



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

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Consolidated interim income statement

	For the three months ended			For the nine months ended	
	30-September			30-September	
	2008	2007		2008	2007
	€ ' 000	€ ' 000	Note	€ ' 000	€ ' 000
Interest and similar income	74.124	61.106		207.607	176.628
Interest expense and similar charges	(37.869)	(28.970)		(103.645)	(79.341)
Net interest income	36.255	32.136		103.962	97.287
Fee and commission income	11.057	9.162		30.913	27.697
Fee and commission expense	(1.356)	(1.255)		(5.414)	(2.291)
Net fee and commission income	9.701	7.907		25.499	25.406
Dividend income	118	59		118	59
Financial operations results	(100)	(387)		(334)	(777)
Other operating income	1.848	1.546	6	16.722	3.960
Gross operating income	47.822	41.261		145.967	125.935
Cost of risk	(13.750)	(9.462)	9	(39.808)	(28.757)
Cost of other risk	(269)	104		1.933	375
Staff costs and related expenses	(22.262)	(25.815)		(71.449)	(77.678)
Administration expenses	(15.353)	(14.223)		(42.093)	(40.298)
Depreciation and amortization	(3.437)	(3.498)		(10.850)	(10.219)
Operating expenses	(55.071)	(52.894)		(162.267)	(156.577)
Net operating income	(7.249)	(11.633)		(16.300)	(30.642)
Profit / (loss) before income tax	(7.249)	(11.633)		(16.300)	(30.642)
Income tax expense	(12.233)	(403)	10	(13.508)	(1.527)
Profit / (loss) for the period	(19.482)	(12.036)		(29.808)	(32.169)
Earnings per share (in euro)	€	€		€	€
- Basic and dilluted	(0,1756)	(0,1693)	7	(0,2687)	(0,4526)

Consolidated interim balance sheet

	Note	30-Sep-08 €' 000	31-Dec-07 €' 000
Assets			
Cash and balances with central bank		78.236	128.406
Due from banks		74.996	320.764
Derivative financial instruments		15.683	14.113
Loans and advances to customers, net		3.895.806	3.294.190
Investment securities - available for sale		443.926	332.865
Investment in associate undertakings	8	743	743
Intangible assets	14	10.140	11.439
Property, plant and equipment	14	107.003	125.549
Deferred income tax assets	10	46.379	58.223
Other assets		48.740	48.146
Total assets		4.721.652	4.334.438
Liabilities			
Due to banks		1.676.395	1.069.197
Due to customers		2.578.558	2.753.571
Derivative financial instruments		3.758	931
Subordinated debt		129.383	125.201
Provisions for staff benefits		20.614	20.666
Risks & charges provisions		3.093	5.026
Other liabilities		43.557	59.768
Total liabilities		4.455.358	4.034.360
Equity			
Share capital		118.703	118.703
Share premium		215.317	215.320
Other reserves and retained earnings		(67.726)	(33.945)
Total equity		266.294	300.078
Total equity and liabilities		4.721.652	4.334.438

Consolidated 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	342	6.304	(274.276)	131.888
Revaluation of AFS securities	-	-	1.601	-	-	1.601
Transfer of reserves	(274.423)	-	-	14	274.409	-
Loss for the period	-	-	-	-	(32.169)	(32.169)
Balance at 30.09.2007	62.475	62.620	1.943	6.318	(32.036)	101.320

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	3.108	6.318	(43.371)	300.078
Revaluation of AFS securities	-	-	(3.726)	-	-	(3.726)
Recycled to P & L	-	-	(247)	-	-	(247)
Other	-	(3)	-	-	-	(3)
Transfer	-	-	-	22	(22)	-
Loss for the period	-	-	-	-	(29.808)	(29.808)
Balance at 30.09.2008	118.703	215.317	(865)	6.340	(73.201)	266.294

Consolidated interim cash flow statement

	For the nine months ended 30 September	
	2008	2007
	€' 000	€' 000
Cash flow from operating activities		
Profit / (loss) after tax	(29.808)	(32.169)
<i>Adjustment for:</i>		
Depreciation of property plant and equipment	8.490	7.862
Depreciation of intangible assets	2.360	2.357
Impairment of loans and advances to customers	39.808	28.757
Provisions for staff benefits	(52)	449
Other provisions	(1.933)	(375)
Deferred income tax	11.844	79
(Profit) / loss from trading	619	(119)
Commission expenses	1.324	-
Dividend income from investment portfolio	(118)	-
(Profit) / loss from sales of fixed assets	(13.516)	49
Foreign exchange (profit) / loss on cash and cash equivalents	(3)	(12)
	19.015	6.878
<i>Net (increase) / decrease of assets relating to operating activities</i>		
Due from banks	(7.822)	5.326
Derivatives	1.257	(7.013)
Loans and advances to customers	(647.903)	(324.822)
Other assets	5.641	3.262
<i>Net increase / (decrease) of liabilities relating to operating activities</i>		
Due to banks	607.197	107.602
Due to customers	(175.012)	133.420
Other liabilities	(10.173)	(1.155)
Income tax paid	(1.858)	(2.112)
	(209.658)	(78.614)
<i>Net cash flow from operating activities after taxes</i>		
<i>Cash flow from investing activities</i>		
Purchase of available for sale securities	(180.988)	(113.491)
Purchase of property, plant and equipment	(2.803)	(4.250)
Purchase of intangible assets	(1.060)	(1.002)
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	26.622	959
<i>Net cash flow from investing activities</i>	(94.102)	9.560
<i>Cash flow from financing activities</i>		
Capital increase expenses	(3)	-
<i>Net Cash flow from financing activities</i>	(3)	-
Foreign exchange (profit) loss on cash and cash equivalents	3	12
Net increase (decrease) in cash and cash equivalents	(303.760)	(69.042)
Cash and cash equivalents at the beginning of the period	362.978	277.416
Cash and cash equivalents at the end of the period	59.218	208.374

Selected explanatory notes to the consolidated condensed interim financial statements

1. General Information

Geniki Bank S.A (the "Bank") and its subsidiaries (the "Group") are active in retail and corporate banking, insurance brokerage services, finance leasing and other services. The Bank is incorporated in Greece and its shares are listed on the Athens Stock Exchange. The Group 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 consolidated 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 Group's published consolidated annual financial statements as at and for the year ended 31 December 2007.

3. Significant accounting policies

The accounting policies applied by the Group in these condensed interim financial statements are the same as those applied by the Group in its published consolidated 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 consolidated interim financial statements, the significant judgments made by Management in applying the Group's accounting policies and the key sources of estimated uncertainty were the same as those that applied to the consolidated annual 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 Group'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 Group'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 Group 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 Group'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

	Corporate & Investment Banking	Small & Medium Size Enterprises	Retail Banking	Treasury	Custody	All Other Segments	Total
	€' 000	€' 000	€' 000	€' 000	€' 000	€' 000	€' 000
Revenue from external customers							
Net interest income	5.522	12.888	69.739	4.799	74	10.940	103.962
Net fee and commission income	6.069	4.277	13.634	-	3.353	(1.834)	25.499
Other operating income	-	-	-	456	12	16.038	16.506
Total segmented revenue	11.591	17.165	83.373	5.255	3.439	25.144	145.967
Segmented result	5.301	(6.173)	(35.075)	3.648	1.455	14.544	(16.300)
Income tax expenses							(13.508)
Net Profit after tax							(29.808)
Reportable segment gross loans	1.238.087	612.658	2.127.282	-	-	221.055	4.199.082
Reportable segment deposits	241.517	171.542	2.141.756	-	-	23.743	2.578.558

For the nine months ended 30 September 2007

	Corporate & Investment Banking	Small & Medium Size Enterprises	Retail Banking	Treasury	Custody	All Other Segments	Total
	€' 000	€' 000	€' 000	€' 000	€' 000	€' 000	€' 000
Revenue from external customers							
Net interest income	7.930	14.189	69.517	2.879	105	2.667	97.287
Net fee and commission income	3.482	4.569	13.494	-	3.857	4	25.406
Other operating income	-	-	-	514	24	2.704	3.242
Total segmented revenue	11.412	18.758	83.011	3.393	3.986	5.375	125.935
Segmented result	1.476	(3.125)	(31.653)	2.020	2.238	(1.598)	(30.642)
Income tax expenses							(1.527)
Net Profit after tax							(32.169)

For the year ended 31 December 2007

Reportable segment gross loans	862.074	675.629	1.868.623	-	-	176.676	3.583.002
Reportable segment deposits	349.650	200.576	2.157.907	-	-	45.438	2.753.571

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	(19.482)	(12.036)	(12.036)
Weighted average number of ordinary shares in issue	Number of shares	110.937.084	71.079.449	58.387.939
Basic earnings per share	€	(0,1756)	(0,1693)	(0,2061)

* 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	(29.808)	(32.169)	(32.169)
Weighted average number of ordinary shares in issue	Number of shares	110.937.084	71.079.449	58.387.939
Basic earnings per share	€	(0,2687)	(0,4526)	(0,5510)

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

8. Investments in subsidiaries and associated undertakings

Subsidiaries included in these consolidated financial statements are the ones included in 31 December 2007 financial statements; effective holdings to these subsidiaries remained the same.

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

	For the nine months ended 30 September	
	2008	2007
	€' 000	€' 000
Balance at 1 January	286.461	296.785
Impairment losses on loans and advances charged in the year	49.862	29.944
Recoveries of allowances on doubtful loans	(8.042)	(1.709)
Loans written off during the year as uncollectible	(25.008)	(1.000)
Foreign exchange difference	3	-
Balance at 30 September	303.276	324.020

	For the nine months ended 30 September	
	2008	2007
	€' 000	€' 000
Impairment losses on loans and advances charged in the year	49.862	29.944
Recoveries of allowances on doubtful loans	(8.042)	(1.709)
Foreign exchange difference	3	-
Loans written off & not covered by provisions - commercial risks	-	870
Recoveries of loans written off - commercial risks	(2.015)	(348)
Balance at 30 September	39.808	28.757

10. Income tax expense

The nominal Greek corporate tax 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 Group and the recognition of deferred tax expense amounting to € 12 million.

Group entities have been audited by the tax authorities as presented below :

- Geniki Bank SA up to 2004 (inclusive)
- General Cards SA up to 2006 (inclusive)
- General Finance SA up to 2002 (inclusive)
- General Insurance Brokerage up to 2002 (inclusive)
- General Leasing SA up to 2002 (inclusive)
- GBG Finance PLC (tax resident in the United Kingdom) has not been audited for the years 2001 to 2007 (inclusive)

§ Genap SA which under liquidation, has been tax audited up to 2002 (inclusive)

Due to the fact that a tax audit may disallow some expenses, it is possible that additional taxes may be assessed; it is estimated that these taxes are not going to have a significant impact on the financial position of the Group.

11. Contingent liabilities and capital expenditure commitments

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

Legal cases: Pending litigation cases against the Group 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 Group 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
Assets		
Due from banks	26.264	26.438
Derivative financial instruments	4.546	5.165
Total	30.810	31.603
Liabilities		
Due to banks	1.479.355	1.024.270
Derivative financial instruments	1.100	226
Subordinated Debt	129.383	125.201
Total	1.609.838	1.149.697
	30-Sep-08 €' 000	30-Sep-07 €' 000
Income		
Interest and similar income	1.253	1.997
Fee and commission income	1.107	678
Financial operations results	-	2.003
Total	2.360	4.678
Expenses		
Interest and similar expenses	40.714	29.359
Financial operations results	1.918	-
Other administrative expenses	2.410	-
Total	45.042	29.359

Transactions with key management personnel

The remuneration of the Board of Directors (BoD) members and General Managers of the Group for the period ended 30 September 2008 amounted to € 1.629 thousand.

The outstanding loans granted to BoD members or to General Managers of the Group amount 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 Group has implemented hedge accounting for interest rate risk connected with client loans with embedded interest rate collars. In addition, during the third quarter, the Group has also implemented hedge accounting for interest rate risk connected partly with fixed rated housing and consuming loans.

14. Property & Equipment, Intangible Assets

The Group's additions to the property and equipment during the period amounted to € 2.803 thousand whereas the net disposals and write offs amounted to € 13.105 thousand.

The Group's additions to intangible assets during the period amounted to € 1.060 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