

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**

AS AT 30 -06 -2006

In accordance with the International Accounting Standard 34



ATHENS, 24 August 2006

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**REVIEW REPORT OF THE CERTIFIED AUDITOR-ACCOUNTANT
(translated version of the Greek review report issued on 24 August 2006)**

**To the Shareholders of
“EMPORIKI BANK OF GREECE A.E.”**

We have reviewed the accompanying condensed interim consolidated balance sheet of Emporiki Bank of Greece A.E. (the “Company”) and its subsidiaries (the “Group”) as of 30 June 2006 and the related condensed interim consolidated statements of income, cash flows and changes in shareholders’ equity for the six months ended 30 June 2006. Our review was restricted to financial information for the six months period ended 30 June 2006 and did not encompass a review of financial information relating to the Group’s performance for the three months period ended 30 June 2006 as a separate quarter which is presented in the income statement of the accompanying condensed interim consolidated financial statements. These condensed interim consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these condensed interim consolidated financial statements based on our review.

We conducted our review in accordance with the International Standard on Review Engagements 2400, as required by the Greek Standards on Auditing. This Standard requires that we plan and perform the review to obtain moderate assurance about whether the condensed interim consolidated financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements for the six monthly period ended 30 June 2006 has not been properly prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

Without qualifying our opinion, we draw attention to note 27 of the financial statements on matters relating to the implementation of Law 3371/2005 (Social Security Regulation of Banking Institutions) by the Company.

Athens, 24 August 2006
THE CERTIFIED AUDITOR ACCOUNTANT

PRICEWATERHOUSECOOPERS

Konstantinos Michalatos
A.M. SOEL 17701

Condensed Interim Consolidated Income Statement

| | <u>Note</u> | <u>01/01 - 30/06/2006</u> | <u>01/01 - 30/06/2005</u> | <u>01/04 - 30/06/2006</u> | <u>01/04 - 30/06/2005</u> |
|--|-------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Interest & similar income | | 553.017 | 464.182 | 282.678 | 236.032 |
| Interest expense & similar charges | | <u>(197.941)</u> | <u>(157.179)</u> | <u>(102.939)</u> | <u>(81.908)</u> |
| Net interest income | 5 | 355.076 | 307.003 | 179.739 | 154.124 |
| Fee & commission income | | 83.928 | 75.403 | 40.005 | 34.584 |
| Fee & commission expense | | <u>(3.401)</u> | <u>(4.998)</u> | <u>(2.047)</u> | <u>(2.864)</u> |
| Net commission income | 6 | 80.527 | 70.405 | 37.958 | 31.720 |
| Net premiums from insurance contracts | | 80.587 | 96.618 | 41.027 | 48.267 |
| Net claims and benefits on insurance contracts | | <u>(66.548)</u> | <u>(78.906)</u> | <u>(32.374)</u> | <u>(41.884)</u> |
| Net income from insurance operations | 9 | 14.039 | 17.712 | 8.653 | 6.383 |
| Dividend income | | 1.891 | 2.788 | 1.841 | 2.414 |
| Net trading results | 7 | 4.416 | 5.572 | (9.189) | (1.475) |
| Gains less losses from investment securities | 8 | 32.137 | 4.676 | 12.962 | 4.681 |
| Other operating income | | <u>18.764</u> | <u>8.928</u> | <u>10.264</u> | <u>5.235</u> |
| Net operating income | | 506.850 | 417.084 | 242.228 | 203.082 |
| Staff costs | 10 | (205.195) | (192.845) | (105.846) | (93.979) |
| Depreciation & amortisation | | (16.967) | (20.001) | (5.533) | (9.022) |
| Impairment losses on loans and receivables | 18 | (69.587) | (55.440) | (35.758) | (27.371) |
| Other operating expenses | 11 | <u>(90.720)</u> | <u>(84.220)</u> | <u>(46.004)</u> | <u>(44.765)</u> |
| Net operating income | | (382.469) | (352.506) | (193.141) | (175.137) |
| Share of loss / profits of associates | | (4.110) | 510 | 468 | (114) |
| Result from subsidiaries held for sale | | <u>-</u> | <u>31</u> | <u>-</u> | <u>106</u> |
| PROFIT/ (LOSS) BEFORE INCOME TAX | | 120.271 | 65.119 | 49.555 | 27.937 |
| Income tax expense | 12 | <u>(27.675)</u> | <u>(19.929)</u> | <u>(9.481)</u> | <u>(6.581)</u> |
| PROFIT/ (LOSS) AFTER INCOME TAX | | 92.596 | 45.190 | 40.074 | 21.356 |
| Attributable to: | | | | | |
| Equity holders of the Bank | | 91.701 | 45.995 | 39.624 | 21.502 |
| Minority interest | | 895 | (805) | 450 | (146) |
| Basic earnings per share (in Euro) | 13 | 0,69 | 0,42 | 0,30 | 0,20 |

Notes on pages 8 to 25 form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Balance Sheet

| | <u>Σημ.</u> | <u>30η Ιουνίου 2006</u> | <u>31η Δεκεμβρίου 2005</u> |
|--|-------------|-----------------------------|--------------------------------|
| ASSETS | | | |
| Cash and balances with Central Bank | 14 | 820.856 | 728.120 |
| Treasury bills | 15 | 19.916 | 12.359 |
| Due from other banks | 16 | 931.362 | 1.149.796 |
| Trading securities | 17 | 1.379.084 | 1.055.278 |
| Derivative financial instruments | | 15.933 | 34.019 |
| Loans and advances to customers | 18 | 17.159.135 | 15.632.511 |
| Available-for-sale securities | 19 | 289.904 | 112.271 |
| Held-to-maturity securities | 20 | 138.953 | 28.642 |
| Investments in non consolidated subsidiaries | 21 | 2.488 | 2.672 |
| Investments in associates | 22 | 13.470 | 17.769 |
| Intangible assets | | 17.304 | 20.154 |
| Property, plant and equipment | | 364.176 | 371.856 |
| Investment property | | 108.726 | 116.548 |
| Deferred tax assets | 30 | 256.685 | 251.161 |
| Income tax advance | | 4.213 | 3.305 |
| Other assets | | 666.983 | 481.164 |
| TOTAL ASSETS | | 22.189.188 | 20.017.625 |
| LIABILITIES AND EQUITY | | | |
| Liabilities | | | |
| Due to other banks | 23 | 1.437.024 | 1.279.863 |
| Derivative financial instruments | | 20.575 | 22.008 |
| Due to customers | 24 | 15.576.663 | 14.929.308 |
| Debt securities in issue | 25 | 1.584.260 | 399.803 |
| Other borrowed funds | 26 | 342.791 | 349.157 |
| Due to State pension funds | 27 | 786.327 | 786.327 |
| Personnel leaving indemnities | 28 | 32.220 | 32.265 |
| Insurance reserves | 29 | 565.208 | 553.653 |
| Current income tax liabilities | | 32.351 | 16.583 |
| Deferred tax liabilities | 30 | 7.141 | 5.778 |
| Other liabilities | | 634.803 | 555.716 |
| Total liabilities | | 21.019.363 | 18.930.461 |
| Equity | | | |
| Share Capital | 32 | 728.153 | 728.153 |
| Share premium | | 371.497 | 371.497 |
| Other reserves | | 681.949 | 691.477 |
| Accumulated deficit | | (719.093) | (794.657) |
| Results for the period | | 91.701 | 75.972 |
| | | 1.154.207 | 1.072.442 |
| Minority interests | | 15.618 | 14.722 |
| Total equity | | 1.169.825 | 1.087.164 |
| TOTAL LIABILITIES AND EQUITY | | 22.189.188 | 20.017.625 |

Notes on pages 8 to 25 form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statement of Changes in Equity

| | Share capital | Share premium | Treasury shares | Currency Translation differences | Other reserves | Accumulated deficit | Total | Minority interests | Total |
|---|------------------|------------------|--------------------|--|-------------------|------------------------|------------------|-----------------------|------------------|
| Balances as at 1 January 2005 | 485.435 | 272.183 | (132.793) | (2.921) | 699.922 | (899.932) | 421.894 | 31.819 | 453.714 |
| Available-for-sale valuation | - | - | - | - | 508 | 499 | 1.007 | - | 1.007 |
| Profit for the period 01/01–30/06/2005 | - | - | - | - | - | 45.995 | 45.995 | (805) | 45.190 |
| Foreign exchange differences | - | - | - | 5.066 | - | - | 5.066 | - | 5.066 |
| FX differences re: non current assets held for sale | - | - | - | 839 | - | - | 839 | - | 839 |
| Change in accounting for subsidiaries held for sale | - | - | - | - | - | - | - | (3.941) | (3.941) |
| Movements through reserves | - | - | - | - | 318 | 337 | 655 | (69) | 586 |
| Transfers between reserves | - | - | - | 997 | 1.609 | (2.606) | - | - | - |
| Share capital increase through capitalization of reserves | 97.087 | (1.147) | - | - | (12.851) | (84.539) | (1.450) | - | (1.450) |
| Losses set of against share premium | - | (144.852) | - | - | - | 144.852 | - | - | - |
| Sale of treasury shares | - | - | 31.819 | - | (11.087) | - | 20.732 | - | 20.732 |
| Balances as at 30 June 2005 | 582.522 | 126.184 | (100.974) | 3.981 | 678.419 | (795.394) | 494.738 | 27.004 | 521.743 |
| Balance as at 1 January 2006 | 728.153 | 371.497 | - | 2.212 | 689.265 | (718.685) | 1.072.442 | 14.722 | 1.087.164 |
| Appropriations of 2005 | - | - | - | - | 1.507 | (1.507) | - | - | - |
| Profit for the period 01/01–30/06/2006 | - | - | - | - | - | 91.701 | 91.701 | 895 | 92.596 |
| Reclassification of Reserves | - | - | - | - | (1.287) | 1.287 | - | - | - |
| Available-for-sale valuation | - | - | - | - | 8.123 | - | 8.123 | - | 8.123 |
| Transfer to income statement due to sale of available for sale securities | - | - | - | - | (14.924) | - | (14.924) | - | (14.924) |
| Changes in subsidiaries shareholding structure | - | - | - | - | - | (188) | (188) | - | (188) |
| Foreign exchange differences | - | - | - | (2.947) | - | - | (2.947) | 1 | (2.946) |
| Balances as at 30 June 2006 | 728.153 | 371.497 | - | (735) | 682.684 | (627.392) | 1.154.207 | 15.618 | 1.169.825 |

Notes on pages 8 to 25 form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Cash Flow Statement

| | Period ended 30 June | |
|--|----------------------|------------------|
| | 2006 | 2005 |
| Profit / (loss) after tax | 91.701 | 45.995 |
| <u>Adjustment for reconciliation of period result to cash flows from operating activities</u> | | |
| <u>Adjustments for non cash items included in profit and loss for the period:</u> | | |
| Depreciation and amortization | 16.967 | 20.001 |
| Impairment for losses on loans and advances | 69.587 | 55.440 |
| Currency translation differences | (2.947) | 4.570 |
| Share of (profit) / loss of associates | 4.110 | (541) |
| | 87.717 | 79.470 |
| <u>Net (increase)/ decrease of operating assets:</u> | | |
| Obligatory deposits to Bank of Greece | (128.463) | (19.989) |
| Due from other banks | (2.654) | (36.380) |
| Trading securities (less government bonds) | (48.751) | 165.988 |
| Derivative financial instruments | 18.086 | (13.258) |
| Loans and advances to customers (net of write-offs) | (1.596.211) | (927.493) |
| Deferred tax assets | (5.524) | 6.650 |
| Other assets | (186.266) | (144.376) |
| | (1.949.783) | (968.858) |
| <u>Net increase/(decrease) operating liabilities:</u> | | |
| Due to other banks | 157.161 | 132.651 |
| Derivative financial instruments | (1.433) | (19.034) |
| Due to customers | 647.355 | 403.276 |
| Current tax liabilities | 14.860 | 17.552 |
| Deferred tax liabilities | 1.363 | (1.041) |
| Other liabilities | 90.642 | (41.163) |
| Minority interests | 896 | (874) |
| Personnel indemnities | (45) | 910 |
| | 910.799 | 492.277 |
| Total cash flows from operating activities | (859.566) | (351.116) |
| Cash flows from investing activities | | |
| Changes in participations in non consolidated subsidiaries and adjustments of associates' equity | 373 | 3.307 |
| Adjustments through equity | - | (2.909) |
| Changes in subsidiaries shareholding structure | (188) | - |
| Net change in property, plant and equipment, intangible assets and investment property | 1.385 | (5.268) |
| Decrease of held to maturity securities | (110.311) | 4.841 |
| Decrease of available-for-sale investments | (184.434) | 29.292 |
| Total cash flows from investing activities | (293.175) | 29.263 |
| Cash flows from financing activities | | |
| Proceeds from the issue of mortgage backed securities (securitization) | 997.281 | - |
| Proceeds from the issue of other debt securities | 248.750 | - |
| Purchase of own debt securities | (67.493) | (8.441) |
| Proceeds from sale of own shares | - | 20.732 |
| Tax on share capital increase | - | (1.450) |
| Total cash flows from financial activities | 1.178.538 | 10.841 |
| Net increase / (decrease) in cash and cash equivalents | 25.797 | (311.012) |
| Cash and cash equivalents, at beginning of period (Note 33) | 2.143.465 | 2.720.806 |
| Cash and cash equivalents, at end of period (Note 33) | 2.169.262 | 2.409.794 |

Notes on pages 8 to 25 form an integral part of these condensed interim consolidated financial statements

Notes to the Condensed Interim Consolidated Financial Statements

1. General Information

EMPORIKI BANK GROUP ("Emporiki Bank" or "Group") provides retail, corporate and investment banking services, asset management and other financial services. The Group offers services in Greece through its network of 374 branches and abroad through its branch in London and its subsidiaries in Germany, Cyprus, Bulgaria, Albania, and Romania.

Emporiki Bank was established in Greece in 1907 and its shares are listed in the Athens Stock Exchange since 1909. Emporiki Bank's shares participate in the FTSE20.

The Bank's registered office is at 11 Sofocleous Str. and its registration number as "Societe Anonyme" is 6064/06/B/86/03.

Emporiki Bank's web site address is www.emporiki.gr.

The members of the Board of Directors, as at 30 June 2006, are the following:

Executive members

| | | |
|----------|-------------|--------------------------------|
| Georgios | Provopoulos | Chairman and Managing Director |
| Leonidas | Zonnios | General Manager |
| Fokion | Demakakos | Member |
| Despoina | Chalkidou | Member |

Non-executive members

| | | |
|-----------|--------------|--------|
| Bernard | Dewit | Member |
| Jean-Luc | Perron | Member |
| Spyridon | Lorentziadis | Member |
| Ioannis | Fotopoulos | Member |
| Demetrios | Prokopiou | Member |
| Panayotis | Tsakos | Member |

Independent Non-executive members

| | | |
|-----------|-----------|--------|
| Demetrios | Krontiras | Member |
| Margarita | Zoulovits | Member |
| Nicolaos | Embeoglou | Member |

The Board of Directors approved these financial statements on 24 August 2006.

2. Significant Accounting Policies

The accounting policies applied in the preparation of these condensed interim consolidated financial statements are in accordance with the accounting policies included in the annual consolidated financial statements as at 31 December 2005, after taking into consideration the following new interpretations and amendments to the standards issued by the International Accounting Standards Board (IASB) and adopted by the European Union and which are effective for periods beginning on 1 January 2006:

- IAS 19 (Amendment) “Employee Benefits”
- IAS 39 (Amendment) “Fair Value Option”
- IAS 39 (Amendment) “Cash Flow Hedge Accounting of Forecast Intra-group Transactions”
- IAS 39 and IFRS 4 (Amendment) “Financial Guarantee Contracts”
- IAS 21 (Amendment) “The Effects of Changes in Foreign Exchange Rates”
- IFRIC 4 “Determining whether an Arrangement contains a Lease”,
- IFRIC 5 «Rights to Interests arising from Decommissioning, Restoration, and Environmental Rehabilitation Funds»
- IFRIC 6 «Liabilities Arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment»

The amendments to the Standards mentioned above and the issue of Interpretation 4 do not have any significant effect on the Group’s financial statements. IFRIC 5 and 6 are not relevant to the Group’s nature of business.

Apart from the amendments to the Standards and the new interpretations stated above, IASB has issued the International Financial Reporting Standard 7 “Financial Instruments: Disclosures” and has amended the International Accounting Standard 1. IFRS 7 and the amendment to IAS 1, are effective for accounting periods beginning on or after 1 January 2007 and are expected to have a significant effect on the disclosures required for the financial instruments.

Finally, IASB has issued the interpretations 7,8 and 9, which are effective for accounting periods beginning on or after 1 March 2006, 1 May 2006 and 1 June 2006 respectively and they have not been adopted by the European Union. The application of these interpretations is not expected to have any significant effect on the Group’s financial statements.

2.1 Basis of preparation

Emporiki Bank condensed interim consolidated financial statements as at 30 June 2006 have been prepared in accordance with the International Accounting Standard (IAS) 34 “Interim Financial Reporting” and they should be read along with the Group’s annual published financial statements for the year ended 31 December 2005.

The condensed interim consolidated financial statements are presented in Euro, the Bank’s functional currency, rounded to the nearest thousand unless otherwise indicated.

These condensed interim consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

3. Critical Accounting Estimates, and Judgments in Applying Accounting Policies

In preparing these condensed interim consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and they key sources of estimation uncertainty are the same as those that applied to the published annual consolidated financial statements for the year ended 31 December 2005.

4. Segment Reporting

| <u>From 1/1 to 30/06/2006</u> | | | | Insurance and Asset management | Investment Banking & Treasury | Other |
|--|----------------|----------------|------------------|---|--|-----------------|
| | Group | Retail | Corporate | | | |
| Net interest income | 355.076 | 283.642 | 59.193 | 4.235 | 8.084 | (78) |
| Net commission income | 80.527 | 62.186 | 5.881 | 9.066 | 3.394 | - |
| Net fee and income from insurance activities | 14.039 | - | - | 14.039 | - | - |
| Other income | 57.208 | 3.401 | 2.178 | 4.522 | 35.444 | 11.663 |
| TOTAL NET INCOME | 506.850 | 349.229 | 67.252 | 31.862 | 46.922 | 11.585 |
| Employee benefits | 205.195 | 137.933 | 30.816 | 14.837 | 3.448 | 18.161 |
| Impairment loans and advances | 69.587 | 52.435 | 17.152 | - | - | - |
| Other administration expense | 107.687 | 66.654 | 11.161 | 10.653 | 4.228 | 14.991 |
| TOTAL OPERATING EXPENSES | 382.469 | 257.022 | 59.129 | 25.490 | 7.676 | 33.152 |
| Share of loss of associates | (4.110) | | | | (4.110) | |
| PROFIT / (LOSSES) BEFORE TAXES | 120.271 | 92.207 | 8.123 | 6.372 | 35.136 | (21.567) |

| <u>From 1/1 to 30/06/2005</u> | | | | Insurance and Asset management | Investment Banking & Treasury | Other |
|--|----------------|----------------|------------------|---|--|-----------------|
| | Group | Retail | Corporate | | | |
| Net interest income | 307.003 | 222.848 | 46.595 | 4.984 | 32.233 | 343 |
| Net commission income | 70.405 | 60.646 | 5.964 | 2.019 | 1.629 | 147 |
| Net fee and income from insurance activities | 17.712 | - | - | 17.712 | - | - |
| Other income | 21.964 | 1.053 | 1.045 | 5.983 | 10.055 | 3.828 |
| TOTAL NET INCOME | 417.084 | 284.547 | 53.604 | 30.698 | 43.917 | 4.318 |
| Employee benefits | 192.845 | 130.155 | 30.146 | 13.224 | 1.494 | 17.826 |
| Impairment loans and advances | 55.440 | 45.125 | 9.776 | - | 539 | - |
| Other administration expense | 104.221 | 62.187 | 12.250 | 14.233 | 816 | 14.735 |
| TOTAL OPERATING EXPENSES | 352.506 | 237.467 | 52.172 | 27.457 | 2.849 | 32.561 |
| Share of profits of associates | 510 | | | | 510 | |
| Result from subsidiaries held for sale | 31 | | | | 31 | |
| PROFIT / (LOSSES) BEFORE TAXES | 65.119 | 47.080 | 1.432 | 3.241 | 41.609 | (28.243) |

Retail includes all services and products offered to individuals, freelance professional small and medium size entities.

Corporate refers to products and services offered to corporations and shipping companies.

Insurance and asset management services refer to portfolio management for clients, mutual fund asset management of ERMIS and insurance products offered by the insurance companies of the Group.

Investment banking and Treasury include financial services, consulting and transaction services on capital exchange issues and on dealing room activities.

In the other sections are all non-financial or insurance activities as well as the administrative and back off services of the Bank.

| 5. Net Interest Income | 01/01- 30/06/2006 | 01/01- 30/06/2005 | 01/04- 30/06/2006 | 01/04- 30/06/2005 |
|--------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Interest and similar income | | | | |
| Cash and short-term funds | 17.119 | 21.547 | 5.703 | 11.008 |
| Bonds/ Treasury bills | 49.264 | 35.667 | 26.592 | 17.612 |
| Lending securities and reverse repos | 9 | 449 | 2 | 57 |
| Loans and advances | 481.051 | 406.519 | 246.611 | 207.355 |
| Other | 5.574 | - | 3.770 | - |
| | 553.017 | 464.182 | 282.678 | 236.032 |
| Interest and similar expense | | | | |
| Banks and customers | 160.713 | 140.931 | 82.315 | 74.035 |
| Debt securities | 12.890 | 5.117 | 10.043 | 2.906 |
| Securities and repos | 5.728 | 5.824 | 2.995 | 2.487 |
| Due to pension funds | 12.802 | - | 4.754 | - |
| Other borrowing funds | 5.808 | 5.307 | 2.832 | 2.480 |
| | 197.941 | 157.179 | 102.939 | 81.908 |
| Net interest income | 355.076 | 307.003 | 179.739 | 154.124 |
| 6. Net Commission Income | 01/01- 30/06/2006 | 01/01- 30/06/2005 | 01/04- 30/06/2006 | 01/04- 30/06/2005 |
| Commission income | | | | |
| Loans | 17.874 | 15.117 | 7.151 | 6.181 |
| Working capital | 3.863 | 4.546 | 2.036 | 2.316 |
| Letters of guarantee | 7.292 | 6.255 | 3.584 | 2.780 |
| Credit cards | 13.293 | 13.331 | 7.132 | 7.579 |
| Imports – Exports | 3.897 | 3.557 | 1.887 | 1.729 |
| Mutual Funds | 7.663 | 6.671 | 3.694 | 2.815 |
| Other commissions | 30.046 | 25.926 | 14.521 | 11.184 |
| | 83.928 | 75.403 | 40.005 | 34.584 |
| Commission expenses | | | | |
| Credit card commissions | 2.777 | 3.436 | 1.613 | 1.854 |
| Other | 624 | 1.562 | 434 | 1.010 |
| | 3.401 | 4.998 | 2.047 | 2.864 |
| Net commission income | 80.527 | 70.405 | 37.958 | 31.720 |

| 7. Net Trading Results | 01/01- 30/06/2006 | 01/01- 30/06/2005 | 01/04- 30/06/2006 | 01/04- 30/06/2005 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| Net profit from transactions and foreign exchange valuation | 2.503 | 4.137 | (108) | (2.205) |
| Net profit / (loss) from sale and valuation of bonds | (20.909) | 12.474 | (10.538) | 9.370 |
| Net profit / (loss) from sale and valuation of shares and other variable yield securities | 1.832 | 6.070 | (4.041) | 858 |
| Net profit / (loss) from sale and valuation of derivatives | 22.093 | (20.899) | 10.662 | (14.874) |
| Net profit / (loss) from sale and valuation of mutual funds | 151 | 3 | 151 | (21) |
| Profit / (loss) from "Phoenix Metrolife" trading portfolio | <u>(1.254)</u> | <u>3.787</u> | <u>(5.315)</u> | <u>5.397</u> |
| Total net trading results | <u>4.416</u> | <u>5.572</u> | <u>(9.189)</u> | <u>(1.475)</u> |

| 8. Gains less Losses from Investment Securities | 01/01- 30/06/2006 | 01/01- 30/06/2005 | 01/04 - 30/06/2006 | 01/04- 30/06/2005 |
|--|------------------------------|------------------------------|-------------------------------|------------------------------|
| Net profit / (loss) from sale of bonds | 135 | 16 | 115 | 21 |
| Net profit from sale of shares and other variable yield securities | 28.737 | 1.786 | 9.930 | 1.786 |
| Net profit from sale and valuation of mutual funds | - | 2.437 | - | 2.437 |
| Net profit from sale of subsidiaries | <u>3.265</u> | <u>437</u> | <u>2.916</u> | <u>437</u> |
| Total gain less losses investment portfolio | <u>32.137</u> | <u>4.676</u> | <u>12.962</u> | <u>4.681</u> |

| 9. Net Income from Insurance Operations | 01/01- 30/06/2006 | 01/01- 30/06/2005 | 01/04- 30/06/2006 | 01/04- 30/06/2005 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| Net life insurance premiums and rights | 18.633 | 28.109 | 9.600 | 14.462 |
| Net general insurance premiums and rights | <u>61.954</u> | <u>68.509</u> | <u>31.427</u> | <u>33.805</u> |
| Net premiums from insurance contracts | 80.587 | 96.618 | 41.027 | 48.267 |
| Life insurance claims (excluding DAF & Unit Linked) | (12.944) | (11.414) | (6.290) | (6.570) |
| General insurance claims | (35.183) | (44.619) | (17.320) | (23.181) |
| Change of reserves on non finalized compensations | (4.608) | 879 | 1.890 | 3.526 |
| Profits from investment products | 2.642 | 7.753 | 844 | 1.315 |
| Change of technical reserves | 2.824 | (11.842) | (1.493) | (7.155) |
| Commissions and other direct production expenses | <u>(19.279)</u> | <u>(19.663)</u> | <u>(10.005)</u> | <u>(9.819)</u> |
| Net claims and benefits on insurance contracts | (66.548) | (78.906) | (32.374) | (41.884) |
| Total net income from insurance operations | <u>14.039</u> | <u>17.712</u> | <u>8.653</u> | <u>6.383</u> |

| 10. Staff Costs | <u>01/01- 30/06/2006</u> | <u>01/01- 30/06/2005</u> | <u>01/04- 30/06/2006</u> | <u>01/04- 30/06/2005</u> |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Salaries and wages | 142.916 | 125.493 | 72.495 | 59.385 |
| Social security cost (principal and auxiliary) | 55.338 | 61.586 | 30.156 | 33.415 |
| Other benefits | <u>6.941</u> | <u>5.766</u> | <u>3.195</u> | <u>1.179</u> |
| Total staff costs | <u>205.195</u> | <u>192.845</u> | <u>105.846</u> | <u>93.979</u> |

Total personnel of the Group as at 30 June 2006 consists of 7.641 people compared to 7.570 as at 30 June 2005.

| 11. Other Operating Expenses | <u>01/01- 30/06/2006</u> | <u>01/01- 30/06/2005</u> | <u>01/04- 30/06/2006</u> | <u>01/04- 30/06/2005</u> |
|---------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Fees and third party expenses | 15.799 | 11.671 | 8.452 | 6.982 |
| Third parties fees | 26.827 | 20.837 | 14.555 | 11.893 |
| Insurance fees | 799 | 1.585 | 377 | 804 |
| Taxes and duties | 6.764 | 6.846 | 4.895 | 5.380 |
| Other expenses | <u>40.531</u> | <u>43.281</u> | <u>17.725</u> | <u>19.706</u> |
| Total other operating expenses | <u>90.720</u> | <u>84.220</u> | <u>46.004</u> | <u>44.765</u> |

| 12. Income Tax | <u>01/01- 30/06/2006</u> | <u>01/01- 30/06/2005</u> | <u>01/04- 30/06/2006</u> | <u>01/04- 30/06/2005</u> |
|--------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Tax for the period | 31.943 | 14.319 | 14.847 | 4.550 |
| Deferred taxation (Note 30) | <u>(4.268)</u> | <u>5.610</u> | <u>(5.366)</u> | <u>2.031</u> |
| Total income tax | <u>27.675</u> | <u>19.929</u> | <u>9.481</u> | <u>6.581</u> |

| 13. Earnings per Share | <u>01/01- 30/06/2006</u> | <u>01/01- 30/06/2005</u> | <u>01/04- 30/06/2006</u> | <u>01/04- 30/06/2005</u> |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Profits allocated to shareholders of the Bank (in € thousands) | 91.701 | 45.995 | 39.624 | 21.502 |
| Average number of shares (excluding own shares) | <u>132.391.468</u> | <u>108.293.790</u> | <u>132.391.468</u> | <u>108.293.790</u> |
| Profit per share (in €) | <u>0,69</u> | <u>0,42</u> | <u>0,30</u> | <u>0,20</u> |

Basic earnings per share is calculated on the profit after tax attributable to the Bank's shareholders and the weighted average number of shares outstanding during the period after deducting own shares in ownership during the period.

The weighted average number of shares for the period from 1 January to 30 June 2005 has been retrospectively adjusted in accordance with the requirements of IAS 33 “Earnings per Share”.

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding during the period and the profit or loss attributable to ordinary equity holders for all the effects of dilutive potential ordinary shares. There were no outstanding dilutive ordinary shares during the periods presented in these financial statements.

| 14. Cash and Balances with Central Banks | 30/06/06 | 31/12/05 |
|---|-----------------|-----------------|
| Cash | 259.954 | 226.024 |
| Deposits at Central Bank excluding obligatory deposits for liquidity purposes | 214.820 | 286.212 |
| Cheques receivables – Central Bank clearing office | 3.609 | 1.874 |
| Included as cash and cash equivalents (Note 33) | 478.383 | 514.110 |
| Obligatory deposits at Central Banks | 342.473 | 214.010 |
| Total cash and balances with Central Bank | 820.856 | 728.120 |

Obligatory deposits with Central Bank is a requirement set by the Bank of Greece for all financial institutions established in Greece and equal 2% of total customer deposits. The Bank is also required to maintain a current account with Bank of Greece in order to facilitate inter-bank transactions through the Trans European – Automated Real Time Gross Settlement Express Transfer System (TARGET).

| 15. Treasury Bills | 30/06/06 | 31/12/05 |
|-----------------------------------|-----------------|-----------------|
| Greek state treasury bills | 14.630 | 919 |
| Foreign government treasury bills | 5.286 | 11.440 |
| Total treasury bills | 19.916 | 12.359 |

| 16. Due from Other Banks | 30/06/06 | 31/12/05 |
|--|-----------------|------------------|
| Cheques receivables | 4.362 | 4.459 |
| On demand | 47.857 | 12.322 |
| Placements in other banks | 708.477 | 967.279 |
| Other amounts due | 34.494 | 32.218 |
| Included as cash and cash equivalents (Note 33) | 795.190 | 1.016.278 |
| Loans to other banks | 136.172 | 133.518 |
| Total due from other banks | 931.362 | 1.149.796 |

| 17. Trading Securities | 30/06/06 | 31/12/05 |
|--|-----------------------|-----------------------|
| Bonds issued by Greek state (Note 33) | 875.345 | 600.275 |
| Bonds issued by other Governments (Note 33) | 428 | 443 |
| Other issuers bonds | 412.215 | 349.534 |
| | 1.287.988 | 950.252 |
| Listed shares | 62.901 | 76.791 |
| Non listed shares | 1.628 | 1.658 |
| Mutual funds | 26.567 | 26.577 |
| | 91.096 | 105.026 |
| Total trading securities | 1.379.084 | 1.055.278 |
| 18. Loans and Advances to Customers | 30/06/06 | 31/12/05 |
| Loans to individuals | | |
| Overdrafts | 15.290 | 12.252 |
| Credit cards | 419.461 | 417.334 |
| Term loans (including consumer loans) | 1.843.576 | 1.573.705 |
| Housing loans | 4.873.229 | 4.299.734 |
| Other loans | 190.809 | 238.662 |
| | 7.342.365 | 6.541.686 |
| Loans to legal entities | | |
| Business loans | 8.169.853 | 7.476.915 |
| Syndicated loans | 114.501 | 175.848 |
| State and public companies | 281.946 | 348.280 |
| Financial leases | 458.097 | 431.327 |
| Loans in the form of bonds and other loans | 1.539.548 | 1.344.475 |
| | 10.563.945 | 9.776.844 |
| Total loans and advances to customers | 17.906.310 | 16.318.530 |
| Less: Impairment losses on loans and advances | (747.175) | (686.019) |
| | 17.159.135 | 15.632.511 |
| Floating interest rate | 16.263.911 | 14.943.033 |
| Fixed interest rate | 1.642.399 | 1.375.497 |
| Total | 17.906.310 | 16.318.530 |
| Impairment losses on loans and advances | 30/06/06 | 31/12/05 |
| Balance at 1 January | 686.019 | 650.110 |
| Impairment for loans and advances | 69.587 | 118.108 |
| Write-offs | (8.431) | (82.199) |
| Balance at 30 June / 31 December | 747.175 | 686.019 |

| 19. Available-for-Sale Securities | <u>30/06/06</u> | <u>31/12/05</u> |
|--|------------------------|------------------------|
| Bonds issued by Hellenic Republic | 220.274 | 2.028 |
| Bonds issued by other Governments | - | 493 |
| Other issuers bonds | 30.198 | 30.197 |
| Listed shares | 11.391 | 39.560 |
| Non listed shares | 18.015 | 30.393 |
| Mutual funds units | <u>10.026</u> | <u>9.600</u> |
| Total available-for-sale securities | <u>289.904</u> | <u>112.271</u> |

| 20. Held-to-Maturity Securities | <u>30/06/06</u> | <u>31/12/05</u> |
|--|------------------------|------------------------|
| Bonds issued by Hellenic Republic | 32.945 | 17.982 |
| Bonds issued by other Governments | 3.807 | - |
| Other issuers bonds | <u>102.201</u> | <u>10.660</u> |
| Total held-to-maturity securities | <u>138.953</u> | <u>28.642</u> |

21. Participation in Subsidiaries

The following subsidiaries were consolidated using the full consolidation method:

| Company | Country of incorporation | Direct & indirect % participation as at | |
|--|--------------------------|---|----------|
| | | 30.06.06 | 31.12.05 |
| 1 EMPORIKI BANK-GERMANY GMBH . | GERMANY | 100,00 | 100,00 |
| 2 EMPORIKI BANK-BULGARIA A.D. | BULGARIA | 100,00 | 100,00 |
| 3 EMPORIKI BANK-ALBANIA S.A. | ALBANIA | 100,00 | 100,00 |
| 4 EMPORIKI LEASING S.A. | GREECE | 100,00 | 100,00 |
| 5 EMPORIKI BANK CYPRUS | CYPRUS | 81,19 | 81,19 |
| 6 EMPORIKI VENTURE CAPITAL ENTERPRISES LTD | CYPRUS | 100,00 | 100,00 |
| 7 EMPORIKI VENTURE CAPITAL DEVELOPED MARKETS LTD | CYPRUS | 100,00 | 100,00 |
| 8 EMPORIKI VENTURE CAPITAL EMERGING MARKETS LTD | CYPRUS | 100,00 | 100,00 |
| 9 EMPORIKI VENTURE CAPITAL FUNDS LTD | CYPRUS | 100,00 | 100,00 |
| 10 EMPORIKI GROUP FINANCE P.L.C. | ENGLAND | 100,00 | 100,00 |
| 11 EMPORIKI MANAGEMENT | GREECE | 99,99 | 99,99 |
| 12 EMPORIKI BANK-ROMANIA S.A. | ROMANIA | 98,48 | 98,48 |
| 13 THERMA EMPORIKI DEVELOPMENT | GREECE | - | 96,51 |
| 14 KOLONOS REAL ESTATE S.A. | GREECE | - | 96,51 |
| 15 THERMAIKOS REAL ESTATE S.A. | GREECE | - | 96,51 |
| 16 PHOENIX METROLIFE EMPORIKI | GREECE | 89,84 | 89,84 |
| 17 EMPORIKI ASSET MANAGEMENT A.E.P.E.Y. | GREECE | 80,00 | 80,00 |
| 18 ERMIS AEDAK | GREECE | 71,70 | 71,70 |
| 19 EMPORIKI DEVELOPMENT & REAL ESTATE MANAGEMENT | GREECE | 96,50 | 96,50 |
| 20 GREEK INDUSTRY OF BAGS | GREECE | 70,26 | 70,26 |
| 21 EMPORIKI RENT | GREECE | 51,00 | 51,00 |
| 22 EMPORIKI LIFE (proportionate consolidation) | GREECE | 50,00 | 50,00 |
| 23 EMPORIKI CREDICOM (proportionate consolidation) | GREECE | 50,00 | 50,00 |

During the 1st semester of 2006 the Bank participated to the share capital increase of Emporiki Credicom, without any dilution of its participation.

On 30.03.2006 the Bank sold its participation in Therma Emporiki Development and Thermaikos Real Estate S.A..

On 30.06.2006 Kolonos Real Estate SA was merged with Emporiki Development & Real Estate Management.

Emporiki Venture Capital Funds Ltd and Emporiki Venture Capital Enterprises Ltd since 01.01.2006 are in the process of merger with Emporiki Venture Capital Development Markets Ltd.

The main subsidiaries that were excluded from consolidation based on materiality are:

| Company | |
|----------------|--|
| 1 | EMPORIKI MEDIA EPE |
| 2 | HISTORICAL ARCHIVES |
| 3 | BANKING DEVELOPMENT TRAINING AND RESEARCH CENTER |
| 4 | ELVIO AE |
| 5 | TOTAL CARE AE |
| 6 | EMPORIKI MERIMNA |
| 7 | PRESERVILLE ENTERPRISES LTD |
| 8 | ORMISTONE HOLDINGS LTD |
| 9 | DICAPRIO |
| 10 | MR SNACK |

22. Participation in Associates

The following associates were consolidated using the equity method:

| Company | | Country of incorporation | Direct & indirect % participation as at | |
|---------|-----------------------------------|--------------------------|---|----------|
| | | | 30.06.06 | 31.12.05 |
| 1 | INDUSTRY OF PHOSPHORIC FERTILIZER | GREECE | 44,00 | 44,00 |
| 2 | ICAP | GREECE | 20,00 | 20,00 |
| 3 | EULER HERMES EMPORIKI | GREECE | 37,82 | 46,44 |
| 4 | CHARALAMBIDIES DAIRIES | CYPRUS | 20,00 | 20,00 |
| 5 | MEDIAFON | GREECE | - | 25,00 |

On 21.02.2006 the Bank sold its participation in MEDIAFON to third parties

During the 1st semester of 2006 the carrying amount of the participation in the Industry of Phosphoric Fertilizers was fully impaired. It must be noted that the restructuring plan of the “Industry of Phosphoric Fertilizers” was approved in the special Shareholders General Meeting of the company, which was held at 10 January 2006. The restructuring plan is aiming at turning the company into a profitable corporation. The Bank, taking into consideration this restructuring plan and by being one of the basic funding banks of the company, decided to support the plan by restructuring the company’s overdue loans, granting new loan facilities and enhancing its capital base, so that the company can face the increased restructuring costs.

On 24.05.2006 Phoenix Metrolife Emporiki sold 10% of its participation in Euler Hermes Emporiki to third parties. Additionally on 15.06.2006 Euler Hermes Emporiki made a share capital increase in which the Bank participated proportionately to its participation ratio and also Phoenix Metrolife Emporiki participation ratio. The two aforementioned events resulted to a decrease of Group’s participation ratio to Euler Hermes Emporiki by 8,62%.

The main associates that were excluded from consolidation based on materiality are:

Company

- 1** ALPHA GRAPHICS FRANCHISE DEVELOPMENT
- 2** INCURIAM INVESTMENT LTD

| 23. Due to Other Banks | 30/06/06 | 31/12/05 |
|--|-------------------|-------------------|
| Borrowings from banks | 1.281.280 | 1.110.746 |
| Current accounts | 128.346 | 167.816 |
| Other liabilities | 27.398 | 1.301 |
| Total due to other banks | 1.437.024 | 1.279.863 |
| | | |
| 24. Due to Customers | 30/06/06 | 31/12/05 |
| Deposits from legal entities | | |
| Current accounts | 1.562.758 | 1.842.841 |
| Term deposits | 1.514.363 | 1.230.906 |
| Repurchase agreements | 3.947 | 12.521 |
| | 3.081.068 | 3.086.268 |
| Deposits from individuals | | |
| Current accounts | 495.189 | 507.736 |
| Term deposits | 4.772.300 | 4.022.621 |
| Saving accounts | 7.072.782 | 7.238.206 |
| Sale and repurchase agreements | 1.828 | - |
| | 12.342.099 | 11.768.563 |
| | | |
| Cheques and remittances payable | 153.496 | 74.477 |
| | | |
| Total due to customers | 15.576.663 | 14.929.308 |
| | | |
| Fixed interest rate | 6.292.438 | 5.266.048 |
| Floating interest rate | 9.130.729 | 9.588.783 |
| Total deposits | 15.423.167 | 14.854.831 |

Fixed rate deposits include term deposits and repos in euro and foreign currency. The remaining amounts are floating.

25. Debt Securities in Issue

| | <u>30/06/06</u> | <u>31/12/05</u> |
|---------------------------------------|-------------------------|-----------------------|
| Debt securities | 1.584.187 | 399.730 |
| Other credit titles | 73 | 73 |
| Total debt securities in issue | <u>1.584.260</u> | <u>399.803</u> |

The special purpose entity, Lithos Mortgage Financing Plc issued the following classes of residential mortgaged backed securities :

- € 910.000.000 nominal value of Class A floating rate notes (3 month Euribor plus 0,15% spread)
- € 53.000.000 nominal value of Class B floating rate notes (3 month Euribor plus 0,30% spread)
- € 37.000.000 nominal value of Class C floating rate notes (3 month Euribor plus 0,55% spread)

These securities are callable from May 2013 onwards.

Moreover, Emporiki Group Finance Plc granted a loan to the bank amounting to € 248.750.000, due in April 2011. For the above, Emporiki Group Finance Plc, proceeded to the issuance of € 250.000.000 nominal value debt securities (Schuldschein) with 3 month Euribor plus 0,35% spread

As at 30 June 2006, the Bank owned debt securities issued by Lithos Mortgage Financing Plc and Emporiki Group Finance Plc with a total value of € 61.469.534.

26. Other Borrowed Funds

| | <u>30/06/06</u> | <u>31/12/05</u> |
|-----------------------------------|-----------------------|-----------------------|
| Subordinated notes | 342.791 | 349.157 |
| Total other borrowed funds | <u>342.791</u> | <u>349.157</u> |

As at 30 June 2006, the Bank owned subordinated debt securities issued by Emporiki Group Finance Plc with a total value of € 6.023.735.

27. Due State Pension Funds

The Auxiliary Pension Fund (TEAPETE) for the Bank's employees is considered a defined benefit plan prior to law 3371/2005. Under law 3371/2005, in which the Bank has opted for submission, all employees and pensioners that were employed up to 31 December 2004 will not be included in TEAPETE but will be included in IKA –ETEAM and ETAT which are the auxiliary funds for state control plans and the new auxiliary fund for bank employees, both of which are considered defined contribution plans. Employees that join the Bank after 1/1/2005 are automatically included in IKA-ETEAM.

Following the provisions of the new law 3371/2005, an economic study was performed by independent specialized actuaries, in order to determine the cost of including TEAPETE into the above-mentioned auxiliary funds (IKA-ETEAM and ETAT). This economic study was approved by the relevant committee of the Ministry of Economy and Finance and it was ratified by law (N.3455/2006). According to the study the Bank is estimated to pay into IKA-ETEAM and ETAT, for its pensioners a special contribution of 786,3 million Euro (upfront or within a period of 10 years). The present value of the future contributions from the voluntary retirement and the present value of the extra employees' and employers' contribution (paragraph b of article 59 of Law 3371/2005) have been taken into account into the amount mentioned above.

In addition, the Bank will be obliged to pay additional contributions compared to those defined by ETEAM regulations for employees hired before 31/12/2004 for the following periods and up to the date they retire. The terms of the payment for the additional contributions is not defined by Law 3371/2005 and it is expected to be settled by an agreement between the Bank and the Ministry of Economy and Finance. The Bank estimated that the charge, regarding the additional contributions, in the income statement of 2006 is, nearly, 28 million. This charge has been calculated by applying gradually increasing contribution rates, so that the future annual charges will remain at the same level as for 2005.

It should be noted, that the estimated annual charge it may be different from the one to be determined by the Ministry of Economy and Finance. However, the management of the Bank, based on the results of the economic study, the guidelines from the Ministry of Economy and Finance and the best estimates for the contribution rates (which form the basis of the additional contributions calculation), concluded that recognition of the charge was the most appropriate accounting treatment.

The board of Directors of ETAT ratified the amount mentioned in the economic study and the Bank proceeded to the payment of the two first installments along with the related interest charge. Concerning, the payment of the amount due to the ETEAM, the issuance of the court decisions, which are required for the payment, has not been completed. However, the Bank paid the amounts relating to the two first installments based on the calculation of the economic study mentioned above.

Notwithstanding the rejection of the temporary measures filed by the employee union (First instance court judgement, No.8849/05), there is a possibility for further legal dispute between the Bank and the employee union or other third parties regarding this issue.

| 28. Personnel Leaving Indemnities | <u>30/06/06</u> | <u>31/12/05</u> |
|---|------------------------|------------------------|
| Defined benefit plans of local subsidiaries | 28.321 | 29.028 |
| Law 2112/20 employee claims | 2.082 | 1.955 |
| Defined benefit plans of foreign subsidiaries | 1.817 | 1.282 |
| Total personnel leaving indemnities | <u>32.220</u> | <u>32.265</u> |

| 29. Insurance Reserves | <u>30/06/06</u> | <u>31/12/05</u> |
|--|------------------------|------------------------|
| PHOENIX METROLIFE insurance and technical reserves | 539.471 | 532.491 |
| EMPORIKI LIFE insurance and technical reserves | 25.737 | 21.162 |
| Total insurance reserves | <u>565.208</u> | <u>553.653</u> |

30. Deferred Tax Assets/ Liabilities

Deferred tax is calculated on all temporary differences based on the liability method and the expected tax rate.

Deferred tax assets and liabilities arise from:

| Deferred tax assets | 30/06/06 | 31/12/05 |
|---|-----------------|-----------------|
| Intangible assets write-off | 1.982 | 2.860 |
| Impairment of loans and receivables | 31.143 | 33.064 |
| Provision for the cost of submission to ETEAM | 202.302 | 194.574 |
| Commissions recognition based on effective interest rates | 7.747 | 6.945 |
| Impairment of investments at companies under clearing process | 8.837 | 8.837 |
| Provision for staff expenses | 2.723 | 3.349 |
| Other temporary tax differences | 1.951 | 1.532 |
| | 256.685 | 251.161 |
| Deferred tax liabilities | | |
| Buildings reduced depreciation rates | 2.628 | 1.575 |
| Financial leases | 3.709 | 3.615 |
| Other temporary tax differences | 804 | 588 |
| | 7.141 | 5.778 |
| Net deferred tax assets | 249.544 | 245.383 |

The change (release) of deferred tax assets and liabilities through the income statement is:

| | 30/06/06 | 31/12/05 |
|---|-----------------|-----------------|
| Deferred tax (income statement) | | |
| Intangible assets variation | 878 | 2.519 |
| Impairment of loans and receivables | 1.839 | 5.947 |
| Commission recognition based on real interest rates | (802) | 1.542 |
| Provision for staff expenses | 626 | 3.840 |
| Buildings reduced depreciation rates | 1.053 | 1.279 |
| Impairment of investments in companies under liquidation | - | 915 |
| Financial leases | 94 | 1.089 |
| Provision for the cost of submission to ETEAM | (7.728) | 2.008 |
| Other temporary tax differences | (228) | (104) |
| | (4.268) | 19.035 |
| Transfer from other assets to Impairment of loans and receivables | 82 | |
| Transfer from other assets to Other temporary tax differences | 25 | - |
| Total deferred tax | (4.161) | 19.035 |

31. Contingent Liabilities and Commitments

a) Legal issues

The Group companies during the normal course of their business are defendants in claims from customers and other legal actions. According to the consultation of the Bank's Legal division the ultimate disposition of these matters is not expected to have a material effect on the financial position or operations of the Group.

b) Contingent commitments

| | <u>30/06/06</u> | <u>31/12/05</u> |
|-------------------------------|--------------------------|--------------------------|
| Letters of guarantee | 1.896.687 | 1.826.488 |
| Unused approved credit limits | <u>10.120.369</u> | <u>9.457.999</u> |
| | <u>12.017.056</u> | <u>11.284.487</u> |

c) Pledged assets

Pledged assets as at 30 June 2006 amount to 377.800 (112.200 as at 31 December 2005) including Hellenic Republic bonds pledged by the Bank of Greece for the purposes of transactions through TARGET, by the derivatives clearing house (ETESSEP) as a margin insurance and pledged by foreign financial institution for funding purposes and securitization of mortgages.

32. Share Capital

The share capital as at 30 June 2006 and 31 December 2005, amount to €728.153.074 divided in 132.391.468 ordinary shares.

33. Cash and Cash Equivalents

For cash flow purposes cash and cash equivalents includes the following accounts that have maturity up to 3 months from the date of purchase.

| | <u>30/06/06</u> | <u>31/12/05</u> |
|---|-------------------------|-------------------------|
| Cash and balances with Central Banks (Note 14) | 478.383 | 514.110 |
| Treasury bills (Note 15) | 19.916 | 12.359 |
| Due from banks (Note 16) | 795.190 | 1.016.278 |
| Trading portfolio (Note 17) | <u>875.773</u> | <u>600.718</u> |
| Total cash and cash equivalents | <u>2.169.262</u> | <u>2.143.465</u> |

34. Related Party Transactions

The Greek State, Credit Agricole and pension funds with participating interests of 11%, 8,9% and 19,4% respectively, constituted the major shareholders of the Bank as at 30 June 2006. The remaining shares are available to the equity market.

The public offer of Credit Agricole for the acquisition of the total of the shares of Emporiki Bank was successfully completed on 9th of August 2006. Following the completion of the public offer, Credit Agricole is the major shareholder of the Bank with a participating interest of 71,97% (Note 36).

| | <u>01/01- 30/06/06</u> | <u>01/01- 30/06/05</u> |
|--------------------------|----------------------------|----------------------------|
| Board of Directors fees* | 798 | 780 |
| | <u>30/06/06</u> | <u>31/12/05</u> |
| Deposits | 20.947 | 23.756 |
| Loans | 98.391 | 49.129 |
| | <u>119.338</u> | <u>72.885</u> |

* The fees of the non-executive members of Board of Directors amount to € 29 thousands for the A' Semester of 2006 and € 25 thousands for A' Semester of 2005.

Deposits and loans refer to members of the Board of Directors and their immediate family and companies they control or influence.

| Associates | <u>30/06/06</u> | <u>31/12/05</u> |
|-----------------------------------|----------------------------|----------------------------|
| Assets | | |
| - Loans and advances to customers | 48.792 | 39.231 |
| Liabilities | | |
| - Due to customers | 2.015 | 510 |
| | <u>01/01- 30/06/06</u> | <u>01/01- 30/06/05</u> |
| Income | | |
| - Interest & similar income | 692 | 347 |

35. Capital Adequacy

The Bank's solvency ratio is calculated in accordance with PD/BOG 2053/92 "Definition of equity for credit institutions in Greece" and PD/BOG 2397/96 "Solvency ratio for credit institutions" (modified PD/BOG 2494/02) with a minimum ratio of 8%.

According to management of the Bank based on:

- (a) the financial information for the Bank and Group as at 30 June 2006 in accordance with IFRS,
- (b) articles in Law 3301/04 "Financial insurance, IFRS and other",
- (c) the announcement of CEBS as of 21.12.04 for "Regulations regarding changes to equity for credit institutions", and
- (d) the consultation paper of the Bank of Greece as at 21 January 2004,

The Bank's solvency ratio as at 30 June 2006 is estimated at 8,3% approximately for both the Bank and the Group.

36. Post Balance Sheet Events

On 13th of June 2006, Credit Agricole submitted a public offer for the acquisition of the total of the shares of Emporiki Bank. The public offer was approved by the Hellenic Capital Market Commission on 29th June 2006. On 27th of July 2006, Credit Agricole submitted a revised public offer which was also approved by the Hellenic Capital Market Commission on 28th of July 2006.

The deadline for accepting the revised public offer expired on 7th of August 2006. Following the completion of the public offer, on 16th of August 2006, Credit Agricole became the banks' major shareholder with a participating interest of nearly 72%, including the shares before the public offer and the shares acquired during the period of the public offer.