



**CONDENSED INTERIM FINANCIAL  
STATEMENTS BANK  
30 SEPTEMBER 2008**

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**Interim income statement**

	For the three months ended 30-September		Note	For the nine months ended 30-September	
	2008	2007		2008	2007
	€ '000	€ '000		€ '000	€ '000
Interest and similar income	73.923	60.236		206.217	174.138
Interest expense and similar charges	(37.883)	(28.990)		(103.710)	(79.395)
<b>Net interest income</b>	<b>36.040</b>	<b>31.246</b>		<b>102.507</b>	<b>94.743</b>
Fee and commission income	11.193	9.272		31.320	28.069
Fee and commission expense	(1.397)	(1.232)		(5.516)	(2.221)
<b>Net fee and commission income</b>	<b>9.796</b>	<b>8.040</b>		<b>25.804</b>	<b>25.848</b>
Dividend income	118	59		457	275
Financial operations results	(100)	(383)		(331)	(774)
Other operating income	1.217	620	6	14.229	1.583
		-			
<b>Gross operating income</b>	<b>47.071</b>	<b>39.582</b>		<b>142.666</b>	<b>121.675</b>
Cost of risk	(12.961)	(9.310)	9	(36.627)	(28.390)
Cost of other risk	(115)	50		2.087	322
Staff costs and related expenses	(20.872)	(24.477)		(67.221)	(73.795)
Administration expenses	(16.144)	(14.554)		(44.587)	(40.705)
Depreciation and amortization	(3.344)	(3.398)		(10.576)	(9.923)
<b>Operating expenses</b>	<b>(53.436)</b>	<b>(51.689)</b>		<b>(156.924)</b>	<b>(152.491)</b>
<b>Net operating income</b>	<b>(6.365)</b>	<b>(12.107)</b>		<b>(14.258)</b>	<b>(30.816)</b>
<b>Profit / (loss) before income tax</b>	<b>(6.365)</b>	<b>(12.107)</b>		<b>(14.258)</b>	<b>(30.816)</b>
Income tax expense	(11.990)	(365)	10	(13.669)	(1.043)
<b>Profit / (loss) for the period</b>	<b>(18.355)</b>	<b>(12.472)</b>		<b>(27.927)</b>	<b>(31.859)</b>
Earnings per share (in euro)	€	€		€	€
- Basic and diluted	(0,1655)	(0,1755)	7	(0,2517)	(0,4482)

## Interim balance sheet

	<b>Note</b>	<b>30-Sep-08</b> <b>€' 000</b>	<b>31-Dec-07</b> <b>€' 000</b>
<b>Assets</b>			
Cash and balances with central bank		78.228	128.391
Due from banks		74.911	320.681
Derivative financial instruments		15.683	14.113
Loans and advances to customers, net		3.900.570	3.291.883
Investment securities - available for sale		443.926	332.865
Investment in subsidiaries undertakings	8	12.369	12.369
Investment in associate undertakings	8	990	990
Intangible assets	14	10.013	11.278
Property, plant and equipment	14	105.661	123.913
Deferred income tax assets	10	44.401	56.406
Other assets		39.456	42.169
<b>Total assets</b>		<b>4.726.208</b>	<b>4.335.058</b>
<b>Liabilities</b>			
Due to banks		1.676.395	1.069.197
Due to customers		2.582.138	2.757.851
Derivative financial instruments		3.758	931
Subordinated debt		129.383	125.201
Provisions for staff benefits		20.327	20.431
Risks & charges provisions		2.715	4.802
Other liabilities		41.170	54.421
<b>Total liabilities</b>		<b>4.455.886</b>	<b>4.032.834</b>
<b>Equity</b>			
Share capital		118.703	118.703
Share premium		215.317	215.320
Other reserves and retained earnings		(63.698)	(31.799)
<b>Total equity</b>		<b>270.322</b>	<b>302.224</b>
<b>Total equity and liabilities</b>		<b>4.726.208</b>	<b>4.335.058</b>

**Interim statement of changes in equity**
**For the nine months ended  
30 September 2007**

	Share capital € '000	Share premium € '000	Fair value reserves € '000	Other reserves € '000	Retained earnings € '000	Total equity € '000
Balance at 01.01.2007	336.898	62.620	341	5.481	(274.577)	130.763
Revaluation of AFS securities	-	-	1.602	-	-	1.602
Transfer of reserves	(274.423)	-	-	-	274.423	-
Loss for the period	-	-	-	-	(31.859)	(31.859)
Balance at 30.09.2007	<b>62.475</b>	<b>62.620</b>	<b>1.943</b>	<b>5.481</b>	<b>(32.013)</b>	<b>100.506</b>

**For the nine months ended  
30 September 2008**

	Share capital € '000	Share premium € '000	Fair value reserves € '000	Other reserves € '000	Retained earnings € '000	Total equity € '000
Balance at 01.01.2008	118.703	215.320	3.107	5.481	(40.387)	302.224
Revaluation of AFS securities	-	-	(3.725)	-	-	(3.725)
Recycled to P & L	-	-	(247)	-	-	(247)
Other	-	(3)	-	-	-	(3)
Loss for the period	-	-	-	-	(27.927)	(27.927)
Balance at 30.09.2008	<b>118.703</b>	<b>215.317</b>	<b>(865)</b>	<b>5.481</b>	<b>(68.314)</b>	<b>270.322</b>

**Interim cash flow statement**

	<b>For the nine months ended 30 September</b>	
	<b>2008</b>	<b>2007</b>
	<b>€' 000</b>	<b>€' 000</b>
<b>Cash flow from operating activities</b>		
Profit / (loss) after tax	(27.927)	(31.859)
<i>Adjustment for:</i>		
Depreciation of property plant and equipment	8.287	7.678
Depreciation of intangible assets	2.289	2.247
Impairment of loans and advances to customers	36.627	28.390
Provisions for staff benefits	(104)	397
Other provisions	(2.087)	(322)
Deferred income tax	12.004	-
(Profit) Loss from trading	619	(119)
Commission expenses	1.324	-
Dividend income from subsidiaries	(339)	(216)
Dividend income from investment portfolio	(118)	-
(Profit) Loss from sale of fixed assets	(13.519)	51
Foreign exchange (profit) loss on cash and cash equivalents	(3)	(12)
	<b>17.053</b>	<b>6.235</b>
<b><i>Net (increase) decrease of assets relating to operating activities</i></b>		
Due from banks	(7.821)	5.325
Trading portfolio and derivatives	1.258	(7.013)
Loans and advances to customers	(645.314)	(317.952)
Other assets	3.056	1.560
<b><i>Net increase (decrease) of liabilities relating to operating activities</i></b>		
Due to banks	607.198	107.600
Due to customers	(175.713)	125.200
Other liabilities	(7.405)	1.114
Income tax paid	(1.665)	(1.043)
<b><i>Net cash flow from operating activities after taxes</i></b>	<b>(209.353)</b>	<b>(78.974)</b>
<b>Cash flow from investing activities</b>		
Purchase of available for sale securities	(180.988)	(113.491)
Purchase of property, plant and equipment	(2.735)	(3.869)
Purchase of intangible assets	(1.024)	(934)
Proceeds from dividends from investment portfolio	118	-
Proceeds from sale of available for sale portfolio	64.009	127.344
Proceeds from sale of fixed assets	26.219	865
<b><i>Net cash flow from investing activities</i></b>	<b>(94.401)</b>	<b>9.915</b>
<b>Cash flow from financing activities</b>		
Capital increase expenses	(3)	-
<b>Net Cash flow from financing activities</b>	<b>(3)</b>	<b>-</b>
Foreign exchange (profit) loss on cash and cash equivalents	3	12
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(303.754)</b>	<b>(69.047)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>362.880</b>	<b>277.290</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>59.126</b>	<b>208.243</b>

## Selected explanatory notes to the condensed interim financial statements

### 1. General Information

Geniki Bank S.A (the "Bank") is active in retail and corporate banking. The Bank is incorporated in Greece and its shares are listed on the Athens Stock Exchange. The Bank operates in Greece.

These condensed interim financial statements were approved by the Board of Directors on 26 November 2008.

### 2. Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (IFRS) IAS 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Bank's published annual financial statements as at and for the year ended 31 December 2007.

### 3. Significant accounting policies

The accounting policies applied by the Bank in these condensed interim financial statements are the same as those applied by the Bank in its published annual financial statements as at and for the year ended 31 December 2007.

### 4. Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by Management in applying the Bank's accounting policies and the key sources of estimated uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2007.

### 5. Business segments

#### Segmented Reporting

Segment information is presented in respect of the Bank's business segments. Business segments are based on the group's management and internal reporting structure. This is an early adoption of IFRS 8 with comparative figures for 2007 under the same method. Geniki Bank operates only into Greek Market so, there is no information presented for geographic areas (countries, according to paragraph 105 IFRS 8).

Operating segments meeting the quantitative thresholds set by IFRS 8 have not been aggregated. Other segments below the thresholds have been presented on an aggregated basis. Management primarily relies on net interest revenue, instead of the gross revenue and expenses amounts, in managing the Bank's business segments. Therefore, as per IFRS 8.13 & 8.23, only the net amount is disclosed. Business segments pay and receive interest to and from the Central Treasury on an arm's length basis to reflect the allocation of capital and funding costs. Cost sharing is based on the allocation of common overhead costs to business segments on a reasonable basis.

#### Business segments

The Bank comprises the following six main business segments:

- **Corporate & Investment banking:** Includes loans, deposits and other transactions with large enterprises and more specifically products like open account, business loans, working capital in euro or foreign currency, multi-optional loan for business' premises, fixed assets-financing in euro or foreign currency, letters of guarantee and letters of credit, import and export operations, sight accounts, time deposits, repos, and other investment programs.
- **Small & Medium Size Enterprises:** Includes loans, deposits, and other transactions and balances with small and medium size enterprises. The products offered are almost the same as the ones offered to Corporate & Investment Banking segment, but the pricing, servicing of the customer and the way of promoting being totally different, it is considered and followed by the management in a different segment.
- **Retail Banking:** Includes loans, deposits and other transactions with individuals, professionals and very small businesses. More specifically, the products offered are business loans and working capital for very small businesses and professionals, consumer loans, personal loans, open credits, loans for car's purchase, loans for stocks' buying, loans for buying of mutual funds' shares, fixed or floating mortgage loans, mortgage loans with protection, savings accounts in local and foreign currency, special saving accounts linked with ECB rate, time deposits, current deposits with or without overdraft, payroll accounts.
- **Custody:** With individuals, mutual funds, securities and investment companies as customers, custody holds in safekeeping assets such as equities and bonds, arrange settlement of any purchases and sales of such securities, collect income from such assets (dividends in the case of equities and interest in the case of bonds), offers a wide variety of products such as time deposits, current accounts and repos, remittances, bonds of the Hellenic and Foreign Public etc.
- **Treasury:** Undertakes the Bank's funding and centralized market risk management activities through borrowings, issues of debt securities, use of derivatives for risk management purposes and investing in liquid assets such as short term placements and corporate and government debt securities.
- **All other segments:** Includes bank's transactions which are not included in any of the previous mentioned segments (leasing, insurance brokerage, management of capital and other accounts etc.).

**5. Business segments (continued)**
**For the nine months ended 30 September 2008**

	<b>Corporate &amp; Investment Banking</b>	<b>Small &amp; Medium Size Enterprises</b>	<b>Retail Banking</b>	<b>Treasury</b>	<b>Custody</b>	<b>All Other Segments</b>	<b>Total</b>
	€' 000	€' 000	€' 000	€' 000	€' 000	€' 000	€' 000
Revenue from external customers							
Net interest income	5.522	12.888	69.739	4.799	74	9.485	102.507
Net fee and commission income	6.069	4.277	13.634	-	3.353	(1.529)	25.804
Other operating income	-	-	-	456	12	13.887	14.355
<b>Total segmented revenue</b>	<b>11.591</b>	<b>17.165</b>	<b>83.373</b>	<b>5.255</b>	<b>3.439</b>	<b>21.843</b>	<b>142.666</b>
<b>Segmented result</b>	<b>5.301</b>	<b>(6.173)</b>	<b>(35.075)</b>	<b>3.648</b>	<b>1.455</b>	<b>16.586</b>	<b>(14.258)</b>
Income tax expenses							(13.669)
<b>Net Profit after tax</b>							<b>(27.927)</b>
Reportable segment gross loans	1.238.087	612.658	2.127.282	-	-	215.523	4.193.550
Reportable segment deposits	241.517	171.542	2.141.756	-	-	27.323	2.582.138

**For the nine months ended 30 September 2007**

	<b>Corporate &amp; Investment Banking</b>	<b>Small &amp; Medium Size Enterprises</b>	<b>Retail Banking</b>	<b>Treasury</b>	<b>Custody</b>	<b>All Other Segments</b>	<b>Total</b>
	€' 000	€' 000	€' 000	€' 000	€' 000	€' 000	€' 000
Revenue from external customers							
Net interest income	7.930	14.189	69.517	2.879	105	123	94.743
Net fee and commission income	3.482	4.569	13.494	-	3.857	446	25.848
Other operating income	-	-	-	514	24	546	1.084
<b>Total segmented revenue</b>	<b>11.412</b>	<b>18.758</b>	<b>83.011</b>	<b>3.393</b>	<b>3.986</b>	<b>1.115</b>	<b>121.675</b>
<b>Segmented result</b>	<b>1.476</b>	<b>(3.125)</b>	<b>(31.653)</b>	<b>2.020</b>	<b>2.238</b>	<b>(1.772)</b>	<b>(30.816)</b>
Income tax expenses							(1.043)
<b>Net Profit after tax</b>							<b>(31.859)</b>

**For the year ended 31 December 2007**

Reportable segment gross loans	862.074	675.629	1.868.623	-	-	167.254	3.573.580
Reportable segment deposits	349.650	200.576	2.157.907	-	-	49.718	2.757.851



## 6. Other operating income

In Other operating income the gain from the sale of the building located at 87 - 89 Ermou St. is included, amounting to € 13,5 million as well as the related brokerage expenses amounting to € 619 thousand.

## 7. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

	Measurement unit	For the three months ended 30 September		
		2008	2007	2007*
Net profit for period attributable to ordinary shareholders	€' 000	(18.355)	(12.472)	(12.472)
Weighted average number of ordinary shares in issue	Number of shares	110.937.084	71.079.449	58.387.939
Basic earnings per share	€	(0,1655)	(0,1755)	(0,2136)

\* as originally reported before the effect of the rights issue share capital increase

	Measurement unit	For the nine months ended 30 September		
		2008	2007	2007*
Net profit for period attributable to ordinary shareholders	€' 000	(27.927)	(31.859)	(31.859)
Weighted average number of ordinary shares in issue	Number of shares	110.937.084	71.079.449	58.387.939
Basic earnings per share	€	(0,2517)	(0,4482)	(0,5456)

\* as originally reported before the effect of the rights issue share capital increase

## 8. Investments in subsidiaries and associated undertakings

The Bank holds directly or indirectly the 100 % of the share capital of its subsidiaries.

## 9. Provisions for impairment losses on loans and advances to customers

	For the nine months ended 30 September	
	2008 €' 000	2007 €' 000
Balance at 1 January	279.346	288.836
Impairment losses on loans and advances charged in the year	45.846	29.394
Recoveries of allowances on doubtful loans	(7.207)	(1.525)
Loans written off during the year as uncollectible	(25.008)	-
Foreign exchange difference	3	-
<b>Balance at 30 September</b>	<b>292.980</b>	<b>316.705</b>

  

	For the nine months ended 30 September	
	2008 €' 000	2007 €' 000
Impairment losses on loans and advances charged in the year	45.846	29.394
Recoveries of allowances on doubtful loans	(7.207)	(1.525)
Foreign exchange difference	3	-
Loans written off & not covered by provisions - commercial risks	-	869
Recoveries of loans written off - commercial risks	(2.015)	(348)
<b>Balance at 30 June</b>	<b>36.627</b>	<b>28.390</b>

## 10. Income tax expense

The nominal Greek corporate tax rate is 25%. According to the Law 3697/ 08, a gradual corporate tax rate cut from 25 % to 20 % has been enacted (until 2014). This had an impact on the deferred tax asset position of the Bank and the recognition of deferred tax expense amounting to € 12 million.

Geniki Bank is tax audited up to 2004 (inclusive).

## 11. Contingent liabilities and capital expenditure commitments

There were no significant changes in the Bank contingent liabilities and capital expenditure commitments reported in the published annual financial statements as at and for the year ended 31 December 2007.

**Legal cases:** Pending litigation cases against the Bank are not expected to have a significant impact on its financial position and future operation.

## 12. Related parties

### Parent and ultimate controlling party

The ultimate controlling party of the Bank is Societe Generale S.A. which is incorporated in France. Societe Generale Group holds at 30 September 2008 52,33% of the ordinary shares of the Bank.

### Related party transactions with subsidiaries, associates and affiliates

	30-Sep-08 €' 000	31-Dec-07 €' 000
<b>Assets</b>		
Due from banks	26.264	26.438
Loans and advances to customers	170.519	167.255
Derivative financial instruments	4.546	5.165
Other assets	563	348
<b>Total</b>	<b>201.892</b>	<b>199.206</b>
<b>Liabilities</b>		
Due to banks	1.479.355	1.024.070
Due to customers	3.580	4.280
Derivative financial instruments	1.100	226
Subordinated debt	129.383	125.201
Other liabilities	1.405	1.392
<b>Total</b>	<b>1.614.823</b>	<b>1.155.169</b>
	30-Sep-08 €' 000	30-Sep-07 €' 000
<b>Income</b>		
Interest and similar income	8.066	6.682
Commissions income	1.618	1.233
Dividend income	339	216
Financial operations results	-	2.003
Other operating income	73	74
<b>Total</b>	<b>10.096</b>	<b>10.208</b>
<b>Expenses</b>		
Interest and similar expenses	40.779	29.413
Commission expenses	173	-
Financial operations results	1.918	-
Other administrative expenses	8.411	4.541
<b>Total</b>	<b>51.281</b>	<b>33.954</b>

### Transactions with key management personnel

The remuneration of the Board of Directors (BoD) members and General Managers of the Bank for the period ended 30 September 2008 amounted to € 1.149 thousand.

The outstanding loans granted to BoD members or to General Managers of the Bank for the period ended 30 September 2008 amounted to € 57 thousand ; their deposits amounted to € 546 thousand as at 30 September 2008 (€ 465 thousand as at 30 September 2007).

## 13. Hedge accounting

The Bank has implemented hedge accounting for interest rate risk connected with client loans with embedded interest rate collars. In addition, during the third quarter, the Bank has implemented hedge accounting for interest rate risk partly connected with fixed rated housing and consuming loans.

## 14. Property & Equipment, Intangible Assets

The Bank's additions to the property and equipment during the period amounted to € 2.735 thousand whereas the net disposals and write offs amounted to € 12.700 thousand.

The Bank's additions to intangible assets during the period amounted to € 1.024 thousand whereas the net disposals and write offs are nil.

## 15. Post balance sheet events

There are no post balance sheet events for the reporting period.

Athens, 26 November 2008

**The Chairman of Board  
of Directors**

**The Managing Director**

**The Chief Financial  
Officer**

TRYFON J. KOUTALIDIS

PATRICK COUSTE

NIKOLAOS C. PATERAKIS