabilities evidenced by paper took place :

	<b>New issues €million</b>	<b>Repayments/ Repurchases €million</b>
<b>Short-term debt</b>		
Commercial Paper (ECP)		
- fixed rate	6,527	(7,097)
<b>Long-term debt</b>		
Medium-term notes (EMTN)		
- fixed rate	683	(484)
- floating rate	959	(1,063)
Subordinated		
- floating rate	-	(46)
Securitised		
- floating rate	-	(471)
<b>Total</b>	<b>8,169</b>	<b>(9,161)</b>

In April 2008, the Group, through its subsidiary EFG Hellas (Cayman Islands) Limited, established a new US Medium Term Note Programme (US MTN Programme) amounting to US\$ 2 billion.

During 2008, the Group, through the Bank's Polish branches, has issued notes amounting to € 230 million under its Medium Term Note Programme totalling to PLN 2 billion.

**13. Ordinary share capital, share premium and treasury shares**

The par value of the Bank's shares is € 2.75 per share. All shares are fully paid. The movement of share capital, share premium and treasury shares is as follows:

	<b>Ordinary share capital €million</b>	<b>Treasury shares €million</b>	<b>Net €million</b>	<b>Share premium €million</b>	<b>Treasury shares €million</b>	<b>Net €million</b>
At 1 January 2008	1,443	(11)	1,432	1,412	(87)	1,325
8 April 2008:						
- Distribution of free shares to executive directors, management and staff	4	-	4	23	-	23
21 April 2008:						
- Share capital increase due to re-investment of dividend	4	-	4	20	-	20
Purchase of treasury shares	-	(46)	(46)	-	(238)	(238)
Sale of treasury shares	-	1	1	-	6	6
<b>At 30 September 2008</b>	<b>1,451</b>	<b>(56)</b>	<b>1,395</b>	<b>1,455</b>	<b>(319)</b>	<b>1,136</b>

**13. Ordinary share capital, share premium and treasury shares (continued)**

	Number of shares		
	Issued	Treasury shares	Net
At 1 January 2008	524,945,638	(4,130,706)	520,814,932
8 April 2008: - Distribution of free shares to executive directors, management and staff	1,400,000	-	1,400,000
21 April 2008: - Share capital increase due to re-investment of dividend	1,245,604	-	1,245,604
Purchase of treasury shares	-	(16,550,775)	(16,550,775)
Sale of treasury shares	-	287,501	287,501
<b>At 30 September 2008</b>	<b>527,591,242</b>	<b>(20,393,980)</b>	<b>507,197,262</b>

In April 2008, the Annual General Meeting and the Repeat Annual General Meeting approved the following:

- (a) the acquisition of treasury shares for up to 5% of the Bank's total shares in issue at any time, through the establishment of a share acquisition program, in order to optimise on a medium and long term basis the Group's equity, profits per share, dividends per share and capital adequacy ratios, as well as for use in a possible acquisition. The program expires in twenty four months (April 2010); the shares may be acquired within the price range of the nominal value (currently € 2.75) and € 34 per share.
- (b) the distribution of 1,400,000 free shares to employees in May 2008.
- (c) the increase of the share capital of the Bank by up to € 70 million through the reinvestment of dividends for the year 2008.
- (d) the formation of a special reserve of € 3.3 million to enable the 2010 Annual General Meeting to distribute up to 1,200,000 free shares to strong performers among employees. The distribution will be possible only if profitability targets set for 3 years are met or exceeded.

**14. Share options**

The Group grants share options to executive directors, management and employees. All options are equity-settled and may be exercised wholly or partly at their owners' option provided that the vesting requirements are met.

In April 2008, within the umbrella share options programme approved by the Annual General Meeting in April 2006, the Board of Directors has issued stock options on 2,600,000 shares to executive directors, management and employees with a strike price of € 10 per share. The options may be exercised from December 2010 to December 2013 only if the holders are still employed by the Group.

In September 2008, the Board of Directors authorised the issue of new stock options with amended terms which have been offered to employees who chose to cancel their existing unexercised options. The approved modifications to the existing schemes involved small increases in the strike price and extension of the exercise periods by 1 year.

**15. Preferred securities**

The movement of preferred securities issued by the Group through its Special Purpose Entity, EFG Hellas Funding Limited, is as follows:

	Series A €million	Series B €million	Series C €million	Total €million
At 1 January 2008	184	397	196	777
Purchase of preferred securities	(39)	(1)	(2)	(42)
Sale of preferred securities	0	1	2	3
<b>At 30 September 2008</b>	<b>145</b>	<b>397</b>	<b>196</b>	<b>738</b>

The rate of preferred dividends for the Tier 1 Issue series A has been determined at 4.45% for the period March 18, 2008 to March 17, 2009.

As at 30 September 2008, the dividend attributable to preferred securities holders amounted to € 27.7 million (30 September 2007: € 30 million).

**16. Contingent liabilities and capital expenditure commitments**

As at 30 September 2008 the Group's contingent liabilities in terms of guarantees and standby letters of credit amounted to € 4,067 million (31 December 2007: € 2,522 million) and the Group's documentary credits amounted to € 123million (31 December 2007: € 145 million).

The Group's capital commitments in terms of property, plant and equipment amounted to € 79.4 million (31 December 2007: € 52 million).

**17. Acquisition of subsidiaries**Adjustments to the provisional values of previous year acquisitions

With respect to the acquisition of 98.23% of the share capital of Eurobank Tekfen A.S. effected and presented provisionally in 2007, total goodwill has decreased by € 49.2 million as a result of adjustments that decreased the provisional values of net assets acquired by € 2 million, and adjustments, related to the valuation of the put option, that decreased total acquisition cost by € 51 million.

**18. Related party transactions**

The Bank is a member of the EFG Group, which consists of banks and financial services companies, the ultimate parent company of which is EFG Bank European Financial Group, a credit institution based in Switzerland. All voting rights at the general meetings of EFG Bank European Financial Group are held by the Latsis family. The EFG Group controls 41.8% of the Bank. The remaining shares are held by institutional and retail investors.

A number of banking transactions are entered into with related parties in the normal course of business and are conducted on an arms length basis. These include loans, deposits, letters of guarantee and derivatives. In addition, as part of its normal course of business in investment banking activities, the Group at times may hold positions in debt and equity instruments of related parties. The volumes of related party transactions and outstanding balances at the period/year-end are as follows:

	30 September 2008			31 December 2007		
	Key			Key		
	EFG	management		EFG	management	
	Group	personnel	Other	Group	personnel	Other
	€million	€million	€million	€million	€million	€million
Loans and advances to banks	26	-	-	0	-	-
Financial instruments at fair value through profit or loss	2	-	-	-	-	-
Available-for-sale investment securities	2	-	14	56	-	43
Held-to-maturity investment securities	48	-	-	-	-	-
Loans and advances to customers	18	16	17	24	16	38
Other assets	3	-	1	-	0	3
Due to other banks	137	-	-	88	-	-
Due to customers	8	50	189	2	40	118
Other liabilities	2	1	1	2	-	0
Letters of guarantee issued	385	1	5	386	-	3
Letters of guarantee received	409	-	-	411	-	-
	nine months ended 30 September 2008			nine months ended 30 September 2007		
Net interest income/(expense)	(7)	(1)	(3)	(14)	(1)	(4)
Net banking fee and commission income/(expense)	0	-	2	0	0	3
Dividend income	-	-	3	-	-	2
Other operating income/(expense)	(3)	-	(0)	(2)	-	(0)

Key management personnel includes directors and key management personnel of the Group and its parent, and their close family members.

No provisions have been recognised in respect of loans given to related parties (2007: Nil)

**Key management compensation (including directors)**

Key management personnel are entitled to compensation in the form of short-term employee benefits totalling € 10.1 million (30 September 2007: € 8.8 million) out of which € 2.3 million (30 September 2007: € 3.0 million) are share-based payments, and in the form of long-term employee benefits totalling € 3.1 million (30 September 2007: € 3.8 million) out of which € 2.9 million (30 September 2007: € 3.6 million) are share-based payments.

**19. Dividends**

Final dividends are not accounted for until they have been ratified by the Annual General Meeting.

The Annual General Meeting on 8 April 2008 approved a total dividend in respect of 2007 of € 0.82 per share. An interim dividend of € 0.32 per share amounting to € 166 million had been paid in December 2007 in accordance with the decision of the Extraordinary General Meeting on 9 November 2007. The remaining final dividend of € 0.50 per share amounting to € 257 million has been paid in May 2008 and has been accounted for in shareholders' equity as an appropriation of retained earnings during the period from 1 April 2008 to 30 June 2008.

Athens, 29 October 2008

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