

“THE ETHNIKI”
HELLENIC GENERAL INSURANCE COMPANY S.A.

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED AT 31 MARCH 2006
ON A COMPANY AND CONSOLIDATED BASIS

MAY 2006
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Note: These financial statements are a translation. In case of any differences, the Greek version shall prevail.

The Group's and Parent Company's Financial Statements have been prepared in accordance to the International Accounting Standards and the International Financial Reporting Standards and have been published in the company's website www.ethniki-asfalistiki.gr

INCOME STATEMENT					
	Note	GROUP		PARENT	
		31/3/2006	31/3/2005	31/3/2006	31/3/2005
		(In '000s €)			
Gross written premiums and related revenue	4	177.193	161.068	169.336	156.843
Minus:Ceded premiums		(26.689)	(16.654)	(22.255)	(15.005)
Net of reinsurance written premiums and related revenue		150.504	144.414	147.081	141.838
Change in Unearned Premium Reserve		4.358	(3.813)	5.207	(3.582)
Net written premiums and related revenue		154.862	140.601	152.288	138.256
Investment Income		9.898	11.688	9.613	11.439
Net realized gains from sale/maturity of financial assets		7.086	15.405	7.066	15.275
Net fair value gains of financial assets		7.758	(1.947)	6.741	(2.107)
Share of profit of associated companies		177	0	0	0
Other income		1.172	7.660	564	6.915
		180.953	173.407	176.272	169.778
Benefits and claims paid		(73.043)	(73.394)	(71.136)	(71.624)
Commission expenses		(17.819)	(11.983)	(17.978)	(11.419)
Change in insurance reserves		(42.618)	(33.010)	(42.514)	(32.957)
Selling and distribution expenses		(24.292)	(20.820)	(22.891)	(19.933)
Administrative expenses		(10.631)	(15.762)	(10.307)	(15.400)
Other Expenses		(1.851)	(5.927)	(1.061)	(5.093)
Profit before tax and minority interests		10.699	12.511	10.385	13.352
Income tax expense	6	(1.957)	(2.765)	(2.006)	(2.737)
Net profit for the year		8.742	9.746	8.379	10.615
Attributed to the parent company		8.864	9.918	8.379	10.615
Minority interests		(122)	(172)	-	-
Basic earnings per share (In €)	7	0,07	0,11	0,06	0,12
Earnings per share attributable to the parent company (In €)	7	0,07	0,12	-	-

The notes in pages 7 to 21 are considered to be an integral part of the Financial Statements.

BALANCE SHEET					
	Note	GROUP		PARENT COMPANY	
		31/3/2006	31/12/2005	31/3/2006	31/12/2005
		(In '000s €)			
ASSETS					
Investment properties	8	109.635	110.310	107.750	108.412
Available for sale financial assets	9	668.881	508.955	665.871	507.172
Financial assets at fair value through income statement	10	166.658	163.789	162.755	160.047
Investments in associated companies	11	1.886	1.895	15.023	12.323
Investments for the benefit of life insurance policyholders who bear the investment risk (UNIT LINKED)	12	341.881	320.396	330.424	309.463
		1.288.941	1.105.345	1.281.823	1.097.417
Property, plant and equipment	13	162.542	164.251	159.788	161.557
Intangible Assets	14	5.889	5.708	3.010	3.544
Deferred tax assets	15	56.176	55.455	56.176	55.455
Premium receivables		207.032	196.592	189.640	184.669
Reinsurers' receivables		97.753	78.821	82.397	66.620
Receivables from reinsurance activities		1.262	1.314	2.591	1.314
Deferred acquisition costs		55.602	55.113	54.512	54.081
Other receivables		47.235	48.507	46.464	47.999
Loans to employees, insurers and to life insured clients		23.092	22.152	23.092	22.152
Cash and cash equivalents		156.273	304.625	135.117	287.038
		812.856	932.538	752.787	884.429
Total assets		2.101.797	2.037.883	2.034.610	1.981.846
LIABILITIES					
Mathematical Reserves & Technical Provisions					
Life actuarial technical reserves	16	703.068	688.668	699.502	685.463
Life & Non-life outstanding losses	16	377.929	373.517	369.931	365.824
Unearned premium reserves	16	154.691	146.800	135.892	132.183
Life Insurance mathematical provisions where the policyholders bear the investment risk (Unit Linked)	16	341.881	320.396	330.424	309.463
Other insurance reserves	16	8.280	7.747	7.038	7.038
		1.585.849	1.537.128	1.542.787	1.499.971
Liabilities					
Liabilities due to agents, brokers and other sales network		44.845	39.390	31.597	30.641
Liabilities due to reinsurers		23.445	16.772	20.388	14.488
Liabilities due to reinsurance operations		686	976	967	976
Other liabilities	17	194.193	195.919	190.350	192.463
Liabilities towards personnel	18	75.199	75.091	75.073	74.966
Deferred tax liability	15	5.691	2.483	5.691	2.483
		344.059	330.631	324.066	316.017
Total liabilities and provisions		1.929.908	1.867.759	1.866.853	1.815.988
Share capital	19	322.767	322.767	322.767	322.767
Differences from issue of shares above par		38.732	38.732	38.732	38.732
Retained earnings		(241.831)	(250.227)	(242.272)	(250.651)
Reserves		50.842	57.333	48.530	55.010
		170.510	168.605	167.757	165.858
Minority rights		1.379	1.519	0	0
Total equity capital		171.889	170.124	167.757	165.858
Total Liabilities		2.101.797	2.037.883	2.034.610	1.981.846

The notes in pages 7 to 21 are considered to be an integral part of the Financial Statements.

STATEMENT OF CHANGES IN EQUITY						
GROUP						
	Share Capital	Share premium	Reserves	Retained earnings (losses)	Minority rights	Total
	(In 000s €)					
Balance as at 01/01/2005	215.178	17.214	72.191	(272.845)	1.133	32.871
Profit for the year	0	0	0	9.746	0	9.746
Net fair value gains on available for sale financial assets	0	0	(11.675)	0	0	(11.675)
Balance as at 31/03/2005	215.178	17.214	60.516	(263.099)	1.133	30.942
Profit for the year	0	0	0	15.257	152	15.409
Net fair value gains on available for sale financial assets	0	0	(3.474)	0	0	(3.474)
Share Capital Increase	107.589	21.518	0	0	0	129.107
Share capital increase expenses	0	0	0	(1.338)	0	(1.338)
Other	0	0	291	(1.047)	234	(522)
Balance as at 31/12/2005	322.767	38.732	57.333	(250.227)	1.519	170.124
Profit for the year	0	0	0	8.864	(122)	8.742
Net fair value gains on available for sale financial assets	0	0	(6.480)	0	0	(6.480)
Other	0	0	(11)	(468)	(18)	(497)
Balance as at 31/3/2006	322.767	38.732	50.842	(241.831)	1.379	171.889

PARENT COMPANY					
	Share capital	Share premium	Reserves	Retained earnings (losses)	Total Equity
	(In '000s €)				
Balance as at 01/01/2005	215.178	17.214	70.159	(272.718)	29.833
Profit for the period	0	0	0	10.615	10.615
Net fair value gains on available for sale financial assets	0	0	(11.675)	0	(11.675)
Balance as at 31/3/2005	215.178	17.214	58.484	(262.103)	28.773
Profit for the period	0	0	0	12.790	12.790
Net fair value gains on available for sale financial assets	0	0	(3.474)	0	(3.474)
Share capital increase	107.589	21.518	0	0	129.107
Share capital increase expenses	0	0	0	(1.338)	(1.338)
Balance as at 31/12/2005	322.767	38.732	55.010	(250.651)	165.858
Profit for the year	0	0	0	8.379	8.379
Net fair value gains on available for sale financial assets	0	0	(6.480)	0	(6.480)
Balance as at 31/3/2006	322.767	38.732	48.530	(242.272)	167.757

The notes in pages 7 to 21 are considered to be an integral part of the Financial Statements.

CASH FLOW STATEMENT				
	GROUP		PARENT COMPANY	
	31/3/2006	31/3/2005	31/3/2006	31/3/2005
	(In '000s €)		(In '000s €)	
Profit after tax	8.742	9.746	8.379	10.615
Depreciation and amortisation costs	2.480	1.908	2.374	1.848
Increase in insurance reserves	48.721	(79.110)	42.816	(80.860)
Profits (Losses) from valuation and sale of financial assets	(14.844)	(13.458)	(13.807)	(13.168)
Income tax for the period	1.957	0	2.006	0
Cash flows from operating activities before changes in operational assets	47.056	(80.914)	41.768	(81.565)
Changes in operating activities				
(Increase)/ Decrease of receivables	(29.477)	(25.381)	(21.861)	(23.948)
Increase / (Decrease) in liabilities	10.751	117.679	5.322	117.636
	28.330	11.384	25.229	12.123
Income tax paid	0	6.304	0	6.197
Net cash flows from operating activities	28.330	17.688	25.229	18.320
Cashflows from investing activities				
Purchase of affiliated companies' shares	(2.700)	0	(2.700)	0
Purchase of tangible and intangible fixed assets	(1.290)	(6.875)	(253)	(6.875)
Sale of tangible and intangible fixed assets	1.013	259	844	259
Purchase / Sale of financial assets available for sale	(158.618)	97.710	(160.193)	94.851
Purchase / Sale of financial assets available for trade	(3.500)	(39.403)	(3.500)	(36.685)
Purchase of financial assets for UNITED LINKED products	(21.485)	(13.037)	(20.961)	(12.927)
Investment income	9.898	0	9.613	0
Net cashflows from investing activities	(176.682)	38.654	(177.150)	38.623
Net increase (decrease) in cash and cash equivalents	(148.352)	56.342	(151.921)	56.943
Cash and cash equivalents at the beginning of the period / year	304.625	115.986	287.038	99.474
Cash and cash equivalents at the end of the period / year	156.273	172.328	135.117	156.417

The notes in pages 7 to 21 are considered to be an integral part of the Financial Statements.

1. General Information

The Group of Ethniki Insurance (hereinafter the Group) operates mainly in the insurance sector, providing a wide range of insurance services to corporations and individuals. The Group operates mainly in Greece, with subsidiaries in Greece, Romania and Cyprus.

The Group's parent company is "The ETHNIKI Hellenic General Insurance Company Societé Anonyme" (hereinafter Ethniki or the Parent Company), that was incorporated since 1891. It is a subsidiary of The National Bank of Greece and it is listed on the Athens Stock Exchange in 1946. National Bank of Greece (NBG) has 76.65% participation in the parent company. Consequently, the present Financial Statements are presented in the NBG's consolidated statements with the method of full consolidation. The Parent Company is registered in the Municipality of Athens and its Headquarters are located at Syngrou Avenue 103-105, 11745, Athens, Code Number of S.A. 12840/05/B/86/20. According to its Articles of Association the main business of the Parent Company is to be engaged in activities, both domestic and abroad, which relate to insurance, reinsurance and general financial services as stipulated by the Greek and European Legislation.

The Company's Board of Directors is as follows:

Efstratios (Takis)– Georgios A. Arapoglou	President
	Non executive member
Doucas - Pavlos I. Paleologos	Vice President and Managing Director
	Executive Member
Spyridon T. Leftheriotis	Executive Member
Anastasios A. Pagonis	Executive Member
Alexandros P. Georgitsis	Non executive member
Ioannis Ch. Kollias	Non executive member
Avraam E. Moissis	Non executive member
Vassilios V. Panagiotopoulos	Non executive member
Stefanos G. Pantzopoulos	Non executive member
Ioannis N. Politis	Non executive member
Anthimos K. Thomopoulos	Non executive member
Vassilios S. Furlis	Independent non executive member
Konstantinos Ch. Lampropoulos	Independent non executive member

The condensed interim Financial Statements were approved for dissemination by the Parent Company's Board of Directors on 23 May 2006.

2. Summary of significant accounting policies**2.1 Basis of presentation-Statement of compliance**

The condensed consolidated interim Financial Statements of the Group (the “interim Financial Statements”) have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards (collectively, IFRS) whereas International Accounting Standard 34 “Interim Financial Reporting” has been applied for the preparation of these Group’s Financial Statements as at and for the period ended 31 March 2006. The Financial Statements include Selected Explanatory Notes and they do not include all the information required for full annual financial statements. Therefore, the Financial Statements should be read in conjunction with the consolidated annual Financial Statements as at and for the year ended 31 December 2005. The amounts are stated in Euro, rounded to the nearest thousand, unless otherwise stated.

The preparation of Financial Statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Use of available information and application of judgment are inherent in the formation of estimates in the following areas: valuation of OTC derivatives, unlisted securities, retirement benefits obligation, insurance reserves, impairment of loans and receivables, open tax years and litigation. Actual results in the future could differ from such estimates and the differences may be material to the Financial Statements.

In preparing these interim Financial Statements, the significant estimates, judgements and assumptions made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated annual Financial Statements as at and for the year ended 31 December 2005.

2.2 Adoption of International Financial Reporting Standards (IFRS)

The accounting policies applied by the Group in these interim Financial Statements are the same as those applied by the Group in its consolidated annual Financial Statements as at and for the year ended 31 December 2005.

The new standards, amendments and interpretations to existing standards that are mandatory for the Group’s accounting periods beginning on 1 January 2006 are as follows:

- IAS 39 (Amendment), “Cash Flow Hedge Accounting of Forecast Intragroup Transactions” (effective from 1 January 2006). The amendment allows the foreign currency risk of a highly probable forecast intragroup transaction to qualify as a hedged item in the consolidated Financial Statements, provided that: (a) the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction; and (b) the foreign currency risk will affect consolidated profit or loss. This amendment have not had a significant impact on the Group’s financial position, as the Group does not have any intragroup transactions that would qualify as a hedged item in the consolidated financial statements as at 31 March 2006 and 31 December 2005.

- IAS 39 and IFRS 4 (Amendment), “Financial Guarantee Contracts” (effective from 1 January 2006). This amendment requires issued financial guarantees, other than those previously asserted by the entity to be insurance contracts, to be initially recognised at their fair value and subsequently measured at the higher of: (a) the unamortised balance of the related fees received and deferred, and (b) the expenditure required to settle the commitment at the balance sheet date. This amendment did not have a significant impact on the Group’s financial position.

- IFRIC 4, “Determining whether an Arrangement contains a Lease” (effective from 1 January 2006). IFRIC 4 requires the determination of whether an arrangement is or contains a lease to be based on the substance of the arrangement. It requires an assessment of whether: (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. Management assessed the impact of IFRIC 4 and this amendment had a limited impact to the format and extent of disclosures presented in the accounts on the Group’s operations.

3. Segmental Reporting

The Group is organized in the following two business segments:

- **Life Insurance:** Mainly includes endowment, term life, whole life, permanent total disability and other accident insurance and health insurance as well as Unit Linked.
- **Non-Life Insurance:** Mainly includes health and accident insurance, marine, fire and allied perils, aviation and marine hull, cargo insurance, general third party liability, credit business, guarantees, road assistance, legal protection and theft insurance.

➤ Group

INCOME STATEMENT						
	31/3/2006			31/3/2005		
	LIFE	NON-LIFE	TOTAL	LIFE	NON-LIFE	TOTAL
	(in 000s €)			(in 000s €)		
Net earned premiums	74.577	80.285	154.862	62.425	78.176	140.601
Revenue from investments/Profit realized from sale or revaluation of investments	16.532	8.210	24.742	12.168	12.978	25.146
Benefits and claims paid	(34.498)	(38.545)	(73.043)	(38.720)	(34.674)	(73.394)
Commission expenses	(8.626)	(9.193)	(17.819)	(2.261)	(9.722)	(11.983)
Change in insurance provision	(34.682)	(7.936)	(42.618)	(20.745)	(12.265)	(33.010)
Profit	13.303	32.821	46.124	12.867	34.493	47.360
Share of results of associates	0	177	177	0	0	0
Other revenue	817	355	1.172	5.279	2.381	7.660
Operating, administrative and other expenses	(15.201)	(21.573)	(36.774)	(19.101)	(23.408)	(42.509)
Profit / (Loss) before tax	(1.081)	11.780	10.699	(955)	13.466	12.511

➤ Parent Company

INCOME STATEMENT						
	31/3/2006			31/3/2005		
	LIFE	NON-LIFE	TOTAL	LIFE	NON-LIFE	TOTAL
	(in 000s €)			(in 000s €)		
Net earned premiums	74.172	78.116	152.288	61.407	76.849	138.256
Revenue from investments/Profit realized from sale or revaluation of investments	15.611	7.809	23.420	11.812	12.795	24.607
Benefits and claims paid	(33.961)	(37.175)	(71.136)	(38.146)	(33.478)	(71.624)
Commission expenses	(8.964)	(9.014)	(17.978)	(2.090)	(9.329)	(11.419)
Change in insurance provision	(34.690)	(7.824)	(42.514)	(20.458)	(12.499)	(32.957)
Profit	12.168	31.912	44.080	12.525	34.338	46.863
Other revenue	393	171	564	4.804	2.111	6.915
Operating, administrative and other expenses	(14.070)	(20.189)	(34.259)	(18.092)	(22.334)	(40.426)
Profit (Loss) before tax	(1.509)	11.894	10.385	(763)	14.115	13.352

4. GROSS WRITTEN PREMIUMS AND RELATED REVENUES

	GROUP		PARENT COMPANY	
	31/3/2006	31/3/2005	31/3/2006	31/3/2005
	(In '000s €)			
Life insurance	75.600	63.469	74.208	62.155
Non-life insurance	96.960	96.467	90.518	93.575
Premiums from insurance activities	172.560	159.936	164.726	155.730
Life insurance	90	85	90	85
Non-life insurance	4.543	1.047	4.520	1.028
Premiums from reinsurance acceptances	4.633	1.132	4.610	1.113
Written premiums and other related revenues	177.193	161.068	169.336	156.843

5. PAYROLL AND STAFF EXPENSES

The total payroll and staff expenses, as well as the average staff number are analysed as follows:

	GROUP		PARENT COMPANY	
	31/3/2006	31/3/2005	31/3/2006	31/3/2005
	(In '000s €)			
Payroll and Staff Expenses	(20.183)	(20.005)	(19.401)	(19.262)
Average Staff number	1.348	1.360	1.199	1.249

6. INCOME TAX EXPENSE

The total income tax expense, as presented in the Income Statement is analysed below:

	GROUP		PARENT COMPANY	
	31/3/2006	31/3/2005	31/3/2006	31/3/2005
	(In '000s €)			
Income Tax (Current Year)	49	(136)	0	(108)
Deferred Tax	(2.006)	(2.629)	(2.006)	(2.629)
Total	(1.957)	(2.765)	(2.006)	(2.737)

The Parent Company has been audited by tax authorities until fiscal year 2004. Parent Company's tax auditing that has started in the end of 2005 as regards the fiscal periods 2003 and 2004 has been completed on 26 April 2006. Additional tax obligations amounting to €2.856 thous., were imposed and paid in one installment on 27 April 2006. For the aforementioned tax audit a provision of €1.043 thous. had been made in previous periods and thus, the difference was charged to the income statement of this period. For the fiscal year 2005, the Company has submitted the 31835/3.5.2006 letter to Territorial Tax Audit Authority of Athens (DEK) Athens for the conduction of a tax audit. As regards its subsidiaries, "The Ethniki" Insurance S.A. has submitted a request to DEK Athens (No 2734/26.5.2005) for the tax auditing of its associated company EVROPI AEGA that has been audited until 2002 and AUDATEX Hellas S.A that has been audited until 1998. Moreover, it should be noted

that Ethniki's subsidiary SOCIETATE COMERCIALA GARANTA ASIGURARI S.A. located in Romania, has been tax audited until financial year 2002. Furthermore, the recently acquired company NBG ASIGURARI S.A., also located in Romania, has not been audited since its establishment, namely for the years 2001 to 2005.

With reference to the tax audit of Ethniki Life Insurance Cyprus Ltd, audited financial statements for all fiscal years, including 2004, have been already submitted to the Income Tax Bureau. For the fiscal year 2005, the audited financial statements will be submitted until 31 December 2006. The NATIONAL INSURANCE BROKERS S.A. has been audited until 31 December 2002.

The Parent Company considers that it has completely fulfilled its tax obligations and has precisely implemented all the provisions referred to tax regulation. The Group and the Parent Company consider that they have formed adequate provisions concerning additional taxes that might arise from future tax audits, on the basis of previous years tax audit results and prior interpretation of tax laws.

In case that the Parent Company distributes the tax free reserves to the shareholders, then they will be subjected to taxation to the tax rate that is in force on the date of distribution. In the case of retained earnings distribution, no tax will be imposed.

7. BASIC EARNINGS PER SHARE

The basic earnings per share are calculated as follows:

	GROUP		PARENT COMPANY	
	31/3/2006	31/3/2005	31/3/2006	31/3/2005
	(In '000s €)			
Profits after taxes	8.742	9.746	8.379	10.615
Average number of shares issued during the financial year	129.106.800	86.071.200	129.106.800	86.071.200
Basic and diluted earnings per share (€)	0,07	0,11	0,06	0,12
Earnings proportional to the Parent Company	8.864	9.918	-	-
Earnings per share proportional to the Parent Company	0,07	0,12	-	-

8. INVESTMENT PROPERTIES

Investment properties are analysed below:

	Group			Parent Company		
	Land	Buildings	Total	Land	Buildings	Total
	(In '000s €)					
Start						
Acquisition cost	48,550	82,015	130,565	48,315	79,952	128,267
Accrued Depreciations and Impairments	0	(17,773)	(17,773)		(17,207)	(17,207)
Net book value 01/01/2005	48,550	64,242	112,792	48,315	62,745	111,060
Plus:						
Purchases/Additions	0	308	308	0	0	0
Less:						
Depreciation charged for the year	0	(662)	(662)	0	(662)	(662)
Net book value 31/03/2005	48,550	63,883	112,433	48,315	62,083	110,398
Plus:						
Purchases/Additions	0	(135)	(135)	0	0	0
Less:						
Depreciation charged for the year	0	(1,988)	(1,988)	0	(1,986)	(1,986)
Net book value 31/12/2005	48,550	61,760	110,310	48,315	60,097	108,412
Plus:						
Purchases/Additions	0	0	0	0	0	0
Less:						
Depreciation charged for the year	0	(675)	(675)	0	(662)	(662)
Net book value 31/03/2006	48,550	61,085	109,635	48,315	59,435	107,750

For the period ended at 31 March 2006, rental income reached €1.975 thousand (respectively €1.625 thousand at the 31 March 2005).

The Parent Company in order to fulfil its obligation for insurance investment that derives from the insurance law has registered a prenotation of mortgage of €184.438 thous. on its property. Parent Company's property present value reaches €232.201 thous. (Notes 8 and 13). Apart from this prenotation of mortgage there is no other engagement or surety on the Parent Company's properties against other obligations.

Future rental revenues and expenses are analysed below:

	Up to 1 year	1 to 5 years	More than 5 years
	(In '000's €)		
Revenues	4.455	14.274	17.561
Expenses	1.259	5.478	4.659

9. AVAILABLE FOR SALE FINANCIAL ASSETS

	GROUP		PARENT COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
	(in '000s €)			
Bonds	441.016	318.951	438.006	317.168
Shares	96.067	90.290	96.067	90.290
Mutual Funds	131.798	99.714	131.798	99.714
Total	668.881	508.955	665.871	507.172

10. FINANCIAL ASSETS AVAILABLE FOR TRADE

	GROUP		PARENT COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
	(in '000s €)			
Bonds	148.176	149.280	146.721	147.818
Shares	17.882	13.917	16.034	12.229
Mutual Funds	600	592	0	0
Total	166.658	163.789	162.755	160.047

11. INVESTMENTS IN ASSOCIATED COMPANIES

Investments in associated companies are analyzed below. The following tables show the changes that have taken place from 31 December 2005 to 31 March 2006.

Participation	Country of Incorporation	31/3/2006		31/12/2005	
		% Participation	Book Value	% Participation	Book Value
		(in '000s €)			
SOCIETATE COMERCIALA GARANTA ASIGURARI S.A.	ROMANIA	93,265%	2.636	93,265%	2.636
ETHNIKI ASFALISTIKI (CYPRUS) LTD	CYPRUS	89,089%	4.119	89,089%	4.119
AUDATEX HELLAS SA.	GREECE	70,000%	1.061	70,000%	1.061
EVROPI AEGA	GREECE	30,000%	2.057	30,000%	2.057
NATIONAL INSURANCE BROKERS SA	GREECE	95,000%	2.450	95,000%	2.450
NBG ASIGURARI S.A	ROMANIA	99,988%	2.700	-	0
Total			15.023		12.323

None of the above affiliates is listed in any Stock Exchange. As a result there are no relevant stock market valuations and the fair value of these investments is not possible to be estimated. The consolidation of subsidiaries is attained according to IAS No.27 (Total Consolidation). The consolidation of the affiliated company EVROPI AEGA, was accomplished according to IAS No.28 (Net Assets Method). NBG Asigurari SA (former ALPHA Insurance Romania, member of Alpha Bank's Group) has been acquired on 15 February 2006 and therefore it has been consolidated in the present Financial Statements, for the first time. Actions have already been undertaken in order for S.C. GARANTA ASIGURARI S.A. to absorb NBG ASIGURARI S.A.

12. INVESTMENTS FOR THE BENEFIT OF LIFE INSURANCE POLICYHOLDERS WHO BEAR THE INVESTMENT RISK (UNIT LINKED)

The analysis of the investments for the benefit of life insurance policyholders who bear the investment risk is presented below:

	GROUP		PARENT COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
	(In '000s €)			
Mutual funds	294.829	255.924	294.475	255.598
Securities	16.775	35.314	14.946	33.485
Shares	9.693	1.900	7.253	0
Short-term investments	6.649	6.693	0	0
Cash and cash equivalents	13.750	20.380	13.750	20.380
Other investments	185	185	0	0
Total	341.881	320.396	330.424	309.463

13. PROPERTY, PLANT AND EQUIPMENT

Changes in Group Company's property, plant and equipment account are presented below:

GROUP							
	Property	Build-ings	Transpo-rtation	Equip-ment	Improvements in third party leases	Property under develop-ment	Total
	(In '000s €)						
Opening balance							
Acquisition cost	67.137	57.432	1.392	25.496	2.441	37.097	190.995
Accumulated depreciation and impairment	0	(17.706)	(649)	(21.769)	(2.178)	0	(42.302)
Net book value as at 1/1/2005	67.137	39.726	743	3.727	263	37.097	148.693
Plus:							
Additions / Tranfer	0	20	230	132	0	6.222	6.604
Less:							
Disposals / Transfer	0	0	(75)	(40)	0	0	(115)
Depreciation charge for the year	0	(493)	(54)	(509)	(36)	0	(1.092)
Net book value as at 31/03/2005	67.137	39.253	844	3.310	227	43.319	154.090
Plus:							
Additions / Tranfer	0	33.587	251	4.115	0	19.063	57.016
Less:							
Disposals / Transfer	(3.859)	(6.733)	(11)	(200)	0	(32.599)	(43.402)
Depreciation charge for the year	0	(1.624)	(159)	(1.565)	(105)	0	(3.453)
Net book value as at 31/12/2005	63.278	64.483	925	5.660	122	29.783	164.251
Plus:							
Additions / Tranfer	0	20	79	232	0	0	331
Less:							
Disposals / Transfer	(17)	(994)	0	(2)	0	0	(1.013)
Depreciation charge for the year	0	(610)	(60)	(555)	(29)	0	(1.254)
Others	(3)	166	19	45	0	0	227
Net book value as at 31/03/2006	63.258	63.065	963	5.380	93	29.783	162.542

Changes in Parent Company's property, plant and equipment account is presented below:

PARENT COMPANY							
	Prop- erty	Build-ings	Transpo- rtation	Equip- ment	Impro-vements in third party leases	Property under develop- ment	Total
	(In '000s €)						
Opening balance							
Acquisition cost	67.116	56.238	1.061	24.400	2.441	37.097	188.353
Accumulated depreciation and impairment	0	(17.366)	(482)	(21.204)	(2.178)	0	(41.230)
Net book value as of 1/1/2005	67.116	38.872	579	3.196	263	37.097	147.123
Plus:							
Additions	0	0	230	70	0	6.223	6.523
Less:							
Depreciation charge for the year	0	(492)	(103)	(470)	(36)	0	(1.101)
Net book value as at 31/03/2005	67.116	38.380	706	2.796	227	43.320	152.545
Plus:							
Additions	0	32.599	217	3.624	0	19.062	55.502
Less:							
Disposals	(3.866)	(6.725)	(82)	0	0	(32.599)	(43.272)
Depreciation charge for the year	0	(1.619)	(52)	(1.442)	(105)	0	(3.218)
Net book value as at 31/12/2005	63.250	62.635	789	4.978	122	29.783	161.557
Plus:							
Additions	0	0	79	170	0	0	249
Less:							
Disposals	(17)	(827)	0	0	0	0	(844)
Depreciation charge for the year	0	(590)	(46)	(509)	(29)	0	(1.174)
Net book value as at 31/03/2006	63.233	61.218	822	4.639	93	29.783	159.788

"Property" acquisition costs include €6.249,6 thous. which relate to a Company's property (Elliniko plot – 35th street). The government used this property to build a school. After a court ruling against this action, the Company is considering together with the School Building Association alternatives to ensure that no financial damage will result for the Company.

14. INTANGIBLE ASSETS

The balance of the intangible assets account is related to the net book value of the Group and Parent company's software programs and the surplus value of subsidiaries, whose movement is as follows:

	GROUP		PARENT	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
	(in '000s €)			
Software	3.132	3.622	3.010	3.544
Affiliate companies' surplus value	2.757	2.086	-	-
Total	5.889	5.708	3.010	3.544

The goodwill from the acquisition of NBG ASIGURARI S.A. was €671 thous., being included in the Parent Company's balance sheet, in the account "Investments in associated companies". The acquiring company has the obligation to annually reassess the recoverable value of the goodwill in order to assess any impairment.

15. DEFERRED TAX ASSETS/LIABILITIES

The deferred tax relates exclusively to the Parent Company and is as follows:

	31/3/2006	31/12/2005
	(In '000s €)	
Readjustment of intangible assets	140	154
Provisions for bad debts	3.616	2.338
Retirement Benefits to personnel	3.400	3.443
Insurance provisions	49.020	49.520
Deferred tax assets	56.176	55.455
Readjustment of tangible assets	236	1.547
Value readjustment of investments in real estate	2.373	711
Other temporary differences	3.082	225
Deferred tax liabilities	5.691	2.483
Total	50.485	52.972

16. MATHEMATICAL RESERVES AND TECHNICAL PROVISIONS

GROUP						
	GROUP	REINSURER	TOTAL	GROUP	REINSURER	TOTAL
	31/3/2006			31/12/2005		
	(In '000s €)					
LIFE RESERVES						
Mathematical reserves	700.768	2.300	703.068	686.600	2068	688.668
Outstanding claims reserves	32.791	1.189	33.980	32.656	1287	33.943
Other mathematical reserves	7.042	20	7.062	7.043	20	7.063
Total reserves -Life	740.601	3.509	744.110	726.299	3.375	729.674
MOTOR T.P.L. INSURANCE RESERVES						
Unearned premium reserves	58.507	4394	62.901	64.783	726	65.509
Outstanding claims reserves	242.083	10.450	252.533	236.499	13.655	250.154
Total reserves - Motor	300.590	14.844	315.434	301.282	14.381	315.663
OTHER NON-LIFE INSURANCE RESERVES						
Unearned premium reserves	61.412	30.378	91.790	59.330	21.961	81.291
Outstanding claims reserves	36.679	54.737	91.416	36.044	53.376	89.420
Other insurance provisions	1218	0	1.218	684		684
Total non life insurance reserves - Other	99.309	85.115	184.424	96.058	75.337	171.395
Total	1.140.500	103.468	1.243.968	1.123.639	93.093	1.216.732
UNIT LINKED contract reserves	341.881	0	341.881	320.396	0	320.396
Grand Total	1.482.381	103.468	1.585.849	1.444.035	93.093	1.537.128

PARENT COMPANY						
	COMPANY	REINSURER	TOTAL	COMPANY	REINSURER	TOTAL
	31/3/2006			31/12/2005		
	(in '000s €)					
LIFE RESERVES						
Mathematical reserves	698.801	701	699.502	684.762	701	685.463
Outstanding claims reserves	32.455	568	33.023	32.311	538	32.849
Other mathematical reserves	7.038	0	7.038	7.038	0	7.038
Total reserves - Life	738.294	1.269	739.563	724.111	1.239	725.350
MOTOR T.P.L. INSURANCE RESERVES						
Unearned premium reserves	56.199	4.394	60.593	62.689	726	63.415
Outstanding claims reserves	240.101	10.268	250.369	234.455	12.699	247.154
Total reserves - Motor	296.300	14.662	310.962	297.144	13.425	310.569
OTHER NON-LIFE INSURANCE RESERVES						
Unearned premium reserves	55.048	20.251	75.299	53.821	14.947	68.768
Outstanding claims reserves	34.917	51.622	86.539	34.539	51.282	85.821
Total reserves - Other	89.965	71.873	161.838	88.360	66.229	154.589
Total	1.124.559	87.804	1.212.363	1.109.615	80.893	1.190.508
UNIT LINKED contract reserves	330.424	0	330.424	309.463	0	309.463
Total	1.454.983	87.804	1.542.787	1.419.078	80.893	1.499.971

Liabilities Adequacy Test

As of 1 January 2005, with the adoption of IFRS 4 “Insurance Contracts”, the Group performs a liability adequacy test at the end of each reporting period according to the Greek insurance Legislation and the respective legislation of the countries where its subsidiaries are operating.

As at 1 January 2005, additional liabilities of €173.000 thous. for Life business (hospitalisation riders) and €63.000 thous. for Property and Casualty business (Motor branch) increased the carrying amounts of insurance reserves and were charged-off to equity. The after tax effect on Group retained earnings was €169.500 thous.

The additional liabilities as at 31 December 2005 were €173.000 thous. and €24.212 thous. for the Life and the Non-Life branches respectively.

The additional liabilities as at 31 March 2006 were €169.029 thous. and €13.328 thous. for the Life and the Non-Life branches respectively.

17. OTHER LIABILITIES

All the liabilities are short term and as a result, discounting as of the balance sheet date is not required. Analysis of these liabilities is presented in the following table:

	GROUP		PARENT COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
	(In '000s €)			
Income tax	1.349	1.922	1.113	1.593
Liabilities from DAF contracts	140.747	141.393	140.747	141.393
Other liabilities	52.097	52.604	48.490	49.477
Total	194.193	195.919	190.350	192.463

18. LIABILITIES DUE TO PERSONNEL

With the contracts 2361, 2740 and 3002 issued from the Parent Company, a lump sum is given to each employee when leaving the Company unless the reason of leaving is total or partial disability from accident or disease and has received or will receive in future an allowance that derives from a group contract that is also issued from the Parent Company. This contract covers permanent total disability from disease, death, permanent total or partial disability from accident.

The balance of the liabilities is presented below:

		GROUP		PARENT COMPANY	
		31/3/2006	31/12/2005	31/3/2006	31/12/2005
		(In '000s €)			
	Present value of financed obligations	86.258	84.602	86.258	84.602
Minus:	Fair value of plan assets	(9.207)	(7.674)	(9.207)	(7.674)
Plus:	Present value of non financed obligations	20.650	20.901	20.524	20.776
	Unrealised actuarial losses	(21.768)	(21.991)	(21.768)	(21.991)
Minus:	Unrealised past service cost	(734)	(747)	(734)	(747)
	Pension programs	75.199	75.091	75.073	74.966
	Defined benefit expenses are as follows:				
	Current service cost	1.063	4.037	1.063	4.037
	Interest cost	1.043	5.290	1.043	5.290
	Actuarial gains (losses)	223	0	223	0
	Expected planned assets investment return	(47)	(977)	(47)	(977)
	Current realised service cost	13	57	13	57
	Other	0	2.049	0	2.049
	Total	2.295	10.456	2.295	10.456
	Basic Assumptions				
	Discount rate	5.0%	5.0%	5.0%	5,00%
	Expected revenue rate from DAF contracts	4.5%	4.5%	4.5%	4,50%
	Future salary increases	4.0%	4.0%	4.0%	4,00%
	Future pension increases	2.5%	2.5%	2.5%	2,50%

19. SHARE CAPITAL

The nominal price of the Parent Company's shares amounts to € 2,5 per unit. Total share capital amounts to €322.767 thous. corresponding to 129.106.800 shares.

20. RELATED PARTIES ACCORDING TO IAS 24

The condensed interim Financial Statements incorporate the financial statements of "The Ethniki" Insurance Company and its subsidiaries. Investments in associates are presented in Note 11.

The Parent Company provides mainly reinsurance services to its associates. The terms of the reinsurance treaties are equivalent to those of the Parent company with other companies reinsured.

For the financial year ended 31 December 2005 and the period ended as at 31 March 2006, the Parent Company has not created any provision for bad debt from associated companies.

On 31 March 2006 total receivables reached €210.804 thous., total liabilities €5.046 thous., total revenues € 1.100 thous. and total expenses 4.620 thous. During the first quarter of 2006 the compensation of the members of the Board of Directors reached €302 thous.

21. CONTINGENT LIABILITIES

(a) Legal cases

The Parent Company is involved in several court cases and settlement cases as part of its normal business operations. The Company's management along with its legal advisors believe that all the cases will be settled without having material influence on the Group's financial position or operational results.

(b) Guarantees

The Parent Company had issued letters of guarantee, which as of 31 March 2006 amount to €1.722 thousands and relate to the participation in tenders for new contracts.

(c) Capital Commitments

On the 31 March 2006 the Parent Company had undertaken capital commitments amounting to € 9.774 thousands, and relating to the construction of the new premises in Syngrou Avenue.

22. POST BALANCE SHEET EVENTS

On 22 February 2006 the Parent Company signed an agreement with United Bulgarian Bank (U.B.B.), an affiliate of National Bank of Greece in Bulgaria and American International Group Inc (AIG), for the incorporation of a Life Insurance Company and a General Insurance Company in Bulgaria. Ethniki Insurance and U.B.B. AD will possess each 30% of the new companies' share capital while American Life Insurance Company (Alico) and AIG Central Europe & CIS Insurance Holding Corporation will possess the remaining 40% and the management of the companies. The total share capital for the Life Insurance Company was designated in € 3.068 thous. (Bulgarian Leva 6.000 thous.) and for the General Insurance Company in €2.761 thous. (Bulgarian Leva 5.400 thous.). The establishment and the business operation of the above-mentioned companies are subject to approval by the Bulgarian Supervisory and Taxation authorities. The respective approvals have not been issued until this date.

The Parent Company launched an early retirement scheme with additional financial benefits. Seventy eight (78) applications were submitted out of which 72 were approved. The total cost of the scheme will be determined by an actuarial study and will be charged in total to profit and loss of the year 2006. The payback period is estimated to be 21 months.

Athens, May 23rd 2006

President of the Board	Managing Director	Deputy General Manager	Director of Finance	Chief Actuary	Chief Accountant
E. ARAPOGLOU L342690	D.-P. PALEOLOGOS S 095068	I. VASSILATOS F 070376	K. ARGYRO-POULOS X 007460	S. GRIVO-GIANNIS S 280823	G. PETOUSIS Lic.No. 990 / A Class