

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

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**CONDENSED INTERIM CONSOLIDATED AND HOLDING COMPANY  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2007  
(In compliance with the International Financial Reporting Standards)**

29 AUGUST 2007  
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FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
30 JUNE 2007**

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

The attached Group and Holding Company's Financial Statements have been prepared in accordance with International Financial Reporting Standards and have been published in the company's website [www.ethniki-asfalistiki.gr](http://www.ethniki-asfalistiki.gr)

Income Statement					
	Note	Group			
		01/01/2007 30/06/2007	01/01/2006 30/06/2006	01/04/2007 30/06/2007	01/04/2006 30/06/2006
		(in thousand €)			
Gross earned premiums and related revenue		419.291	360.051	208.115	188.998
Minus: Ceded premiums		(52.581)	(32.094)	(24.031)	(15.903)
<b>Net earned premiums and related revenue</b>		<b>366.710</b>	<b>327.957</b>	<b>184.084</b>	<b>173.095</b>
Investment Income	4	23.837	17.924	9.997	8.587
Net realised gains from sale/maturity of financial assets	5	12.512	7.822	3.467	736
Net fair value gains/(losses) of financial assets	6	11.255	(3.152)	7.782	(10.910)
Other income		9.548	4.097	5.692	2.364
		<b>423.862</b>	<b>354.648</b>	<b>211.022</b>	<b>173.872</b>
Benefits and claims incurred	7	(187.009)	(168.790)	(94.053)	(88.661)
Commission expenses	8	(42.945)	(37.027)	(22.537)	(19.208)
Change in mathematical & other insurance reserves		(100.945)	(60.857)	(50.523)	(25.325)
Operating expenses		(80.697)	(83.141)	(39.055)	(46.367)
<b>Profit before share of associates results</b>		<b>12.266</b>	<b>4.833</b>	<b>4.854</b>	<b>(5.689)</b>
Share of profit of associated companies		229	22	140	(155)
<b>Profit before tax</b>		<b>12.495</b>	<b>4.855</b>	<b>4.994</b>	<b>(5.844)</b>
Income tax expense	9	9	(538)	(89)	1.419
<b>Profit for the year</b>		<b>12.504</b>	<b>4.317</b>	<b>4.905</b>	<b>(4.425)</b>
Attributable to:					
- Equity holders of the Parent		12.348	4.311	4.883	(4.553)
- Minority interest		156	6	22	128
Basic earnings (losses) per share attributable to Company (expressed in €s)	10	0,10	0,03	0,04	(0,04)

Income Statement					
	Note	Company			
		01/01/2007 30/06/2007	01/01/2006 30/06/2006	01/04/2007 30/06/2007	01/04/2006 30/06/2006
		(in thousand €)			
Gross earned premiums and related revenue		404.559	351.632	202.499	186.061
Minus: Ceded premiums		(46.598)	(26.684)	(22.268)	(13.401)
<b>Net earned premiums and related revenue</b>		<b>357.961</b>	<b>324.948</b>	<b>180.231</b>	<b>172.660</b>
Investment Income	4	23.329	17.388	9.736	8.336
Net realised gains from sale/maturity of financial assets	5	11.965	7.526	3.362	460
Net fair value gains/(losses) of financial assets	6	10.515	(3.898)	7.280	(10.639)
Other income		6.455	2.063	4.510	938
		<b>410.225</b>	<b>348.027</b>	<b>205.119</b>	<b>171.755</b>
Benefits and claims incurred	7	(183.640)	(169.140)	(92.815)	(91.031)
Commission expenses	8	(41.936)	(35.903)	(21.906)	(17.925)
Change in mathematical & other insurance reserves		(100.940)	(60.947)	(50.465)	(25.406)
Operating expenses		(74.968)	(78.284)	(36.334)	(44.025)
<b>Profit before tax</b>		<b>8.741</b>	<b>3.753</b>	<b>3.599</b>	<b>(6.632)</b>
Income tax expense	9	732	(400)	314	1.606
<b>Profit for the year</b>		<b>9.473</b>	<b>3.353</b>	<b>3.913</b>	<b>(5.026)</b>
Basic earnings (losses) per share attributable to Parent (expressed in €s)	10	0,07	0,03	0,03	(0,03)

The notes in pages 7 to 23 are considered to be an integral part of the Financial Statements.

Balance Sheet					
	Note	Group		Company	
		30/6/2007	31/12/2006	30/6/2007	31/12/2006
		(in thousand €)			
<b>ASSETS</b>					
Property, plant and equipment	11	136.060	168.810	130.533	163.787
Investment property	11	137.953	107.985	135.755	105.764
Intangible Assets	12	4.932	4.732	2.016	1.993
Deferred acquisition costs (DAC)		62.704	56.914	60.805	55.239
Investments in associates	13	4.195	3.921	18.191	18.140
Deferred tax asset	14	63.870	58.745	63.840	58.715
Financial assets available for sale	15	772.558	743.631	772.558	743.631
Financial assets at fair value through profit and loss	16	643.690	565.081	625.198	547.815
Receivables including insurance receivables		307.060	267.758	279.507	246.258
Reinsurers' receivables		81.621	97.489	62.950	76.454
Cash and cash equivalents		151.528	173.836	123.783	145.887
<b>Total assets</b>		<b>2.366.171</b>	<b>2.248.902</b>	<b>2.275.136</b>	<b>2.163.683</b>
<b>EQUITY &amp; LIABILITIES</b>					
<b>Equity</b>					
Share capital		322.767	322.767	322.767	322.767
Share premium		38.732	38.732	38.732	38.732
Reserves		31.151	54.582	28.249	52.172
Retained earnings		(240.295)	(252.658)	(248.781)	(258.254)
		<b>152.355</b>	<b>163.423</b>	<b>140.967</b>	<b>155.417</b>
<b>Minority interest in equity</b>		<b>2.091</b>	<b>1.966</b>	<b>0</b>	<b>0</b>
<b>Total equity</b>		<b>154.446</b>	<b>165.389</b>	<b>140.967</b>	<b>155.417</b>
<b>Liabilities</b>					
Mathematical Reserves & Technical Provisions	17	1.841.355	1.733.566	1.789.597	1.679.442
Deposit Administration Fund (DAF)		154.725	152.557	154.725	152.557
Liabilities due to sales network and other liabilities		105.773	84.181	97.695	77.050
Liabilities due to reinsurance operations		31.622	37.721	14.287	24.108
Liabilities towards personnel	18	73.039	71.210	72.901	71.061
Deferred tax liability	14	5.211	4.278	4.964	4.048
<b>Total Liabilities</b>		<b>2.211.725</b>	<b>2.083.513</b>	<b>2.134.169</b>	<b>2.008.266</b>
<b>Total Liabilities and Equity</b>		<b>2.366.171</b>	<b>2.248.902</b>	<b>2.275.136</b>	<b>2.163.683</b>

The notes in pages 7 to 23 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 Interest	Total Equity
	(in thousand €)					
<b>Balance as at 01/01/2006</b>	<b>322.767</b>	<b>38.732</b>	<b>57.333</b>	<b>(250.227)</b>	<b>1.519</b>	<b>170.124</b>
Net Profit for the year	0	0	0	4.311	6	4.317
Net fair value gains / (losses) on financial assets available for sale	0	0	(33.364)	0	0	(33.364)
Other	0	0	(12)	614	39	641
<b>Balance as at 30/06/2006</b>	<b>322.767</b>	<b>38.732</b>	<b>23.957</b>	<b>(245.302)</b>	<b>1.564</b>	<b>141.718</b>
Net (Loss)/Profit for the period	0	0	0	(7.002)	344	(6.658)
Net fair value gains / (losses) on financial assets available for sale	0	0	30.526	0	0	30.526
Other	0	0	99	(354)	58	(197)
<b>Balance as at 31/12/2006</b>	<b>322.767</b>	<b>38.732</b>	<b>54.582</b>	<b>(252.658)</b>	<b>1.966</b>	<b>165.389</b>
Net (Loss)/Profit for the period	0	0	0	12.348	156	12.504
Net fair value gains / (losses) on financial assets available for sale	0	0	(23.923)	0	0	(23.923)
Other	0	0	492	15	(31)	476
<b>Balance as at 30/06/2007</b>	<b>322.767</b>	<b>38.732</b>	<b>31.151</b>	<b>(240.295)</b>	<b>2.091</b>	<b>154.446</b>

Statement of Changes in Equity					
Company					
	Share Capital	Share Premium	Reserves	Retained earnings (losses)	Total Equity
	(in thousand €)				
<b>Balance as at 01/01/2006</b>	<b>322.767</b>	<b>38.732</b>	<b>55.010</b>	<b>(250.651)</b>	<b>165.858</b>
Net Profit for the year	0	0	0	3.353	3.353
Net fair value gains / (losses) on financial assets available for sale	0	0	(33.364)	0	(33.364)
<b>Balance as at 30/06/2006</b>	<b>322.767</b>	<b>38.732</b>	<b>21.646</b>	<b>(247.298)</b>	<b>135.847</b>
Net (Loss)/Profit for the period	0	0	0	(10.956)	(10.956)
Net fair value gains / (losses) on financial assets available for sale	0	0	30.526	0	30.526
<b>Balance as at 31/12/2006</b>	<b>322.767</b>	<b>38.732</b>	<b>52.172</b>	<b>(258.254)</b>	<b>155.417</b>
Net (Loss)/Profit for the period	0	0	0	9.473	9.473
Net fair value gains / (losses) on financial assets available for sale	0	0	(23.923)	0	(23.923)
<b>Balance as at 30/06/2007</b>	<b>322.767</b>	<b>38.732</b>	<b>28.249</b>	<b>(248.781)</b>	<b>140.967</b>

The notes in pages 7 to 23 are considered to be an integral part of the Financial Statements.

<b>Cash Flow Statement</b>				
	<b>Group</b>		<b>Company</b>	
	<b>30/6/2007</b>	<b>30/6/2006</b>	<b>30/6/2007</b>	<b>30/6/2006</b>
	<b>(in thousand €)</b>			
Profit/(loss) after tax	12.495	4.855	8.741	3.753
Adjustments for:				
Depreciation and amortisation costs	4.902	4.896	4.664	4.686
Increase / (Decrease) in insurance provisions	101.999	86.139	104.589	75.210
Profits/(Losses) from valuation and sale of financial assets	(47.604)	(23.774)	(45.809)	(22.196)
Other provisions	(4.773)	0	(4.554)	0
Taxation	9	(538)	732	(400)
Working capital changes:				
Purchase of tangible and intangible fixed assets	(2.627)	(5.353)	(1.641)	(4.416)
Sale of tangible and intangible fixed assets	93	1.047	55	1.045
Purchase of financial assets	(198.519)	(390.403)	(198.146)	(390.463)
Sale of financial assets	116.276	217.094	116.657	213.501
Purchase of financial assets for UNIT LINKED products	(27.968)	(26.030)	(28.878)	(26.140)
Investment income	23.837	19.104	23.329	18.568
(Increase)/ Decrease of receivables	(25.833)	(30.815)	(22.144)	(14.079)
Purchase of affiliate company's shares	25.405	16.331	20.301	4.924
<b>Net cashflows from operating activities</b>	<b>(22.308)</b>	<b>(127.447)</b>	<b>(22.104)</b>	<b>(136.007)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(22.308)</b>	<b>(127.447)</b>	<b>(22.104)</b>	<b>(136.007)</b>
<b>Cash and cash equivalents at the beginning of the period / year</b>	<b>173.836</b>	<b>304.625</b>	<b>145.887</b>	<b>287.038</b>
<b>Cash and cash equivalents at the end of the period / year</b>	<b>151.528</b>	<b>177.178</b>	<b>123.783</b>	<b>151.031</b>

The notes in pages 7 to 23 are considered to be an integral part of the Financial Statements.

## 1. General Information

The Ethniki Insurance Group (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 and associated companies in Greece and Bulgaria.

The Group’s Holding Company is “The ETHNIKI Hellenic General Insurance Company Société Anonyme” (hereinafter Holding Company), incorporated in Greece since 1891. It is a subsidiary of The National Bank of Greece and it is listed on the Athens Stock Exchange since 1946. National Bank of Greece (NBG) has 76.85% participation in the parent company. Consequently, the accompanying Financial Statements are consolidated in the NBG’s consolidated financial statements. The Holding Company is registered in the Municipality of Athens with its Headquarters located at Syngrou Avenue 103-105, 11745, Athens, with Registration Number of S.A. 12840/05/B/86/20. According to its Articles of Association the main business of the Holding Company relates to insurance, reinsurance and general financial services, both in the domestic and overseas markets, as described by the Greek and European Legislation.

The Company’s Board of Directors is as follows:

Doucas-Pavlos I. Paleologos	Chairman & CEO
Alexandros G. Tourkolias	Executive Member
Spyridon T. Leftheriotis	First Vice-President
Anastasios A. Pagonis	Non-executive member
Alexandros P. Georgitsis	Executive Member
Anthimos K. Thomopoulos	Executive Member
Ioannis S. Petsalakis	Non-executive member
Avraam E. Moisis	Non-executive member
Stefanos G. Pantzopoulos	Non-executive member
Nikolaos I. Kontosoros	Non-executive member
Vasilios V. Panagiotopoulos	Non-executive member
Konstantinos C. Lampropoulos	Independent non-executive member
Chrysoula Kyriakopoulou	Independent non-executive member

The accompanying interim consolidated and Holding Company Financial Statements were approved for publication by the Parent Company’s Board of Directors on 29 August 2007.

**2. Summary of significant accounting policies****2.1 Basis of presentation**

The accompanying condensed consolidated interim financial statements for the six month period ended 30 June 2007 constitute the Group's condensed consolidated interim financial statements (hereinafter referred to as "the financial statements") have been prepared in accordance with International Financial Reporting Standards (IFRS), adopted by the European Union, and more specifically with the provisions of IAS 34 Interim financial reporting.

There are no standards applied in advance of their effective date. The Group has followed the same accounting policies as those of the consolidated annual financial statements as at 31 December 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of available for sale investment securities and financial assets at fair value through profit and loss.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should therefore be read in conjunction with the Group's published annual financial statements as at 31 December 2006.

**(b) Adoption of International Financial Reporting Standards (IFRS)**

The Group adopted the requirements of IFRS for the first time for the purpose of preparing financial statements for the year ending 31 December 2005. Newly acquired subsidiaries that prior to their acquisition by the Group had been preparing their financial statements under local accounting principles (GAAPs), prepare their first IFRS financial statements for consolidation purposes by the Group, according to the IFRS 1 "First Time Adoption of IFRS".

**2.2. Reclassifications**

Certain prior year amounts of the Financial Statements have been reclassified for better presentation purposes. The most significant being: All purchases and sales of tangible assets and intangible assets as well as financial assets for the year ended 31 December 2006, formed part of the cash flows from Investing Activities, whereas for the year 2007 they form part of cash flows from operating activities.

**2.3. New Standards and Interpretations**

Up to the date of the approval of the financial statements certain new IFRS, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting

periods beginning on or after 1 January 2007 or later periods. The Group's management estimate in relation to the effects of the adoption of the new standards and interpretations is as follows:

**(i) IFRS 7, Financial Instruments: Disclosures, and a complementary amendment to IAS 1, Presentation of Financial Statements – Capital Disclosures:** (effective for financial years beginning on or after 1 January 2007) IFRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk. It replaces IAS 30, Disclosures in the Financial Statements of Banks and Similar Financial Institutions, and disclosure requirements in IAS 32, Financial Instruments: Disclosure and Presentation. It is applicable to all entities that report under IFRS. The amendment to IAS 1 introduces disclosures about the level of an entity's capital and how it manages capital. The impact of the above changes is limited to certain disclosures. The Group will be applying IFRS 7 and the amendments of IAS 1 for the preparation of the current year's consolidated annual financial statements.

#### **2.4. Significant Accounting Judgements and Estimates**

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates, and judgements which may affect the reported values of assets, liabilities and contingent assets and liabilities at the balance sheet date as well as the reported income and expenses for the period ended.

Estimates and best knowledge and judgment of the facts existing at balance sheet date form the basis in the following areas: valuation of non listed portfolio, staff leaving indemnities, insurance liabilities, impairment of receivables, unaudited tax years and open legal actions. Although the estimates are based on best knowledge and judgment of the facts existing at the balance sheet date, the future actual outcome may differ significantly from these estimates, and this may have a material affect on the financial statements.

**Significant accounting judgments and related uncertainty:** The principle judgments and estimates referring to events the development of which could significantly affect the items of the financial statements during the forthcoming twelve months period are as follows:

##### **(a) Valuation of Insurance Liabilities**

###### *Life Insurance Contracts*

Life insurance contract estimates are initially made at inception of the contract, where the Group determines the key assumptions applicable to the type of life insurance contract. A margin for risk and

adverse deviation is generally included. Subsequently, new estimates are developed at each reporting date to determine whether the liabilities are adequate in the light of the latest current estimates.

#### *Non-life Insurance Contracts*

Besides the claim-by-claim procedure a number of statistical and actuarial techniques are employed for the estimation of the ultimate cost of claims and the calculation of the corresponding reserves. These techniques are based on the historical claim cost development and assumptions for the average claim cost, future inflation and amendments in the underlying legal framework. This process includes the calculation of the provision for claims that have not been reported to the Group until the valuation date.

#### *(b) Provisions for income taxes:*

Current income tax liabilities for the current and prior periods are measured, in accordance with IAS 12, at the amounts expected to be paid to the taxation authorities and includes provision for current income taxes reported in the respective income tax returns and the potential additional tax assessments that may be imposed by the tax authorities upon settlement of the open tax years. Accordingly, the final settlement of the income taxes might differ from the income taxes that have been accounted for in the financial statements.

### **3.SEGMENTAL REPORTING**

The Group is organized in the following primary business segments:

**Life Insurance:** The insurance contracts offered by the Group include whole life, endowment, term assurance, term assurance with survival benefit, pension, unit-linked, rider benefits attached to insurance policies and mortgage endowments.

**Non-Life Insurance – Motor Third Party Liability:** This concerns insurance contracts that cover the risk of motor third party liability.

**Non-Life Insurance – Fire:** This concerns insurance contracts that cover the risk of fire, earthquake and theft.

**Non-Life Insurance – Other:** This includes cargo insurance, general third part liability, credit business, guarantees, road assistance, legal protection, group DAF contracts and other.

Group						
30/6/2007						
	Note	LIFE	MOTOR TPL	FIRE	OTHER	TOTAL
(in thousand €)						
Gross earned premiums and related revenue		222.733	80.199	41.561	74.798	419.291
Minus: ceded premiums		(4.196)	(2.545)	(19.959)	(25.881)	(52.581)
<b>Net earned premiums and related revenue</b>		<b>218.537</b>	<b>77.654</b>	<b>21.602</b>	<b>48.917</b>	<b>366.710</b>
Investment Income	4,5,6	34.209	9.095	991	3.309	47.604
Other income		3.810	1.710	419	3.609	9.548
		<b>256.556</b>	<b>88.459</b>	<b>23.012</b>	<b>55.835</b>	<b>423.862</b>
Benefits and claims incurred	7	(90.158)	(67.272)	(6.878)	(22.701)	(187.009)
Commission expenses	8	(23.336)	(12.187)	(4.729)	(2.693)	(42.945)
Mathematical and other insurance provisions		(100.945)	0	0	0	(100.945)
Operating expenses		(31.230)	(23.887)	(10.495)	(15.085)	(80.697)
<b>Profit/(Loss) before affiliate companies' results</b>		<b>10.887</b>	<b>(14.887)</b>	<b>910</b>	<b>15.356</b>	<b>12.266</b>
Investments in affiliated companies and associates						229
<b>Profit/(Loss) before Tax</b>						<b>12.495</b>

Group						
30/6/2006						
	Note	LIFE	MOTOR TPL	FIRE	OTHER	TOTAL
(in thousand €)						
Gross earned premiums and related revenue		174.458	85.149	43.896	56.548	360.051
Minus: ceded premiums		(492)	(2.268)	(13.624)	(15.710)	(32.094)
<b>Net earned premiums and related revenue</b>		<b>173.966</b>	<b>82.881</b>	<b>30.272</b>	<b>40.838</b>	<b>327.957</b>
Investment Income	4,5,6	12.745	7.035	1.334	1.480	22.594
Other income		1.795	180	37	2.085	4.097
		<b>188.506</b>	<b>90.096</b>	<b>31.643</b>	<b>44.403</b>	<b>354.648</b>
Benefits and claims incurred	7	(68.628)	(74.533)	(5.544)	(20.085)	(168.790)
Commission expenses	8	(18.723)	(12.058)	(4.195)	(2.051)	(37.027)
Mathematical and other insurance provisions		(60.857)	0	0	0	(60.857)
Operating expenses		(35.661)	(22.866)	(10.039)	(14.575)	(83.141)
<b>Profit/(Loss) before affiliate companies' results</b>		<b>4.637</b>	<b>(19.361)</b>	<b>11.865</b>	<b>7.692</b>	<b>4.833</b>
Investments in affiliated companies and associates						22
<b>Profit/(Loss) before Tax</b>						<b>4.855</b>

Company						
30/6/2007						
	Note	LIFE	MOTOR TPL	FIRE	OTHER	TOTAL
(in thousand €)						
Gross earned premiums and related revenue		219.100	77.558	41.561	66.340	404.559
Minus: ceded premiums		(3.770)	(2.163)	(19.959)	(20.706)	(46.598)
<b>Net earned premiums and related revenue</b>		<b>215.330</b>	<b>75.395</b>	<b>21.602</b>	<b>45.634</b>	<b>357.961</b>
Investment Income	4,5,6	33.004	8.505	991	3.309	45.809
Other income		3.810	1.710	419	516	6.455
		<b>252.144</b>	<b>85.610</b>	<b>23.012</b>	<b>49.459</b>	<b>410.225</b>
Benefits and claims incurred	7	(89.230)	(65.372)	(6.878)	(22.160)	(183.640)
Commission expenses	8	(22.440)	(11.661)	(4.729)	(3.106)	(41.936)
Mathematical and other insurance provisions		(100.940)	0	0	0	(100.940)
Operating expenses		(29.659)	(23.887)	(10.495)	(10.927)	(74.968)
<b>Profit/(Loss) before Tax</b>		<b>9.875</b>	<b>(15.310)</b>	<b>910</b>	<b>13.266</b>	<b>8.741</b>

Company						
30/6/2006						
	Note	LIFE	MOTOR TPL	FIRE	OTHER	TOTAL
(in thousand €)						
Gross earned premiums and related revenue		172.839	82.973	38.218	57.602	351.632
Minus: ceded premiums		(149)	(1.956)	(7.946)	(16.633)	(26.684)
<b>Net earned premiums and related revenue</b>		<b>172.690</b>	<b>81.017</b>	<b>30.272</b>	<b>40.969</b>	<b>324.948</b>
Investment Income	4,5,6	11.295	6.536	1.335	1.850	21.016
Other income		1.795	180	37	51	2.063
		<b>185.780</b>	<b>87.733</b>	<b>31.644</b>	<b>42.870</b>	<b>348.027</b>
Benefits and claims incurred	7	(67.616)	(73.006)	(10.348)	(18.170)	(169.140)
Commission expenses	8	(18.187)	(11.561)	(4.195)	(1.960)	(35.903)
Mathematical and other insurance provisions		(60.947)	0	0	0	(60.947)
Operating expenses		(33.476)	(22.867)	(10.038)	(11.903)	(78.284)
<b>Profit/(Loss) before Tax</b>		<b>5.554</b>	<b>(19.701)</b>	<b>7.063</b>	<b>10.837</b>	<b>3.753</b>

The significant increase of the Life Insurance premiums is attributed to the Bancassurance business where single premium products amounted to € 71.406 thousand compared to € 44.406 thousand in the first semester 2006. This increase had a similar effect in the Life mathematical reserves. The decrease in operational expenses is attributed to the voluntary exit program implemented during the first semester 2007 which amounted to € 10.700 thousand.

**4. INVESTMENT INCOME**

	Group		Company	
	01/01/2007	01/01/2006	01/01/2007	01/01/2006
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
	(in thousand €)			
Financial Assets held for trading	3.622	2.379	3.622	2.379
Financial Assets available for sale	9.377	10.941	9.377	10.941
Other investments	10.838	4.604	10.330	4.068
<b>Total investment income</b>	<b>23.837</b>	<b>17.924</b>	<b>23.329</b>	<b>17.388</b>

**5. NET REALIZED GAINS FROM SALE / MATURITY OF FINANCIAL ASSETS**

	Group		Company	
	01/01/2007	01/01/2006	01/01/2007	01/01/2006
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
	(in thousand €)			
Financial Assets at fair value through profit & loss	226	697	181	133
Financial Assets available for sale	12.286	7.125	11.784	7.393
<b>Total net realised gains from sale/maturity of financial assets</b>	<b>12.512</b>	<b>7.822</b>	<b>11.965</b>	<b>7.526</b>

**6. NET FAIR VALUE FROM FINANCIAL ASSETS VALUATION**

	Group		Company	
	01/01/2007	01/01/2006	01/01/2007	01/01/2006
	30/6/2007	30/6/2006	30/6/2007	30/6/2006
	(in thousand €)			
Financial Assets held for trading	11.255	(3.152)	10.515	(3.898)
<b>Total net losses from financial assets valuation</b>	<b>11.255</b>	<b>(3.152)</b>	<b>10.515</b>	<b>(3.898)</b>

**7. BENEFITS AND CLAIMS INCURRED**

Group						
	TOTAL	REINSURERS	GROUP	TOTAL	REINSURERS	GROUP
	01/01/2007 - 30/6/2007			01/01/2006 - 30/6/2006		
	(in thousand €)					
Life Insurance	(85.881)	29	(85.852)	(67.727)	659	(67.068)
Non-Life Insurance - Motor	(61.476)	1.200	(60.276)	(61.515)	3.939	(57.576)
Non-Life Insurance - Fire	(15.975)	6.736	(9.239)	(7.286)	2.679	(4.607)
Non-Life Insurance - Other	(32.330)	10.584	(21.746)	(36.041)	14.953	(21.088)
Insurance benefits & claims paid	(195.662)	18.549	(177.113)	(172.569)	22.230	(150.339)
Life Insurance	(4.279)	(27)	(4.306)	(1.822)	262	(1.560)
Non-Life Insurance - Motor	(4.849)	(2.147)	(6.996)	(18.874)	1.917	(16.957)
Non-Life Insurance - Fire	7.760	(5.399)	2.361	(3.339)	2.402	(937)
Non-Life Insurance - Other	1.988	(2.943)	(955)	(5.081)	6.084	1.003
Change in pended claims	620	(10.516)	(9.896)	(29.116)	10.665	(18.451)
Total	(195.042)	8.033	(187.009)	(201.685)	32.895	(168.790)

Company						
	TOTAL	REINSURERS	COMPANY	TOTAL	REINSURERS	COMPANY
	01/01/2007 - 30/06/2007			01/01/2006 - 30/06/2006		
	(in thousand €)					
Life Insurance	(84.773)	(151)	(84.924)	(66.532)	476	(66.056)
Non-Life Insurance - Motor	(60.208)	1.196	(59.012)	(59.759)	3.182	(56.577)
Non-Life Insurance - Fire	(15.975)	6.736	(9.239)	(7.286)	2.679	(4.607)
Non-Life Insurance - Other	(25.886)	4.871	(21.015)	(30.080)	10.475	(19.605)
Insurance benefits & claims paid	(186.842)	12.652	(174.190)	(163.657)	16.812	(146.845)
Life Insurance	(4.279)	(27)	(4.306)	(1.822)	262	(1.560)
Non-Life Insurance - Motor	(4.090)	(2.270)	(6.360)	(19.195)	2.766	(16.429)
Non-Life Insurance - Fire	7.760	(5.399)	2.361	(3.339)	(2.402)	(5.741)
Non-Life Insurance - Other	(772)	(373)	(1.145)	(2.888)	4.323	1.435
Change in pended claims	(1.381)	(8.069)	(9.450)	(27.244)	4.949	(22.295)
Total	(188.223)	4.583	(183.640)	(190.901)	21.761	(169.140)

## 8. COMMISSION EXPENSES

Group						
	COMMISSION EXPENSES	REINSURANCE COMMISSION EXPENSES	TOTAL	COMMISSION EXPENSES	REINSURANCE COMMISSION EXPENSES	TOTAL
	01/01/2007 - 30/6/2007			01/01/2006 - 30/6/2006		
	(in thousand €)					
Life Insurance	(24.048)	712	(23.336)	(18.807)	84	(18.723)
Non-Life Insurance - Motor	(12.207)	20	(12.187)	(12.078)	20	(12.058)
Non-Life Insurance - Fire	(5.464)	735	(4.729)	(4.789)	594	(4.195)
Non-Life Insurance -Other	(7.549)	4.856	(2.693)	(7.047)	4.996	(2.051)
<b>Total</b>	<b>(49.268)</b>	<b>6.323</b>	<b>(42.945)</b>	<b>(42.721)</b>	<b>5.694</b>	<b>(37.027)</b>

## COMPANY

Company						
	COMMISSION EXPENSES	REINSURANCE COMMISSION EXPENSES	TOTAL	COMMISSION EXPENSES	REINSURANCE COMMISSION EXPENSES	TOTAL
	01/01/2007 - 30/6/2007			01/01/2006 - 30/6/2006		
	(in thousand €)					
Life Insurance	(23.099)	659	(22.440)	(18.271)	84	(18.187)
Non-Life Insurance - Motor	(11.681)	20	(11.661)	(11.581)	20	(11.561)
Non-Life Insurance - Fire	(5.464)	735	(4.729)	(4.789)	594	(4.195)
Non-Life Insurance -Other	(7.025)	3.919	(3.106)	(6.681)	4.721	(1.960)
<b>Total</b>	<b>(47.269)</b>	<b>5.333</b>	<b>(41.936)</b>	<b>(41.322)</b>	<b>5.419</b>	<b>(35.903)</b>

## 9. INCOME TAX EXPENSE

	Group		Company	
	01/01/2007 30/6/2007	01/01/2006 30/6/2006	01/01/2007 30/6/2007	01/01/2006 30/6/2006
	(in thousand €)			
Income Tax (for the period)	(508)	0	(508)	0
Income Tax (from unaudited periods)	(848)	(2.427)	(241)	(2.293)
Deferred Tax	1.365	1.889	1.481	1.893
<b>Total</b>	<b>9</b>	<b>(538)</b>	<b>732</b>	<b>(400)</b>

According to Greek Taxation Law, the income tax rate (Law 3296/2004) applicable from the 2007 is 25%.

**Company's Name**
**Unaudited Tax Years**

1. THE «ETHNIKI» HELLENIC GENERAL INSURANCE COMPANY (PARENT)	2006
2. ETHNIKI LIFE INSURANCE (Cyprus) LTD	2006
3. SOCIETATE COMERCIALA GARANTA ASIGURARI SA	2003-2006
4. AUDATEX HELLAS S.A.	2005-2006
5. NATIONAL INSURANCE BROKERS S.A.	2003-2006
6. NBG ASIGURARI S.A.	2001-2006

**10. EARNINGS PER SHARE**

	<b>Group</b>		<b>Company</b>	
	<b>30/6/2007</b>	<b>30/6/2006</b>	<b>30/6/2007</b>	<b>30/6/2006</b>
	<b>(in thousand €)</b>			
Profit after tax	12.504	4.317	9.473	3.353
Average number of shares	129.106.800	129.106.800	129.106.800	129.106.800
Earnings attributed to the Parent Company	12.348	4.311	9.473	3.353
Basic and diluted earnings per share (€)	0,10	0,03	0,07	0,03
Earnings per share attributed to the Parent Company (€)	0,10	0,03	0,07	0,03

**11. TANGIBLE ASSETS**

The decrease in property plant and equipment is mainly due to the transfer to investment property of previously own-use buildings situated at Karagheorgi Servias, Hypatias, Merlin as well as the building B' in Syngrou Avenue, which is now being rented to third parties.

**12. INTANGIBLE ASSETS**

	<b>Group</b>		<b>Company</b>	
	<b>30/6/2007</b>	<b>31/12/2006</b>	<b>30/6/2007</b>	<b>31/12/2006</b>
	<b>(in thousand €)</b>			
Software	2.362	2.162	2.016	1.993
Goodwill	2.570	2.570	-	-
<b>Total</b>	<b>4.932</b>	<b>4.732</b>	<b>2.016</b>	<b>1.993</b>

The above increase in software is attributed to the purchase of new SAP software.

**13. INVESTMENTS IN ASSOCIATES**

Participation Group	Country of Incorporation	30/6/2007		31/12/2006	
		% Participation	Book Value	% Participation	Book Value
		(in thousand €)			
EVROPI AEGA	GREECE	30,000%	2.131	30,000%	2.001
UBB-AIG INSURANCE AND REINSURANCE COMPANY	BULGARIA	30,000%	991	30,000%	919
UBB-AIG LIFE INSURANCE COMPANY	BULGARIA	30,000%	1.022	30,000%	1.001
UBB BROKER	BULGARIA	20,000%	51	-	-
Total			4.195		3.921
Company					
AFFILIATE COMPANIES					
SOCIETATE COMERCIALA GARANTA ASIGURARI S.A.	ROMANIA	-	-	93,265%	3.828
S.C. GARANTA ASIGURARI S.A.	ROMANIA	94,962%	6.528	-	-
ETHNIKI ASFALISTIKI KYPROY LTD	CYPRUS	89,089%	4.119	89,089%	4.119
AUDATEX HELLAS S.A.	GREECE	70,000%	1.062	70,000%	1.062
NATIONAL BROKERS S.A.	GREECE	95,000%	2.450	95,000%	2.450
NBG ASIGURARI S.A.	ROMANIA	-	-	99,988%	2.700
			14.159		14.159
ASSOCIATE COMPANIES					
EVROPI AEGA	GREECE	30,000%	2.056	30,000%	2.056
UBB-AIG INSURANCE AND REINSURANCE COMPANY	BULGARIA	30,000%	912	30,000%	912
UBB-AIG LIFE INSURANCE COMPANY	BULGARIA	30,000%	1.013	30,000%	1.013
UBB BROKER	BULGARIA	20,000%	51	-	-
			4.032		3.981
Total			18.191		18.140

On 27 March 2007 the Company with United Bulgarian Bank AD (U.B.B. AD) founded UBB-BROKERS in Bulgaria. Ethniki Insurance has paid € 51 thousand, representing 20% of the company (which amounts € 250 thousand / Leva 500.000).

On 20 June 2007 the merger between the Romanian subsidiaries Garanta Asigurari S.A. and NBG Asigurari S.A. was completed. After the merger, Garanta's sharecapital amounts to RON 28.144.875 and based to the share exchange ratio, Ethniki Insurance now holds 94,96214%.

**14. DEFERRED TAX**

	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
	(in thousand €)			
Depreciation of intangible assets	211	104	209	104
Provisions for bad debts	2.878	2.758	2.877	2.758
Unutilised tax losses	17.654	10.498	17.654	10.498
Retirement Benefits to personnel	3.714	3.533	3.687	3.503
Insurance provisions	39.413	41.852	39.413	41.852
<b>Deferred tax assets</b>	<b>63.870</b>	<b>58.745</b>	<b>63.840</b>	<b>58.715</b>
Depreciation of tangible assets	2.349	1.603	2.329	1.603
Depreciation of investments in real estate	2.563	2.373	2.563	2.373
Other temporary differences	299	302	72	72
<b>Deferred tax liabilities</b>	<b>5.211</b>	<b>4.278</b>	<b>4.964</b>	<b>4.048</b>
<b>Total</b>	<b>58.659</b>	<b>54.467</b>	<b>58.876</b>	<b>54.667</b>

**15. FINANCIAL ASSETS AVAILABLE FOR SALE**

	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
	(in thousand €)			
Bonds	477.965	443.593	477.965	443.593
Shares	119.566	139.679	119.566	139.679
Mutual Funds	175.027	160.359	175.027	160.359
<b>Total</b>	<b>772.558</b>	<b>743.631</b>	<b>772.558</b>	<b>743.631</b>

**16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS**

	Group		Company	
	30/6/2007	31/12/2006	30/6/2007	31/12/2006
	(in thousand €)			
Bonds	151.674	137.889	150.291	136.494
Shares	26.710	22.774	25.309	21.681
Mutual Funds	46.275	15.650	45.628	15.022
<b>Financial assets held for trading</b>	<b>224.659</b>	<b>176.313</b>	<b>221.228</b>	<b>173.197</b>
<b>Financial Assets at Fair Value through P&amp;L (Unit-Linked)</b>	<b>419.031</b>	<b>388.768</b>	<b>403.970</b>	<b>374.618</b>
<b>Total</b>	<b>643.690</b>	<b>565.081</b>	<b>625.198</b>	<b>547.815</b>

**17. MATHEMATICAL RESERVES AND TECHNICAL PROVISIONS**

Group						
	Group	Reinsurer	Total	Group	Reinsurer	Total
	30/6/2007			31/12/2006		
	(in thousand €)					
LIFE RESERVES						
Mathematical reserves	823.629	3.059	826.688	752.804	2.464	755.268
Outstanding claims reserves	38.269	1.724	39.993	33.824	1.820	35.644
Other insurance provisions	7.670	201	7.871	7.735	197	7.932
Total reserves - Life	869.568	4.984	874.552	794.363	4.481	798.844
UNIT LINKED contract reserves						
Mathematical reserve for UNIT LINKED products	22.044	0	22.044	20.271	0	20.271
Total UL reserves	441.075	0	441.075	409.039	0	409.039
Total	1.310.643	4.984	1.315.627	1.203.402	4.481	1.207.883
NON-LIFE INSURANCE RESERVES						
Unearned premium reserves	133.629	31.004	164.633	125.659	35.601	161.260
Other insurance provisions	298.140	62.955	361.095	295.187	69.236	364.423
Total reserves - Non-Life	431.769	93.959	525.728	420.846	104.837	525.683
Total	1.742.412	98.943	1.841.355	1.624.248	109.318	1.733.566

Company						
	Company	Reinsurer	Total	Company	Reinsurer	Total
	30/6/2007			31/12/2006		
	(in thousand €)					
LIFE RESERVES						
Mathematical reserves	821.402	730	822.132	751.162	706	751.868
Outstanding claims reserves	37.925	1.201	39.126	33.584	1.228	34.812
Other insurance provisions	7.015	0	7.015	7.015	0	7.015
Total reserves - Life	866.342	1.931	868.273	791.761	1.934	793.695
UNIT LINKED contract reserves						
Mathematical reserve for UNIT LINKED products	22.044	0	22.044	20.271	0	20.271
Total UL reserves	426.014	0	426.014	394.889	0	394.889
Total	1.292.356	1.931	1.294.287	1.186.650	1.934	1.188.584
NON-LIFE INSURANCE RESERVES						
Unearned premium reserves	125.058	18.020	143.078	115.819	21.305	137.124
Other insurance provisions	293.157	59.075	352.232	290.611	63.123	353.734
Total reserves - Non-Life	418.215	77.095	495.310	406.430	84.428	490.858
Total	1.710.571	79.026	1.789.597	1.593.080	86.362	1.679.442

Change in Insurance Reserves			
Group			
<b>Change in Life Insurance Reserves (30.06.2007)</b>			
Balance at beginning of the period	1.207.883		
Increase in reserves	193.625		
Claims paid and other changes	(85.881)		
<b>Balance at the end of the period</b>	<b>1.315.627</b>		
<b>Change in Non-Life Insurance Reserves (30.06.2007)</b>			
	<b>Total</b>	<b>Reinsurers</b>	<b>Group</b>
Balance at the beginning of the period	525.683	104.837	420.846
Incurred claims	106.453	12.239	94.214
Claims paid	(109.781)	(18.520)	(91.261)
Change in insurance reserve	3.373	(4.597)	7.970
<b>Balance at the end of the period</b>	<b>525.728</b>	<b>93.959</b>	<b>431.769</b>
<b>Outstanding claims reserve (30.06.2007)</b>			
	<b>Total</b>	<b>Reinsurers</b>	<b>Group</b>
Outstanding claims	350.573	62.153	288.420
IBNR	10.522	802	9.720
<b>Total</b>	<b>361.095</b>	<b>62.955</b>	<b>298.140</b>
<b>Outstanding claims reserve (2006)</b>			
	<b>Total</b>	<b>Reinsurers</b>	<b>Group</b>
Outstanding claims	353.954	68.424	285.530
IBNR	10.469	812	9.657
<b>Total</b>	<b>364.423</b>	<b>69.236</b>	<b>295.187</b>

Change in Insurance Reserves			
Company			
<b>Change in Life Insurance Reserves (30.06.2007)</b>			
Balance at the beginning of the period	1.188.584		
Increase in reserves	190.476		
Claims paid and other changes	(84.773)		
<b>Balance at the end of the period</b>	<b>1.294.287</b>		
<b>Change in Non-Life Insurance Reserves (30.06.2007)</b>			
	<b>Total</b>	<b>Reinsurers</b>	<b>Company</b>
Balance at the beginning of the period	490.858	84.428	406.430
Incurred claim	100.567	8.755	91.812
Claims paid	(102.069)	(12.803)	(89.266)
Change in insurance reserve	5.954	(3.285)	9.239
<b>Balance at the end of the period</b>	<b>495.310</b>	<b>77.095</b>	<b>418.215</b>
<b>Outstanding claims reserve (30.06.2007)</b>			
	<b>Total</b>	<b>Reinsurers</b>	<b>Company</b>
Outstanding claims	341.710	58.273	283.437
IBNR	10.522	802	9.720
<b>Total</b>	<b>352.232</b>	<b>59.075</b>	<b>293.157</b>
<b>Outstanding claims reserve (2006)</b>			
	<b>Total</b>	<b>Reinsurers</b>	<b>Company</b>
Outstanding claims	343.265	62.311	280.954
IBNR	10.469	812	9.657
<b>Total</b>	<b>353.734</b>	<b>63.123</b>	<b>290.611</b>

## 18. LIABILITIES TOWARDS PERSONNEL

This account concerns the provision for staff's compensation on retirement as well as liabilities in accordance to contracts 2361, 2740 and 3002 issued by the Company. According to the above-mentioned contracts, an amount is given to each employee on retirement unless the reason of retirement is full or partly due to disability and the employee has or will receive relevant compensation from the Group Life contract, also issued by the Company. These contracts cover permanent total disability from illness, death, as well as permanent total or partly disability from accident.

		Group		Company	
		30/6/2007	31/12/2006	30/6/2007	31/12/2006
		(in thousand €)			
	Present value of financed obligations	87.883	84.630	87.775	84.511
<b>Minus:</b>	Fair value of plan assets	(13.687)	(11.204)	(13.687)	(11.204)
<b>Plus:</b>	Present value of non financed obligations	20.579	19.989	20.549	19.959
	Unrealised actuarial losses	(21.210)	(21.657)	(21.210)	(21.657)
<b>Minus:</b>	Unrealised past service cost	(526)	(548)	(526)	(548)
	<b>Pension programs</b>	<b>73.039</b>	<b>71.210</b>	<b>72.901</b>	<b>71.061</b>
Defined benefit expenses are as follows:					
	Current service cost	1.917	4.252	1.917	4.252
	Interest cost	2.226	4.171	2.226	4.171
	Actuarial gains	448	890	448	890
	Expected planned assets investment return	(325)	(188)	(325)	(188)
	Current realised service cost	21	53	21	53
	Other	0	11.376	0	11.376
	<b>Total</b>	<b>4.287</b>	<b>20.554</b>	<b>4.287</b>	<b>20.554</b>
<b>Basic Assumptions</b>					
	Discount rate	<b>4,50%</b>	<b>4,50%</b>	<b>4,50%</b>	<b>4,50%</b>
	Expected revenue rate from DAF contracts	<b>4,50%</b>	<b>4,50%</b>	<b>4,50%</b>	<b>4,50%</b>
	Future salary increases	<b>4,50%</b>	<b>4,50%</b>	<b>4,50%</b>	<b>4,50%</b>
	Future pension increases	<b>3,00%</b>	<b>3,00%</b>	<b>3,00%</b>	<b>3,00%</b>

## 19. RELATED PARTY DISCLOSURES

National Bank of Greece S.A. as well as all the other NBG Group companies are considered as related parties. Transactions within the Ethniki Group have been eliminated and therefore do not appear in the analysis below:

	<b>Group</b>			
	<b>30/6/2007</b>			
	<b>(in thousand €)</b>			
	<b>Receivables</b>	<b>Liabilities</b>	<b>Income</b>	<b>Expenses</b>
<b>Parent Company NBG</b>				
- Time deposit	112.306	-	3.687	-
- Call deposit	18.347	-	-	-
- Bonds	45.000	-	-	-
- Insurance activities	720	-	3.703	288
- Other transactions	679	759	1.159	2.081
Associated companies of NBG Group	16.661	3.781	98.616	9.675
	<b>193.713</b>	<b>4.540</b>	<b>107.165</b>	<b>12.044</b>

The Company's transactions with its affiliates which are related parties, before being eliminated for consolidation purposes, as well as with the parent company (National Bank of Greece S.A.) and other NBG Group companies are analysed as follows:

	<b>Company</b>			
	<b>30/6/2007</b>			
	<b>(in thousand €)</b>			
	<b>Receivables</b>	<b>Liabilities</b>	<b>Income</b>	<b>Expenses</b>
Companies of Ethniki Insurance Group	1.764	227	6.206	7.203
<b>Parent Company NBG</b>				
- Time deposit	112.306	-	3.687	-
- Call deposit	18.347	-	-	-
- Bonds	45.000	-	-	-
- Insurance activities	720	-	3.703	288
- Other transactions	679	759	1.159	2.081
Associated companies of NBG Group	15.355	3.781	98.616	9.673
	<b>194.171</b>	<b>4.767</b>	<b>113.371</b>	<b>19.245</b>

All transactions among related parties are made at arms length and according to market prices and conditions, as would apply to transactions with third parties.

During the period from 1 January until 30 June 2007 the cost of fees and benefits to the Management of the Group and the Parent Company amounted to € 1.048 thousand and € 680 thousand respectively.

## 20. CONTINGENCIES AND COMMITMENTS

### (a) Legal Proceedings

The Group's companies are subject to legal proceedings in the normal course of business. The Management as well as their Legal Advisors do not believe that such proceedings will have a material effect on the Group's results and financial position.

### (b) Letter of Guarantee

On 30 June 2007, the Parent Company has issued letters of Guarantee amounted to € 1.803 thousand concerning its participation in public tendering for new insurance business.

## 21. STAFF NUMBER

On 30 June 2007, the total number of employees was 1.445 (out of which 1.256 in the Parent Company), as compared to 1.409 (1.244 in the Parent Company) in the respective period in 2006.

## 22. EVENTS AFTER BALANCE SHEET DATE

No significant issues to be noted.

Athens, 29 August 2007

Chief Executive Officer	Vice President	Deputy General Manager	Financial Director	Chief Actuary	Chief accountant
D. PALAIOLOGOS S 095068	A.I. TOURKOLIAS S 655972	I BASSILATOS F 070376	K. ARGYROPOULOS Lic.No 44382 / A Class	S. GRIBOGIANNIS S 280823	G. PETOUSIS Lic.No. 990 / A Class

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION****To the Shareholders of “The Ethniki Hellenic General Insurance Company S.A.”*****Introduction***

We have reviewed the accompanying condensed interim balance sheet of “The Ethniki, Hellenic General Insurance Company S.A.” (the “Company”) and the condensed consolidated balance sheet of the Company and its subsidiaries (the “Group”) as of 30 June, 2007 and the related condensed interim income statement, cash flows statement and statement of changes in shareholders equity of the Company and the Group for the six-month period then ended, as well as the selected explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards as adopted by the European Union and apply to interim financial reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

***Scope of Review***

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, to which the Greek Auditing Standards refer. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Greek Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Without qualifying our review we draw your attention to the fact that the equity fell below one half of its paid-in share capital and, therefore, the provisions of (Greek) Company Law 2190/1920 are applicable.

Athens, 30 August 2007  
The Certified Public Accountant

Michael Hadjipavlou  
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