



ASPIS BANK S.A.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

30 September 2007

In accordance with International Financial Reporting Standards as adopted by the European Union for interim financial reporting (IAS 34)

These interim consolidated financial statements are posted in the following web page:
www.aspisbank.gr



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Report on Review of interim financial reporting



Consolidated Income Statement for the period

(In thousands of Euro)

	Notes	FROM 1 JANUARY TO		FROM 1 JULY TO	
		30/9/2007	30/9/2006	30/9/2007	30/9/2006
Interest income		106,187	87,106	37,487	31,382
Interest expense		<u>(64,736)</u>	(46,710)	<u>(23,757)</u>	(17,147)
Net interest income		41,451	40,396	13,730	14,235
Commission income		21,654	19,898	6,992	5,213
Commission expense		<u>(334)</u>	(459)	<u>(120)</u>	(140)
Net commission income		21,319	19,439	6,871	5,073
Net trading income		1,066	1,222	(67)	424
Other income		6,501	5,892	1,719	1,654
Dividend income		<u>46</u>	<u>49</u>	<u>33</u>	<u>49</u>
Total Operating Income	6	70,383	66,998	22,286	21,435
Staff costs		(26,214)	(28,345)	(8,749)	(9,663)
Depreciation and amortization		(7,029)	(6,274)	(2,510)	(2,055)
General administrative and other expenses		(21,919)	(20,400)	(8,615)	(6,801)
Impairment losses on loans and advances		<u>(2,437)</u>	(2,153)	<u>(467)</u>	(515)
Total Operating Expenses		(57,599)	(57,172)	(20,341)	(19,034)
Profit before income tax	6	12,784	9,826	1,945	2,401
Income tax	7	(7,393)	(2,082)	<u>(245)</u>	(466)
Profit / (Loss) for the period	6	5,391	7,744	1,700	1,935
Attributable to:					
Equity holders of the Bank		5,126	7,767	1,584	1,915
Minority interests		<u>265</u>	<u>(23)</u>	<u>116</u>	<u>20</u>
Basic and diluted earnings per share		0,08	0,15	0,03	0,03

The attached notes form an integral part of these consolidated interim financial statements.

Athens, 15/11/2007

President of the Board and Chief Executive

Vice-president of the Board

Chief Financial Officer

Konstantinos B. Karatzas
A.T. E.533458

Loukas M. Kyriacopoulos
A.T. A045552

Evangelos B. Stathopoulos
A.T. S045074
Perm. Lisc. OEE 523 A Class

**Consolidated Balance Sheet***(In thousands of Euro)*

<u>ASSETS</u>	Notes	30/9/2007	31/12/2006
Cash and balances with Central Bank		65,429	74 220
Trading investments		12,039	3 948
Derivative financial assets		9	53
Due from banks		318,274	444 353
Due from customers		2,119,245	1 859 556
Investment securities		21,686	56 742
Property, plant and equipment	8	31,605	32 002
Intangible assets	9	5,219	4 189
Other assets		<u>61,330</u>	<u>37 217</u>
TOTAL ASSETS		<u>2,634,836</u>	<u>2 512 280</u>
<u>LIABILITIES</u>			
Derivative financial liabilities		0	3
Due to banks		100,761	95 954
Due to customers		1,996,064	1 938 865
Debt securities in issue and other borrowed funds	10	282,931	253 736
Current income tax liability		772	422
Other liabilities		29,182	35 533
Employee benefits		<u>3,547</u>	<u>3 178</u>
TOTAL LIABILITIES		<u>2,413,257</u>	<u>2 327 691</u>
<u>EQUITY</u>			
Share capital		172,029	172 029
Share premium		17,078	17 078
Reserves		2,404	(89)
Accumulated deficit		<u>(11,147)</u>	<u>(5 748)</u>
Equity attributable to equity holders of the Bank		<u>180,364</u>	<u>183 270</u>
Minority interest		1,694	1 319
Hybrid Securities	11	<u>39,521</u>	<u>-</u>
TOTAL EQUITY		<u>221,579</u>	<u>184 589</u>
TOTAL LIABILITIES AND EQUITY		<u>2,634,836</u>	<u>2 512 280</u>

The attached notes form an integral part of these consolidated interim financial statements.

**Consolidated Cash Flow Statement***(In thousands of Euro)*

	1/1-30/9/2007	1/1-30/9/2006
Operating activities		
Profit before income taxes	12,784	9,826
Adjustments for non-cash items		
Depreciation	7,029	6,274
Impairment losses on loans	2,437	2,153
Employee benefits	394	923
Other non-cash items	4,190	483
Fair value (gain)/loss of trading instruments	(950)	(811)
(Gain)/Loss on the sale of investments		
	25,884	18,848
Changes in operating assets and liabilities		
Trading securities	(7,729)	3,050
Derivative financial instruments	(13)	5
Loans and advances to customers	(253,693)	(125,839)
Other assets	(26,750)	(263)
Deposits from banks	4,806	(120,293)
Deposits from customers	57,198	148,148
Other liabilities	(8,512)	(7,039)
Cash flow from operating activities	(208,809)	(82,383)
Investing activities		
Proceeds from sale of investments	30,151	17,058
Proceeds from sale of property and equipment		1,064
Acquisition of property and equipment and intangible assets	(6,849)	(7,231)
Dividends received	(45)	
Cash flow from investing activities	23,257	10,891
Financial activities		
Debt securities issued	21,108	2,213
Share capital increase	38,763	(564)
Issue of hybrid securities		
Dividends paid	(3,795)	
Cash flow from financing activities	56,076	1,649
Net increase/(decrease) in cash flows	(125,681)	(69,843)
Cash and cash equivalents at the start of the period	518,573	428,631
Effect of exchange rate fluctuations on cash and cash equivalents	(9,189)	(9,351)
Cash and cash equivalents at the end of the period	<u>383,703</u>	<u>349,437</u>
Cash and cash equivalents consists of:		
Cash and balances with Central bank	65,429	57,265
Due from banks	<u>318,274</u>	<u>292,172</u>
	383,703	349,437



Consolidated Statement of Changes in Equity
For the period ended 30 September *(In thousands of Euro)*

	Share Capital	Share Premium	Reserves	Available for sale reserve	Accumulated deficit	Attributable to Bank's equity holders	Minority interest	Hybrid Securities	Total
Balance at 1 January 2006	143 561	5 584	4 656	(7 515)	(32 540)	113 746	1 166	-	114 912
Valuation of available for sale securities				1 866		1 866			1 866
Share capital increase expenses		(564)				(564)			(564)
Cash flow hedge			(58)			(58)			(58)
Other differences	(11 231)		(2 337)		13 424	(144)	194		50
Profit for the period					7 767	7 767	(23)		7 744
Balance at 30 September 2006	132 330	5 019	2 262	(5 649)	(11 349)	122 613	1 337	-	123 950
Balance at 1 October 2006	132 330	5 019	2 262	(5 649)	(11 349)	122 613	1 337	-	123 950
Valuation of available for sale securities				4 256		4 256			4 256
Share capital increase (net)	39 699	10 059				51 758			51 758
Cash flow hedge			(19)			(19)			(19)
Offset losses)	(953)		1 097	144			144
Other differences			14		(1)	13	(160)		(147)
Profit for the period					4 505	4 505	142		4 647
Balance at 31 December 2006	172 029	17 078	1 304	(1 393)	(5 748)	183 270	1 319	-	184 589
Balance at 1 January 2007	172 029	17 078	1 304	(1 393)	(5 748)	183 270	1 319	-	184 589
Valuation of available for sale securities				(4,056)		(4,056)			(4,056)
Cash Flow Hedge			(58)			(58)			(58)
Reserves appropriation			6,602		(6,602)				
Dividends paid					(3,808)	(3,808)			(3,808)
Issue of Hybrid Securities								39,521	39,521
Other Movements			(104)			(104)	104		
Profit for the period					5,120	5,120	271		5,391
Balance at 30 September 2007	172,029	17,078	7,744	(5,449)	(11,038)	180,364	1,694	39,521	221,379



1. General Information

ASPIS BANK S.A. (previously ASPIS MORTGAGE BANK S.A.) was founded by Pavlos D.Psomiadis and the AEGON BV insurance company, under the name “ASPIS BANK”, as a Banking Société Anonyme in 1992 and received its license by the Bank of Greece (decision no. 487/2.12.91 of the Currency and Credit Commission), and the Ministerial Council (no. 5/8, GG 1/13.1.92, issue 1) Act according to law. According to this license, the Bank operated in accordance with mortgage banks laws until 3 August 2001. The Bank of Greece (PDBG 2478/3-8-2001) abolished the special legal framework for mortgage banks. On 3 September 2001, the Currency and Credit Commission of the Bank of Greece approved the modification of the Articles of Association of ASPIS BANK, which from thereafter engages in all banking operations defined by law. The Ministry of Development, as per decision no. K2-13660/26-10-2001, approved the modification of the Bank’s Articles of Association regarding its name, and received its current name of ASPIS BANK S.A. The Regular Shareholders’ Meeting on 1 June 2001 had already approved the aforementioned modifications of articles 1 (regarding the name) and 4 (regarding the purpose) of the Bank’s Articles of Association. ASPIS BANK maintains a Head Office in the Municipality of Athens, at 4 Othonos St., 105 57 Athens, and is registered in the Société Anonyme Registry under no. 26699/06/B/92/12. The Bank was established for a ninety-nine (99) years term from the date it was registered in the Société Anonyme Registry.

The Group operates in Greece in private, corporate and stock exchange sectors and other financial services sectors.

2. Basis of preparation

The interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting”. The interim consolidated financial statements do not include all the information required for full annual financial statements and they should be examined in accordance with the annual consolidated financial statements for the year ended 31 December 2006

The interim consolidated financial statements are presented in Euro, rounded to the nearest thousand.

The interim consolidated financial statements were authorized for issuance from Board of Directors on 19 /11/2007.

3. Significant Accounting Principles

The interim consolidated financial statements for 30 June 2007 have been prepared with the same accounting policies that were adopted in the annual financial statements for the year ended 31 December 2006.

The accounting policies that were disclosed as well as the amendments and interpretations of these policies which have been adopted and will be mandatory applied for the periods starting from 1 January 2007 and onwards are the following:

- ***IFRS 7: Financial Instruments: Disclosures and amendment to IAS 1 «Financial Statement Presentation and Capital Disclosures (effective 1 January 2007)»***

IFRS 7 requires the presentation of additional disclosures as well as quantitative and qualitative information on financial risks. It replaces IAS 30 “Disclosures for Banks and similar Financial Institutions” and the disclosure requirement of IAS 32 financial statements: “Presentation Disclosure”. It is applicable to all entities that apply IFRS. The amendment to IAS 1 requires disclosures for the capital of a Company and the way this is managed. Disclosure requirements that are required under IFRS 7 and amendments to IAS 1 will be disclosed in the annual financial



statements of the Group as of 31 December 2007. The Group believes there will no be effect from adopting IFRS 7.

• ***IFRS 8 «Operational Segments» (applicable as of 1 January 2009)***

This standard presentation and definition of segment results is based in accordance with internal management reports for the resources and the estimate its effectiveness. This standard has not been adopted up to now by the European Union. The Group believes there will be no effect form adopting IFRS 8.

• ***IFRIC 11 “IFRS 2-Intragroup transaction on own shares” (applicable after 1 March 2007)***

This interpretation states that share based payments are valued at fair value even if the transaction refers to own shares from intragroup transaction. In addition the Interpretation sets the guidelines for accounting for such transactions, in the stand-alone financial statements of the subsidiary for stock options acquired from the parent company.

This Interpretation will be adopted in 2008 but there will not be any material effect on the Group.

• ***IFRIC 12 Service Concession Agreements (applicable 1 January 2008)***

IFRIC 12 sets out the general principles on recognition and measuring the obligations and related rights in service concession agreements. This Interpretation will be adopted in 2008 but there will not be any material effect on the Group. This Interpretation has not been adopted by the European Union but there will not be any material effect on the financial statements of the Group.

4. Estimates

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

The underlying assumptions that have been adopted by the Group for the estimation of particular accounting values and the sources of uncertainty affecting these estimations for the preparation of the interim consolidated financial statements are the same with those applied for the preparation of the annual consolidated financial statements for the year ended 31 December 2006.

5. Management of Financial Risks

The Group’s goals in monitoring exposure to financial risks and the methods used by management to control these risks are the same with those applied in the annual consolidated financial statements for the year ended 31 December 2006.

6. Segment Reporting

The Group is organized into three business segments:

- 1 Corporate Banking
- 2 Retail Banking
- 3 Brokerage Transactions

**From 1 January to***(In thousands of Euro)*

	Corporate Banking		Retail Banking		Brokerage Transactions		Total	
	30/9/2007	30/9/2006	30/9/2007	30/9/2006	30/9/2007	30/9/2006	30/9/2007	30/9/2006
Segment income (external customers)	12,132	10,189	51,020	50,435	7,231	6,374	70,383	66,998
Segment income (transactions with other segments)	(3,802)	(4,323)	4,280	4,766	(478)	(443)	0	0
Total income	8,330	5,866	55,300	55,201	6,753	5,931	70,383	66,998
Segment result before tax	2,535	1,593	8,396	6,682	1,853	1,551	12,784	9,826
Segment result after tax	1,069	1,256	3,541	6,682	781	1,223	5,391	7,744

7. Income tax

The Group's effective tax rate was 58% for the six month period ended at 30 September 2007 (32% for the year ended 31 December 2006 and 21,2% for the six month period ended 30 June 2006).

The reduction in the effective tax rate results from the following factors:

- The income tax rate was reduced from 29% to 25% from 1 January 2007.
- Prior year taxes of EUR 5 588 thousands imposed by the tax authorities from the Bank (EUR 4 880 for financial periods 2003 to 2004) and of its subsidiaries Aspis International AEDAK (EUR 451 thousand for financial periods 2000 to 2005) and Aspis Leasing (EUR 257 thousand for financial periods of 2003 to 2005).

8. Property, plant and equipment

For the six months period ended 30 September 2007 the Group acquired fixed assets of value eur 4,290 thousand (30 September 2006: EUR 4 492 thousand) .

9. Intangible assets

The Group acquired during the period ended 30 September 2007 intangible assets of eur 3,558 thousand (30 September 2006: EUR 2 740).

10. Debt Securities in Issue and other borrowed funds

On 3 April 2007, a subordinated note of EUR 50 250 thousand was issued with maturity date 3 April 2017 and a first redemption option on 3 April 2012. The interest rate is three-month Euribor plus 124 basis points until the redemption date, which increases to 250 basis points in the event that the security is not redeemed.

11. Hybrid Securities

The Group, has issued, through its subsidiary ASPIS Jersey Ltd, from 1 January 2007 to 30th September 2007, the following hybrid securities:



- a) On 3 April 2007, a perpetual floating rate non-cumulative non-voting of EUR 15 million was issued with a first call up date on 3 April 2017. The interest rate is three-month Euribor plus 395 basis points until the redemption date, which increases to 495 basis points in the event that the security is not redeemed. According to the terms of the note, under certain circumstances, the Issuer has the discretion in the payment of the interest.
- b) On 3 April 2007, a perpetual floating rate non-cumulative non-voting of EUR 25 million was issued with a first call up date on 3 April 2017. The interest rate is three-month Euribor plus a 450 basis points. According to the terms of the note, under certain circumstances, the Issuer has the discretion in the payment of the interest.

12. Related parties

All of the Group's transactions are neutral, performed under the normal course of business and Bank's daily activities.

The balances of the related parties transactions as at 30 September 2007 are set out in the table below (In thousands of Euro):

a) *Board of Directors and Senior Management:*

	30/9/2007	31/12/2006
Loans and advances to customers	12,882	7 645
Deposits from customers	10,533	13 524
Other liabilities	119	92
	30/9/2007	30/9/2006
Staff costs	4,017	3 825
Net interest income	(14)	(66)
Net commission income	50	57
Other expenses	36	34

b) *Other related parties:*

	30/9/2007	31/12/2006
Loans and advances to customers	17,567	18 020
Other assets	451	729
Deposits from customers	58,181	95 500
Other liabilities	366	630
	30/9/2007	30/6/2006
Net interest income	(1,292)	(821)
Net commission income	218	1 052
Other operating expenses	3,104	2 896



13. Contingent liabilities and commitments

13.1 Litigation

Management, after consultation with legal counsel confirmed us that there are no litigation claims as at 30 June 2007 which could have a material adverse effect on the financial position of the Group.

13.2 Credit commitments

(In thousands of Euro)

	30/9/2007	31/12/2006
Letters of guarantee	215,246	214 809
Letter of credit	25,243	23 517

13.3 Tax matters

The tax authorities have audited and the Bank has settled all obligations up to the year ended 31 December 2004. The Group's subsidiaries have not been audited by the tax authorities for the following years:

Aspis Leasing	2006
Aspis Brokerage	2003-2006
Aspis AEDAK	2006
Aspis Credit	2006

Because the manner in which income taxes are concluded in Greece, the Group remains contingently liable for additional taxes (or reduction of the tax losses that can be carried forward and offset against future tax profits) and penalties that might be assessed by the tax authorities for the unaudited years.

13.4 Pledged assets

None of the Group's assets have been pledged.

13.5 Operating Leases

The Group's commitments from lease contracts refer mainly to buildings used for its branches and other operating units. The future minimum lease payments under operating leases for 30 September 2007 are as follows (in thousands of Euro):

Up to 1 year	6,452
From 1 to 5 years	17,948
Over 5 years	7,077
	31,477

14. Dividends

As a result of the decision made by the Shareholders in their last General Meeting an amount of EUR 3 808 thousand or EUR 0.06 per share was paid as dividends.

