



**FINANCIAL STATEMENTS
BANK
31 MARCH 2008**

Table of Contents

Interim income statement

Interim balance sheet

Interim statement of changes in equity

Interim cash flow statement

- 1. General information**
- 2. Statement of compliance**
- 3. Significant accounting policies**
- 4. Estimates**
- 5. Business segments**
- 6. Earnings per share**
- 7. Investments in subsidiary and associated undertakings**
- 8. Provision for impairment losses on loans and advances to customers**
- 9. Income tax expense**
- 10. Contingent liabilities and capital expenditure commitments**
- 11. Related parties**
- 12. Hedge accounting**

Interim income statement

		For the three months ended	
		31-March	
		2008	2007
		€ ' 000	€ ' 000
	Note		
Interest and similar income		64.614	55.664
Interest expense and similar charges		(31.963)	(23.483)
Net interest income		32.651	32.181
Fee and commission income		9.408	9.115
Fee and commission expense		(2.442)	(183)
Net fee and commission income		6.966	8.932
Dividend income		-	-
Financial operations results		(652)	(706)
Other operating income		391	249
Gross operating income		39.356	40.656
Cost of risk		(10.604)	(10.346)
Cost of other risk		2.196	-
Staff costs and related expenses		(22.432)	(24.632)
Administration expenses		(13.790)	(13.267)
Depreciation and amortization		(3.603)	(3.259)
Operating expenses		(48.233)	(51.504)
Net operating income		(8.877)	(10.848)
Profit / (loss) before income tax		(8.877)	(10.848)
Income tax expense	9	(932)	(221)
Profit / (loss) for the period		(9.809)	(11.069)
Earnings per share (in euro)		€	€
- Basic and diluted	6	(0,09)	(0,16)

Interim balance sheet

	<u>Note</u>	<u>31-Mar-08</u> <u>€' 000</u>	<u>31-Dec-07</u> <u>€' 000</u>
Assets			
Cash and balances with central bank		118.652	128.391
Due from banks		182.167	320.681
Derivative financial instruments		11.903	14.113
Loans and advances to customers, net		3.419.138	3.291.883
Investment securities - available for sale		320.443	332.865
Investment in subsidiaries undertakings	7	12.369	12.369
Investment in associate undertakings	7	990	990
Intangible assets		10.614	11.278
Property, plant and equipment		121.622	123.913
Deferred income tax assets		55.902	56.406
Other assets		56.846	42.169
Total assets		<u>4.310.646</u>	<u>4.335.058</u>
Liabilities			
Due to banks		1.045.586	1.069.197
Due to customers		2.775.744	2.757.851
Derivative financial instruments		2.183	931
Subordinated debt		126.595	125.201
Provisions for staff benefits		20.624	20.431
Risks & charges provisions		2.605	4.802
Other liabilities		47.387	54.421
Total liabilities		<u>4.020.724</u>	<u>4.032.834</u>
Equity			
Share capital		118.703	118.703
Share premium		215.317	215.320
Other reserves and retained earnings		(44.098)	(31.799)
Total equity		<u>289.922</u>	<u>302.224</u>
Total equity and liabilities		<u>4.310.646</u>	<u>4.335.058</u>

Interim statement of changes in equity
**For the three months ended
31 March 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	-	-	386	-	-	386
Loss for the period	-	-	-	-	(11.069)	(11.069)
Balance at 31.03.2007	336.898	62.620	727	5.481	(285.646)	120.080

**For the three months ended
31 March 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	-	-	(2.490)	-	-	(2.490)
Other	-	(3)	-	-	-	(3)
Loss for the period	-	-	-	-	(9.809)	(9.809)
Balance at 31.03.2008	118.703	215.317	617	5.481	(50.196)	289.922

Interim cash flow statement

	For the three months ended 31 March	
	2008	2007
	€' 000	€' 000
Cash flow from operating activities		
Profit / (loss) after tax	(9.809)	(11.069)
<i>Adjustment for:</i>		
Depreciaton of property plant and equipment	2.819	2.502
Depreciation of intangible assets	784	757
Impairment of loans and advances to customers	10.604	10.346
Provisions for staff benefits	193	183
Other provisions	(2.196)	-
Deferred income tax	504	-
(Profit) Loss from trading	2.192	(110)
(Profit) Loss from sale of fixed assets	58	11
Foreign exchange (profit) loss on cash and cash equivalents	(39)	(6)
	5.110	2.614
<i>Net (increase) decrease of assets relating to operating activities</i>		
Due from banks	(7.369)	11.424
Trading portfolio and derivatives	3.462	(2.261)
Loans and advances to customers	(137.859)	(35.254)
Other assets	(13.281)	(2.743)
<i>Net increase (decrease) of liabilities relating to operating activities</i>		
Due to banks	(23.611)	79.833
Due to customers	17.893	68.629
Other liabilities	(6.603)	(5.156)
<i>Income tax paid</i>	(428)	
	(162.686)	117.086
Cash flow from investing activities		
Purchase of available for sale securities	(4.062)	(94.889)
Purchase of property, plant and equipment	(684)	(791)
Purchase of intangible assets	(121)	(395)
Acquisition of investment in subsidiaries or associates	-	-
Proceeds from sale of investment in associates	-	-
Proceeds from sale of available for sale portfolio	11.798	106.498
Proceeds from sale of fixed assets	98	242
	7.029	10.665
Cash flow from financing activities		
Repayment of subordinated loan	-	-
Capital increase expenses	(3)	-
Proceeds from sale of treasury shares	-	-
Net Cash flow from financing activities	(3)	-
Foreign exchange (profit) loss on cash and cash equivalents	39	6
Net increase (decrease) in cash and cash equivalents	(155.621)	127.757
Cash and cash equivalents at the beginning of the period	362.880	277.290
Cash and cash equivalents at the end of the period	207.259	405.047

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 28 May 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 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 no information is 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, not 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 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 three months ended 31 March 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	1.918	9.941	16.731	1.492	27	2.542	32.651
Net fee and commission income	1.423	2.305	3.384	-	1.196	(1.342)	6.966
Other operating income	-	-	-	169	6	(436)	(261)
Total segmented revenue	3.341	12.246	20.115	1.661	1.229	764	39.356
Segmented result	826	(5.083)	(6.914)	1.184	586	524	(8.877)
Income tax expenses							(932)
Net Profit after tax							(9.809)
Reportable segment gross loans	910.336	1.371.190	948.187	-	-	479.523	3.709.236
Reportable segment deposits	306.967	842.836	1.556.743	-	-	69.198	2.775.744

For the three months ended 31 March 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	4.089	8.482	18.300	886	42	382	32.181
Net fee and commission income	1.080	3.732	2.415	-	1.290	415	8.932
Other operating income	-	-	-	177	-	(634)	(457)
Total segmented revenue	5.169	12.214	20.715	1.063	1.332	163	40.656
Segmented result	2.027	(5.468)	(8.640)	672	644	(83)	(10.848)
Income tax expenses							(221)
Net Profit after tax							(11.069)

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. 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 31 March		
		2008	2007	2007*
Net profit for period attributable to ordinary shareholders	€' 000	(9.809)	(11.069)	(11.069)
Weighted average number of ordinary shares in issue	Number of shares	110.937.084	71.079.449	58.387.939
Basic earnings per share	€	(0,09)	(0,16)	(0,19)

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

7. Investments in subsidiary and associated undertakings

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

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

	For the three months ended 31 March	
	2008 €' 000	2007 €' 000
Balance at 1 January	279.346	288.836
Impairment losses on loans and advances charged in the year	14.465	11.409
Recoveries of allowances on doubtful loans	(3.713)	(1.063)
Foreign exchange difference	-	236
Balance at 31 March	290.098	299.418

	For the three months ended 31 March	
	2008 €' 000	2007 €' 000
Impairment losses on loans and advances charged in the year	14.465	11.409
Recoveries of allowances on doubtful loans	(3.713)	(1.063)
Loans written off & not covered by provisions - commercial risks	(148)	-
Balance at 31 March	10.604	10.346

9. Income tax expense

The nominal Greek corporate rate of tax is 25%.

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

10. 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.

11. 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 52,33% of the ordinary shares of the Bank.

11. Related parties (Continued)

Related party transactions with subsidiaries, associates and affiliates

	31-Mar-08	31-Dec-07
	€' 000	€' 000
Assets		
Due from banks	46.578	26.438
Loans and advances to customers	167.308	167.255
Derivative financial instruments	4.964	5.165
Other assets	208	348
Total	219.058	199.206
Liabilities		
Due to banks	921.444	1.024.070
Due to customers	4.091	4.280
Subordinated debt	126.595	125.201
Other liabilities	1.377	1.392
Total	1.053.507	1.154.943
Income		
Interest and similar income	2.640	1.935
Commissions income	502	120
Other operating income	25	27
Total	3.167	2.082
Expenses		
Interest and similar expenses	11.597	9.331
Commission expenses	56	-
Financial activities expenses	201	197
Other administrative expenses	2.657	1.634
Total	14.511	11.162

Transactions with key management personnel

The remuneration of the Board of Directors (BoD) members and General Managers of the Bank for the period ended 31 March 2008 amounted to € 422 thousand.

The outstanding loans granted to BoD members or to General Managers of the Bank for the period ended 31 March 2008 amounted to € 26 thousand ; their deposits amounted to € 486 thousand as at 31 March 2008 (€ 468 thousand as at 31 March 2007).

12. Hedge accounting

The Bank has implemented hedge accounting for interest rate risk connected with client loans with embedded interest rate collars.

Athens, 28 May 2008

The Chairman of Board
of Directors

The Managing Director

The Chief Financial
Officer

The Manager of
Accounting & Tax Division

TRYFON J. KOYTALIDIS

PATRICK COUSTE

NIKOLAOS C. PATERAKIS

NIKOLAOS N.DALIANIS