



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED

30 September 2006

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Consolidated interim income statement

	Note	For the three months ended		For the nine months ended	
		30-September		30-September	
		2006	2005	2006	2005
		€ ' 000	€ ' 000	€ ' 000	€ ' 000
Interest and similar income		53.583	52.922	151.620	145.913
Interest expense and similar charges		(19.714)	(13.745)	(49.750)	(37.797)
Net interest income		33.869	39.177	101.870	108.116
Fee and commission income		6.441	3.226	20.196	20.354
Fee and commission expense		(525)	(557)	(1.503)	(1.301)
Net fee and commission income		5.916	2.669	18.693	19.053
Dividend income		79	4	79	73
Financial operations results		(1.345)	(2.621)	666	2.244
Other operating income		907	699	2.560	2.185
Gross operating income		39.426	39.928	123.868	131.671
Cost of risk		(10.215)	(6.204)	(48.719)	(9.629)
Staff costs and related expenses		(25.225)	(24.019)	(71.905)	(68.084)
Administration expenses		(14.269)	(12.608)	(42.114)	(37.434)
Depreciation and amortization		(3.447)	(3.177)	(10.354)	(9.834)
Operating expenses		(53.156)	(46.008)	(173.092)	(124.981)
Net operating income		(13.730)	(6.080)	(49.224)	6.690
Share of profit (loss) of associates		-	-	-	(53)
Profit / (loss) before income tax		(13.730)	(6.080)	(49.224)	6.637
Income tax expense	9	2.669	328	12.456	(2.708)
Profit / (loss) for the period		(11.061)	(5.752)	(36.768)	3.929
Earnings per share (in euro)	6	€	€	€	€
- Basic		(0,19)	(0,11)	(0,63)	0,09

Notes on pages 7 to 9 form an integral part of these condensed consolidated interim financial statements

Consolidated interim balance sheet

	<u>Note</u>	<u>30-Sep-06</u> <u>€' 000</u>	<u>31-Dec-05</u> <u>€' 000</u>
Assets			
Cash and balances with central bank		110.156	106.692
Due from banks		274.029	286.403
Derivative financial instruments		25.032	7.592
Loans and advances to customers, net		2.850.413	2.571.875
Investment securities - available for sale		398.876	260.938
Investment in associate undertakings	7	1.143	1.143
Intangible assets		12.449	12.804
Property, plant and equipment		127.788	124.743
Deferred income tax assets		79.215	67.017
Other assets		41.046	62.133
Total assets		<u>3.920.147</u>	<u>3.501.340</u>
Liabilities			
Due to banks		1.000.660	622.107
Due to customers		2.532.865	2.457.351
Derivative financial instruments		16.203	3.574
Subordinated debt		99.793	99.883
Provisions for staff benefits		21.876	20.816
Risks & charges provisions		14.634	18.325
Deferred income tax liabilities		6.266	8.004
Other liabilities		54.056	60.733
Total liabilities		<u>3.746.353</u>	<u>3.290.793</u>
Equity			
Share capital		336.898	336.898
Share premium		62.620	62.620
Other reserves and retained earnings		(225.724)	(188.971)
Total equity		<u>173.794</u>	<u>210.547</u>
Total equity and liabilities		<u>3.920.147</u>	<u>3.501.340</u>

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Consolidated interim statement of changes in equity**For the nine months ended
30 September 2005**

	Share capital	Share premium	Fair value reserves	Other reserves	Retained earnings	Treasury shares	Total equity
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Balance at 01.01.2005	240.642	59.644	-	27.345	(147.216)	(773)	179.642
First application of IAS 39 from 1.1.2005	-	-	5.134	-	(55.619)	-	(50.485)
Share capital increase	96.256	2.979	-	-	-	-	99.235
Sale of treasury shares	-	-	-	383	-	773	1.156
Revaluation of AFS securities	-	-	(5.078)	-	-	-	(5.078)
Transfer of reserves	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	3.929	-	3.929
Balance at 30.09.2005	336.898	62.623	56	27.728	(198.906)	-	228.399

**For the nine months ended
30 September 2006**

	Share capital	Share premium	Fair value reserves	Other reserves	Retained earnings	Treasury shares	Total equity
	€ '000	€ '000	€'000	€'000	€'000	€'000	€'000
Balance at 01.01.2006	336.898	62.620	161	27.350	(216.482)	-	210.547
Revaluation of AFS securities	-	-	15	-	-	-	15
Loss for the period	-	-	-	-	(36.768)	-	(36.768)
Balance at 30.09.2006	336.898	62.620	176	27.350	(253.250)	-	173.794

Notes on pages 7 to 9 form an integral part of these condensed consolidated interim financial statements

Consolidated interim cash flow statement	For the nine months ended 30 September	
	2006	2005
	€' 000	€' 000
Cash flow from operating activities		
Profit / (loss) after tax	(36.768)	3.929
<i>Adjustment for:</i>		
Depreciation of property plant and equipment	8.387	7.924
Depreciation of intangible assets	2.142	1.910
Impairment of loans and advances to customers	49.297	9.629
Provisions for staff benefits	1.114	3.305
Other provisions	(3.699)	-
Deferred income tax	(13.940)	1.928
(Profit) / loss from trading	2.734	(14.366)
(Profit) / loss from sales of fixed assets	(120)	(19)
Share of (Profit) / loss from subsidiaries	-	53
Foreign exchange (profit) / loss on cash and cash equivalents	(796)	-
	8.351	14.293
<i>Net (increase) / decrease of assets relating to operating activities</i>		
Due from banks	29.738	(27.282)
Derivatives	(4.341)	5.000
Loans and advances to customers	(327.835)	(92.939)
Other assets	21.097	23.128
<i>Net increase / (decrease) of liabilities relating to operating activities</i>		
Due to banks	378.553	5.589
Due to customers	75.513	(210.391)
Other liabilities	(3.450)	(5.573)
<i>Income tax paid</i>	(3.282)	-
<i>Net cash flow from operating activities after taxes</i>	174.344	(288.175)
<i>Cash flow from investing activities</i>		
Purchase of available for sale securities	(217.518)	-
Purchase of property, plant and equipment	(11.642)	(11.296)
Purchase of intangible assets	(1.787)	-
Proceeds from sale of available for sale portfolio	76.395	363.816
Proceeds from sale of fixed assets	330	726
<i>Net cash flow from investing activities</i>	(154.222)	353.246
<i>Cash flow from financing activities</i>		
Repayment of subordinated loan	(90)	-
Capital Increase	-	99.235
Proceeds from sale of treasury shares	-	1.156
<i>Net Cash flow from financing activities</i>	(90)	100.391
Foreign exchange (profit) loss on cash and cash equivalents	796	-
Net increase (decrease) in cash and cash equivalents	20.828	165.462
Cash and cash equivalents at the beginning of the period	337.206	139.780
Cash and cash equivalents at the end of the period	358.034	305.242

Notes on pages 7 to 9 form an integral part of these condensed consolidated interim financial statements

Selected explanatory notes to the condensed interim financial statements

1. General Information

Geniki Bank S.A (the "Bank") and its subsidiaries (the "Group") are active in retail and corporate banking, insurance brokerage services, finance leasing and other services. The Bank is incorporated in Greece and its shares are listed on the Athens Stock Exchange. The Group operates in Greece.

These condensed interim financial statements were approved by the Board of Directors on 29 November 2006.

2. Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IFRS) IAS 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Group's published consolidated annual financial statements as at and for the year ended 31 December 2005.

3. Significant accounting policies

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

4. Estimates

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

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

5. Business segments

The Group is organized into five main business segments:

- ◆ Retail – Retail banking segment includes individuals and self-employed professionals. Product offering includes deposits (demand, savings, term, repos, swaps), loans (mortgages – consumer), custody services, debit and credit cards.
- ◆ Corporate – Corporate banking segment includes trading entities, traders or legal entities belonging to the public or private sector. Product offering includes deposits (on demand, savings, term, repos, swaps), loans of all types, letters of guarantee, bond loans, derivatives, funds transfer, foreign exchange.
- ◆ Insurance – Insurance segment includes the activities of the subsidiary General Insurance Agency LTD, offering insurance brokerage services.
- ◆ Leasing - Leasing segment includes the activities of the subsidiary General Leasing SA.
- ◆ Other - Other segment includes non financial services offered by the Group.

For the nine months ended 30 September 2006

	Retail €' 000	Corporate €' 000	Insurance €' 000	Leasing €' 000	Other €' 000	Inter-segment eliminations €' 000	Total €' 000
Revenue	67.397	52.957	904	2.397	294	(81)	123.868
Expenses	(46.580)	(65.774)	(630)	(723)	(393)	81	(114.019)
Provisions	(19.657)	(28.368)	9	(703)	-	-	(48.719)
Depreciation	(4.325)	(5.983)	-	(34)	(12)	-	(10.354)
Net results	(3.165)	(47.168)	283	937	(111)	-	(49.224)
Income tax							12.456
							(36.768)

For the nine months ended 30 September 2005

	Retail €' 000	Corporate €' 000	Insurance €' 000	Leasing €' 000	Other €' 000	Inter-segment eliminations €' 000	Total €' 000
Revenue	59.726	69.582	702	2.060	(361)	(38)	131.671
Expenses	(42.242)	(62.014)	(341)	(588)	(371)	38	(105.518)
Provisions	(3.564)	(5.011)	-	(1.053)	(1)	-	(9.629)
Depreciation	(4.148)	(5.658)	(3)	(9)	(16)	-	(9.834)
Income from associates	-	-	-	-	(53)	-	(53)
Net results	9.772	(3.101)	358	410	(802)	-	6.637
Income tax							(2.708)
Net results after tax							3.929

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 30 September 2006		For the nine months ended 30 September 2006	
		2006	2005	2006	2005
Net profit for period attributable to ordinary shareholders	€' 000	(11.061)	(5.752)	(36.768)	3.929
Weighted average number of ordinary shares in issue	Number of shares	58.387.939	52.402.737	58.387.939	45.304.150
Basic earnings per share	€	(0,19)	(0,11)	(0,63)	0,09

7. Investments in subsidiaries and associated undertakings

Subsidiaries included in these consolidated financial statements are the ones included in 31 December 2005 financial statements; effective holdings to these subsidiaries remained the same.

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

	For the nine months ended 30 September 2006	
	2006	2005
	€' 000	€' 000
Balance at 1 January	273.254	206.853
First adoption of IFRS (IAS 39)	-	68.331
Impairment losses on loans and advances charged in the year	49.304	10.436
Loans written off during the year as uncollectible	(30.182)	(41.919)
Foreign exchange difference	(170)	(85)
Balance at 30 September	292.206	243.616

9. Income tax expense

As of 1 January 2006, the nominal Greek corporate rate of tax is reduced from 32% to 29%. Geniki Bank is tax audited up to 2004 (inclusive).

10. Contingent liabilities and capital expenditure commitments

There were no significant changes in the Group contingent liabilities and capital expenditure commitments reported in the published consolidated annual financial statements as at and for the year ended 31 December 2005, other than the case described below.

Litigation: Arising in the ordinary course of business, the Bank is defendant in certain claims and legal actions. In particular, an entanglement have arisen with the Greek Public in relation with third parties debts, amounting to €4 mil. The Bank, preventingly acting, has filed a claim in Greek Courts. In the opinion of the management after consultation with legal counsel, the ultimate disposition of this matter is not expected to have material adverse effect on the financial position of the Group.

11. Related parties**Parent and ultimate controlling party**

The ultimate controlling party of the Group is Societe Generale S.A. which is incorporated in France. Societe Generale Group holds 52,32% of the ordinary shares of the Bank.

Related party transactions with subsidiaries, associates and affiliates

	30-Sep-06	31-Dec-05
	€' 000	€' 000
Assets		
Due from banks	46.538	156.634
Derivative financial instruments	5.041	3.514
Total	51.579	160.148
Liabilities		
Due to banks	676.991	311.030
Total	676.991	311.030
	30-Sep-06	30-Sep-05
	€' 000	€' 000
Income		
Interest and similar income	1.570	424
Total	1.570	424
Expenses		
Interest and similar expenses	13.179	521
Total	13.179	521

Transactions with key management personnel

The remuneration of the Board of Directors (BoD) members and General Managers of the Group for the period ended 30 September 2006 amounted to € 1.161 thousand.

There were no outstanding loans granted to BoD members or to General Managers of the Bank; their deposits amounted to €251 thousand as at 30 September 2006.

12. Post balance sheet events

In accordance with a law voted by the Greek Parliament, several types of not taxed reserves (formed by non taxable or specially taxed income) will be subjected to one off taxation. The related payable tax amounts to €2.392 thousand .

13. Comparatives

Certain comparative amounts have been adjusted for compatibility reasons.

14. Hedge accounting

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

Athens, 29 November 2006

The Chairman of Board of Directors

The Managing Director

The Manager of the Financial Services Division

TRYFON J. KOYTALIDIS

JACQUES C. TOURNEBIZE

EVAGELOS E. SKALIDIS