



CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED

30 June 2007

**Geniki Bank S.A.
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Report on Review of Interim Financial Information

To the Shareholders of
“GENERAL BANK OF GREECE S.A. ”

Introduction

We have reviewed the accompanying condensed stand-alone balance sheet of “GENERAL BANK OF GREECE S.A.” (the “Bank”) as of 30 June, 2007 and the related condensed interim income statement, cash flows statement and statement of changes in equity of the Group for the six-month period then ended, as well as the selected explanatory notes. Management is responsible for the preparation and 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 opinion we draw your attention to the fact that:

- a) The equity of the Bank on June 30, 2007 fell below one half of its paid-in share capital and, therefore, the provisions of article 47 of (Greek) Company Law 2190/1920 are applicable. Further, the capital adequacy ratio fell below the minimum required by applicable regulations of (Central) Bank of Greece. As explained in note 14 to the condensed interim financial information, the Bank has commenced the legal procedure for the increase of its share capital by approximately € 210 million, in order to comply with all regulatory and supervisory ratios and rules.
- b) The income tax returns of the Bank for 2005 and 2006 have not yet been examined by the tax authorities and, therefore, it is possible that additional taxes and penalties thereon may be imposed upon a future tax inspection. The outcome of such a tax inspection cannot be presently determined on a reasonably accurate basis.

Athens, 30 August 2007
The Certified Public Accountant

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Interim income statement

	For the three months ended 30-June		Note	For the six months ended 30-June	
	2007 € ' 000	2006 € ' 000		2007 € ' 000	2006 € ' 000
Interest and similar income	58,238	47,543		113,902	94,103
Interest expense and similar charges	(26,922)	(15,841)		(50,405)	(30,107)
Net interest income	31,316	31,702		63,497	63,996
Fee and commission income	9,682	8,381		18,797	16,493
Fee and commission expense	(806)	(555)		(989)	(948)
Net fee and commission income	8,876	7,826		17,808	15,545
Dividend income	216	-		216	-
Financial operations results	315	1,559		(391)	2,014
Other operating income	714	153		963	497
Gross operating income	41,437	41,240		82,093	82,052
Cost of risk	(8,734)	(9,601)	8	(19,080)	(37,804)
Cost of other risk	272	-		272	-
Staff costs and related expenses	(24,686)	(22,513)		(49,318)	(44,699)
Administration expenses	(12,884)	(14,267)		(26,151)	(27,890)
Depreciation and amortization	(3,266)	(3,647)		(6,525)	(6,769)
Operating expenses	(49,298)	(50,028)		(100,802)	(117,162)
Profit / (loss) before income tax	(7,861)	(8,788)		(18,709)	(35,110)
Income tax expense	(457)	4,159	9	(678)	9,908
Profit / (loss) for the period	(8,318)	(4,629)		(19,387)	(25,202)
Earnings per share (in euro)	€	€	6	€	€
- Basic & diluted	(0.14)	(0.08)		(0.33)	(0.43)

Notes on pages 8 to 11 form an integral part of these condensed stand-alone interim financial information

Interim balance sheet

	<u>Note</u>	<u>30-Jun-07</u> <u>€' 000</u>	<u>31-Dec-06</u> <u>€' 000</u>
Assets			
Cash and balances with central bank		114,132	98,194
Due from banks		257,084	180,776
Derivative financial instruments		18,548	12,027
Loans and advances to customers, net		3,113,257	2,940,553
Investment securities - available for sale		334,428	361,251
Investment in subsidiaries undertakings	7	12,369	12,369
Investment in associate undertakings	7	990	990
Intangible assets		11,768	12,557
Property, plant and equipment		126,850	130,045
Deferred income tax assets		62,690	62,690
Other assets		32,267	31,079
Total assets		4,084,383	3,842,531
Liabilities			
Due to banks		948,689	853,419
Due to customers		2,811,111	2,644,443
Derivative financial instruments		4,022	6,008
Subordinated debt		127,989	125,201
Provisions for staff benefits		20,711	20,391
Risks & charges provisions		9,017	9,289
Deferred income tax liabilities		6,285	6,285
Other liabilities		43,795	46,732
Total liabilities		3,971,619	3,711,768
Equity			
Share capital		336,898	336,898
Share premium		62,620	62,620
Other reserves and retained earnings		(286,754)	(268,755)
Total equity		112,764	130,763
Total equity and liabilities		4,084,383	3,842,531

Notes on pages 8 to 11 form an integral part of these condensed stand-alone interim financial information

Interim statement of changes in equity

For the six months ended
30 June 2006

	Share capital €'000	Share premium €'000	Fair value reserves €'000	Other reserves €'000	Retained earnings €'000	Treasury shares €'000	Total equity €'000
Balance at 01.01.2006	336,898	62,620	161	12,399	(202,129)	-	209,949
Revaluation of AFS securities	-	-	(673)	-	-	-	(673)
Loss for the period	-	-	-	-	(25,202)	-	(25,202)
Balance at 30.06.2006	336,898	62,620	(512)	12,399	(227,331)	-	184,074

For the six months ended
30 June 2007

	Share capital €'000	Share premium €' 000	Fair value reserves €000	Other reserves € 000	Retained earnings € 000	Treasury shares € 000	Total equity € 000
Balance at 01.01.2007	336,898	62,620	341	5,481	(274,577)	-	130,763
Revaluation of AFS securities	-	-	1,388	-	-	-	1,388
Loss for the period	-	-	-	-	(19,387)	-	(19,387)
Balance at 30.06.2007	336,898	62,620	1,729	5,481	(293,964)	-	112,764

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Notes on pages 8 to 11 form an integral part of these condensed stand-alone interim financial information

		For the six months ended	
		30 June	
		2007	2006
		€ 000	€ 000
Interim cash flow statement			
Cash flow from operating activities			
	Note	(19,387)	(25,202)
Profit / (loss) after tax			
<i>Adjustment for:</i>			
		5,031	5,380
Depreciation of property plant and equipment			
		1,494	1,389
Depreciation of intangible assets			
	8	19,080	37,980
Impairment of loans and advances to customers			
		322	701
Provisions for staff benefits			
		(271)	(3,199)
Other provisions			
		-	(10,718)
Deferred income tax			
		(117)	2,892
(Profit) Loss from trading			
		(216)	
Dividend income from subsidiaries			
		24	(61)
(Profit) Loss from sale of fixed assets			
		(3)	(553)
		5,957	8,609
Net (increase) decrease of assets relating to operating activities			
		(1,577)	15,858
Due from banks			
		(8,507)	(5,728)
Trading portfolio and derivatives			
		(191,784)	(221,062)
Loans and advances to customers			
		1,812	4,384
Other assets			
Net increase (decrease) of liabilities relating to operating activities			
		95,270	17,738
Due to banks			
		166,667	109,496
Due to customers			
		(2,259)	(10,290)
Other liabilities			
Income tax paid			
		(678)	(3,282)
Net cash flow from operating activities after taxes		64,901	(84,277)
Cash flow from investing activities			
		(100,356)	(15,562)
Purchase of available for sale securities			
		(2,604)	(7,362)
Purchase of property, plant and equipment			
		(706)	(568)
Purchase of intangible assets			
		-	(3,879)
Acquisition of investment in subsidiaries or associates			
		-	
Proceeds from dividends of subsidiaries			
		-	-
Proceeds from sale of investment in associates			
		108,738	27,254
Proceeds from sale of available for sale portfolio			
		744	250
		5,816	133
Net cash flow from investing activities			
Cash flow from financing activities			
		-	-
Repayment of subordinated loan			
		-	-
Capital Increase			
		-	-
Proceeds from sale of treasury shares			
Net Cash flow from financing activities		-	-
Foreign exchange (profit) loss on cash and cash equivalents		3	553
Net increase (decrease) in cash and cash equivalents		70,720	(83,591)
Cash and cash equivalents at the beginning of the period		277,290	335,952
Cash and cash equivalents at the end of the period		348,010	252,361

Selected explanatory notes to the condensed interim financial information**1. General Information**

Geniki Bank S.A (the "Bank") is active in retail and corporate banking. The Bank is incorporated in Greece and its shares are listed on the Athens Stock Exchange. The Bank operates in Greece.

These condensed interim financial information were approved by the Board of Directors on 29 August 2007.

2. Statement of compliance

These condensed interim financial information 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 Bank's published annual financial statements as at and for the year ended 31 December 2006.

3. Significant accounting policies

The accounting policies applied by the Bank in these condensed interim financial information are the same as those applied by the Bank in its published annual financial statements as at and for the year ended 31 December 2006.

4. Estimates

The preparation of interim financial information 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 interim financial information, the significant judgments made by Management in applying the Bank's accounting policies and the key sources of estimated uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2006.

5. Business segments

The Bank is organized into two 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.

	For the six months ended 30 June 2007		
	Retail € 000	Corporate € 000	Total € 000
Revenue	40,856	41,236	82,092
Expenses	(33,284)	(42,184)	(75,468)
Provisions	(8,295)	(10,513)	(18,808)
Depreciation	(2,878)	(3,647)	(6,525)
Net results	(3,601)	(15,108)	(18,709)
Income tax			(678)
Net results after tax			<u>(19,387)</u>

	For the six months ended 30 June 2006		
	Retail € 000	Corporate € 000	Total € 000
Revenue	39,618	42,434	82,052
Expenses	(29,182)	(43,407)	(72,589)
Provisions	(15,197)	(22,607)	(37,804)
Depreciation	(2,721)	(4,048)	(6,769)
Net results	(7,482)	(27,628)	(35,110)
Income tax			9,908
Net results after tax			<u>(25,202)</u>

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		For the six months ended		
	30 June		30 June		
	2007	2006	2007	2006	
Net profit for period attributable to ordinary shareholders	€' 000	(8,318)	(4,629)	(19,387)	(25,202)
Weighted average number of ordinary shares in issue	Number of shares	58,387,939	58,387,939	58,387,939	58,387,939
Basic earnings per share	€	(0.14)	(0.08)	(0.33)	(0.43)

7. Investments in subsidiary and associated undertakings

The Bank acquired directly the 100% of the share capital of the subsidiaries listed below (the Bank already controlled the 100% of the share capital of these subsidiaries indirectly through other subsidiaries):

- a) Geniki Leasing S.A., 1.018.360 shares have been purchased (35%) from General Cards & financial services S.A., another subsidiary of the Bank
- a) General Cards & financial services S.A., 2.200 shares have been purchased (11%) from Geniki Finance S.A., another subsidiary of the Bank

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

	For the six months ended	
	30 June	
	2007	2006
	€ 000	€ 000
Balance at 1 January	288,836	266,184
Impairment losses on loans and advances charged in the year	19,739	37,808
Recoveries of allowances on doubtful loans	(799)	-
Balance at 30 June	307,776	303,992

	For the six months ended	
	30 June	
	2007	2006
	€ 000	€ 000
Impairment losses on loans and advances charged in the year	19,739	37,808
Recoveries of allowances on doubtful loans	(799)	-
Loans written off & not covered by provisions - commercial risks	488	-
Recoveries of loans written off-commercial risks	(348)	-
Balance at 30 June	19,080	37,808

9. Income tax expense

- a) The nominal Greek corporate rate of tax was reduced from 32% to 29% from 01.01.2006 and from 01.01.2007 to 25%. Geniki Bank is tax audited up to 2004 (inclusive).

- b) The contingent asset mentioned in the financial statements as at and for the year ended 31 December 2006 amounting to € 21 million, is not applicable anymore.

10. Contingent liabilities and capital expenditure commitments

There were no significant changes in the Bank contingent liabilities and capital expenditure commitments reported in the published annual financial statements as at and for the year ended 31 December 2006.

Legal cases: Pending litigation cases against the Bank are not expected to have a significant impact on its financial position and future operation. The provision provided against such risks amounts to 2,579 ths €.

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

The ultimate controlling party of the Bank is Societe Generale S.A. which is incorporated in France. Societe Generale Group holds 52,33% of the ordinary shares of the Bank.

Related party transactions with subsidiaries, associates and affiliates

	30-Jun-07	31-Dec-06
	€ 000	€ 000
Assets		
Due from banks	66,240	21,793
Loans and advances to customers	145,286	126,116
Derivative financial instruments	7,413	5,155
Other assets	611	176
Total	219,550	153,240
Liabilities		
Due to banks	839,962	729,064
Due to customers	11,447	12,835
Subordinated debt	127,989	125,201
Other liabilities	901	958
Total	980,299	868,058
	30-Jun-07	30-Jun-06
	€ 000	€ 000
Income		
Interest and similar income	4,580	3,122
Commissions income	850	226
Dividend Income	216	-
Financial activities income	2,258	-
Other operating income	70	224
Total	7,974	3,572
Expenses		
Interest and similar expenses	19,313	8,276
Commission expenses	-	-
Other administrative expenses	2,875	3,443
Total	22,188	11,719

The Bank during the 2nd quarter of 2007 in order to comply with the regulations of Bank of Greece for the liquidity ratios has entered into an approved credit line of € 143 million with the parent company Societe Generale S.A..

Transactions with key management personnel

The remuneration of the Board of Directors (BoD) members and General Managers of the Bank for the period ended 30 June 2007 amounted to € 431 thousand and € 321 thousand for the period ended 30 June 2006.

There were no outstanding loans granted to BoD members or to General Managers of the Bank; their deposits amounted to € 438 thousand as at 30 June 2007 and € 339 thousand as at 30 June 2006.

12. Comparatives

Certain comparative amounts have been reclassified for compatibility reasons.

13a. Hedge accounting

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

13b. Post Balance Sheet events

There are no balance sheets events for the reporting period.

14. Other information

a) After the decision of the Ordinary General Assembly Meeting of 28.06.2007, the Bank's share capital has been decreased by € 274 423 thousand against accumulated losses by decreasing the nominal value of each share from € 5.77 to € 1.07 euro. Furthermore, the paid in share capital will be increased by € 56.228 thousand by issuing and offering 52.594.145 new, ordinary, book entry form, registered, voting shares with nominal value € 1.07 and offer price € 4.00 euro per share, with a preference right to the existing shareholders of nine (9) new to ten (10) old shares. The share premium difference amounting to € 153.969 thousand will be credited to the Share premium account.

b) The Bank during the second quarter of 2007 participated by 20 % in the share capital of the newly established company ALD Automotive S.A., a car leasing company. The share capital of the new company amounts to € 60 thousand.

Athens, 29 August 2007

The Chairman of Board of Directors

The Managing Director

The Manager of the Financial Services Division

TRYFON J. KOYTALIDIS

PATRICK COUSTE

EVAGELOS E. SKALIDIS