



GREEK POSTAL SAVINGS BANK S.A.

FINANCIAL STATEMENTS INFORMATION FOR THE YEAR ENDED AS AT 31.12.2007

(In accordance with Law 2190/2007, article 135, concerning financial institutions that prepare annual financial statements in accordance with International Financial Reporting Standards, I.F.R.S.)

The figures presented below provide information about the financial position and results of Greek Postal Savings Bank S.A. and Greek Postal Savings Bank S.A. Group. We therefore recommend the reader, prior to making any investment decision or other transaction concerning the Bank to visit the website www.tbank.gr, where the set of condensed financial statements of the year ended 31.12.2007 in accordance with International Financial Reporting Standards as well as the auditor's report, are posted.

COMPANY'S PROFILE

Head office : Pismazoglou 2-6, 10175 Athens
 Company's registration number : 5477706/03/07
 Authorized Supervisory Committee : Ministry of Development
 Approval date of Interim Financial Statements from the B.O.D. (from which the condensed data arise) : 28/3/2008
 Auditors : Sourbis Dimitris (R.N. SOEL 16891)
 Mihailios Constantinos (P.N. SOEL 17701)
 PricewaterhouseCoopers S.A.
 Auditing Company : Unqualified Opinion - Emphasis of Matter
 Type of audit report : www.tbank.gr
 Web Site :

The breakdown of the Board of Directors

Chairman (Executive) : Philippos Angelos
 Vice President - (I) (Executive) : Kaminaris Antonos
 Vice President - (I) (Executive) : Mitreides Christos
 Member (Non Executive) : Tapantzis Andreas
 Member (Independence Non Executive) : Chalkias Ioannis
 Member (Non Executive) : Lambropoulos Konstantinos
 Member (Non Executive) : Chazimichalos Dimitrios
 Member (Non Executive) : Mihalopoulos Adamantios
 Member (Independence Non Executive) : Spiliopoulos Vasilios
 Member (Non Executive) : Kotsiris Konstantinos
 Member (Non Executive) : Tsagdis Ioannis

BALANCE SHEET INFORMATION

	Consolidated		Stand alone	
	31/12/2007	31/12/2006	31/12/2007	31/12/2006
ASSETS				
Cash and balances with central bank	129.337,34	148.863,70	129.336,32	148.862,12
Due from banks	2.584.419,11	757.870,40	2.584.049,99	757.494,30
Financial assets at fair value through profit and loss	904.592,04	1.616.382,24	904.006,31	1.615.792,84
Derivative financial instruments	22.999,37	11.759,32	22.999,37	11.759,32
Loans and advances to customers	6.110.359,18	4.862.810,65	6.110.359,18	4.862.810,65
Minus: Allowance for impairment on loans & advances to customers	(86.851,16)	(60.028,25)	(86.851,16)	(60.028,25)
Investment securities available for sale	3.121.333,23	4.097.038,61	3.121.333,23	4.097.038,61
Investment securities held to maturity	-	490.183,27	-	490.183,27
Investment in subsidiary and associate	-	-	1.190,03	1.139,03
Property and equipment	112.568,70	111.719,86	112.568,19	111.632,87
Intangible assets	10.286,54	11.359,61	10.260,24	11.306,87
Deferred tax assets	49.138,61	32.000,99	49.138,61	32.000,99
Current tax assets	23.171,30	28.430,01	23.171,30	28.430,01
Other assets	201.007,54	200.754,70	200.914,57	200.686,81
Total Assets	13.182.361,80	12.389.125,11	13.182.416,18	12.389.109,44
LIABILITIES				
Due to banks	1.038.031,15	500.000,00	1.038.031,15	500.000,00
Due to customers	11.155.690,92	10.725.959,05	11.155.690,92	10.725.959,05
Derivative financial instruments	5.436,33	2.457,45	5.436,33	2.457,45
Deferred tax liabilities	11.739,31	38.396,58	11.739,31	38.396,58
Retirement benefit obligations	25.110,12	24.808,18	25.094,14	24.790,19
Other liabilities	199.329,05	148.084,68	199.279,05	148.046,61
Total Liabilities (a)	12.435.336,88	11.439.703,94	12.435.270,90	11.439.644,85
Share Capital	526.262,03	521.207,05	526.262,03	521.207,05
Share premium	16.904,26	2.130,06	16.904,26	2.130,06
Reservations	5.031,28	106.107,31	5.031,28	106.107,31
Own Shares	(126,70)	-	-	-
Other Reserves	85.517,21	83.344,83	85.517,21	83.344,83
Retained Earnings	112.850,62	152.035,07	113.430,50	156.675,34
Shareholders' equity	746.438,70	868.824,32	747.145,28	869.464,59
Minority Interest in Equity	586,22	536,85	-	-
Total Equity (b)	747.024,92	869.421,17	747.145,28	869.464,59
Total Equity and Liabilities (a) + (b)	13.182.361,80	12.389.125,11	13.182.416,18	12.389.109,44

INCOME STATEMENT INFORMATION FOR THE YEAR

	Consolidated		Stand alone	
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Net Interest Income	294.365,34	253.572,63	294.362,84	253.570,75
Net fee and commission income	11.261,45	24.814,03	10.664,39	24.638,70
Dividend income	4.141,77	4.655,51	4.141,77	4.655,51
Net trading income / (loss)	(73.098,71)	74.465,66	(73.098,71)	74.474,80
Investment portfolio profit/loss	55.739,27	51.914,88	55.739,27	51.914,88
Other operating income	1.044,83	2.677,00	1.075,42	2.689,35
Total Operating Income	283.433,95	412.118,71	292.838,65	411.945,99
Personnel expenses	(107.004,80)	(84.718,49)	(107.780,36)	(84.676,96)
Material and administrative expenses	(69.314,02)	(85.165,22)	(69.076,15)	(85.111,26)
Depreciation and amortization charges	(10.179,98)	(9.135,48)	(10.125,33)	(9.107,67)
Other operating expenses	(3.914,98)	(23.550,56)	(3.912,18)	(23.527,63)
Impairment losses on loans and advances	(28.711,27)	(24.061,56)	(28.711,26)	(24.061,56)
Share of profits/(losses) from associate	-	(26,77)	-	-
Profit before tax	58.249,07	182.433,63	58.253,37	185.521,21
Profit/(Loss) after tax	(8.200,71)	(32.297,12)	(8.200,71)	(32.295,19)
Minus: Tax on reserves	-	(15.969,08)	-	(15.969,08)
Net Profit	43.448,37	137.173,43	43.447,60	137.256,94
Attributable to:				
Minority Interest	0,38	(15,67)	0,00	0,00
Equity holders of Bank	43.448,00	137.189,11	43.447,60	137.256,94
Earnings per share - Basic (in €)	0,31	0,97	0,31	0,97
Proposed dividend per share (in €)	-	-	0,25	0,60

CASH FLOW STATEMENT INFORMATION FOR THE YEAR

	Consolidated		Stand alone	
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Net cash flow from operating activities (a)	(550.968,16)	(605.141,33)	(550.989,05)	(605.128,70)
Net cash flow from investing activities (b)	1.379.381,34	401.771,42	1.379.312,06	401.734,72
Net cash flow from financing activities (c)	(79.542,78)	(310.482,16)	(79.465,07)	(310.537,16)
Net increase of cash and equivalents (a) + (b) + (c)	748.850,40	(513.852,09)	748.857,94	(513.931,14)
Cash on hand and cash equivalents at the beginning of the year	1.112.457,67	1.626.011,12	1.112.079,99	1.626.011,12
Cash on hand and cash equivalents at the beginning of consolidated subsidiary	-	296,83	-	-
Cash on hand and cash equivalents at the end of the year	1.861.308,07	1.112.457,66	1.860.937,93	1.112.079,98

STATEMENT OF CHANGES IN EQUITY INFORMATION FOR THE YEAR

	Consolidated		Stand alone	
	1/1-31/12/2007	1/1-31/12/2006	1/1-31/12/2007	1/1-31/12/2006
Balance at the beginning of the year (1/1/2007 and 1/1/2006 respectively)	869.421,17	864.927,05	869.464,59	865.439,49
Profit / (Loss) after tax for the year	43.448,37	137.173,43	43.447,60	137.256,94
Increase / (Decrease) of share Capital	5.054,98	-	5.054,98	-
Dividend distribution	(84.520,06)	(11.269,34)	(84.520,06)	(11.269,34)
Net income recognized directly in equity	(86.379,54)	(121.409,97)	(86.301,83)	(121.962,50)
Balance at the end of the year (31/12/2007 and 31/12/2006 respectively)	747.024,92	869.421,17	747.145,28	869.464,59

Additional data and information:

- There is a matter of emphasis in the auditors' report. For further information refer to note number 11, below.
- The Bank has complied with all the Accounting Principles of the International Financial Reporting Standards (I.F.R.S.).
- The Greek Postal Savings Bank consolidates its subsidiary company «Postal Savings» - Greek EL TA Mutual Fund Management Company, which is based in Athens, with the method of full consolidation. The total percentage of participation of «Greek Postal Savings Bank» in the equity capital of «Postal Savings» - Greek EL TA Mutual Fund Management Company is 51%.
- The Bank has been audited by the tax authorities until the year 2006, whereas the consolidated entity «Postal Savings» - Greek EL TA Mutual Fund Management Company until the year 2005.
- The number of the Group employees as at December 31, 2007 amounted to 1.318 of which 1.312 refer to the Bank, while in the previous year it had been 1.281 and 1.270 respectively.
- There are not liens on the assets of Bank.
- There are not unsettled legal claims or in arbitrage lawsuits, which may have significant effect on bank's financial statements.
- Group's and Bank's transactions with the associates, for the year 1.1. - 31.12.2007 were as follows: a) Group's Board of Directors and members of management: claims 4.770,90 thousand euros, liabilities 2.644,32 thousand euros, transaction and participation fees 3.153,30 thousand euros, income 91,32 thousand euros and expenses 43,65 thousand euros; b) Bank's Board of Directors and members of management: claims 4.770,90 thousand euros, liabilities 2.644,32 thousand euros, transaction and participation fees 3.101,10 thousand euros, income 91,32 thousand euros and expenses 43,65 thousand euros and c) Bank's income from associates was 53,03 thousand euros.
- Restatements of accounts in the previous period took place in order to be comparable with those of the closing period, which are analytically presented at the note 2.18 of the condensed financial information of 31.12.2007. It should be noted that the aforementioned amendments have no effect in the results of the previous period.
- The results as of 31/12/2007 include the compensation cost of sub judice litigables of the total of the employees, which were taken place during the 3rd quarter of the financial year, aiming at payment of 176 Euros monthly, retrospectively from year 2002 and heretoforth, according to the article 14, § 30/6/2002. Finally, after amicable settlement between the parts the height of the benefit was limited in 16,05 million Euro. In this amount, the retrospective overdue interest payments and the judicial expenses which would overtake the bank in case of employees trial win and which is very important according the lawyers, do not included after the settlement, employees retire from any current or future claim.
- The Bank, taking into consideration, the requests submitted by 2.242 of its customers within the last twenty one months, concerning the partial or total return of administrative commissions, which have been accounted for the dormant accounts in the previous fiscal year ending 2006, amounting in total to 30.711,08 euros (percentage of 0,14% on the total of the commissions in question), and in order for the Bank to take the possibility of future submission of such requests, it has proceeded in the closing period to the creation of a relevant provision. The amount of the provision constitutes the best possible estimation by the management and was defined based upon the aforementioned historical data, as well as the management's assertions concerning the possibility of future requests and is considered adequate. However, it should be noted that the effect on the financial position of the Bank from potential future disputes over commissions accounted on dormant accounts cannot be estimated with accuracy at present.
- As of February 6th, 2007, 1.032.994 free shares, representing 0,734% of the Bank's share capital were credited to the Accounts of the beneficiary investors, which were deposited by the main shareholder, the «Greek State», in the context of the «Postal Savings Bank share withholding incentive», following Decision No. 66/10.05.2006 of the Inter-Ministerial Committee for Privatizations, issued during the IPO process of the Bank on the Athens Exchange. According to the decision in question, the share withholding incentive was provided by the main shareholder, the «Greek State», to every individual investor (i.e. non-Special Investor), who would attain shares of the company «Greek Postal Savings Bank S.A.», in the framework of the Domestic Offering and would continue to withhold them for a period of six (6) months from the registration date of the shares to his/her shares account, held on the Dematerialized Securities System of the Central Securities Depository, for the supply of one (1) free share for every ten (10) held shares, as specified above, and until the total of one hundred (100) free shares per investor.
- The date of registration of the Shares in the Securities Accounts of the individual investors (i.e. non-Special Investors) held on the Dematerialized Securities System of the Central Securities Depository was June 5th, 2006 and consequently the beneficiaries of the withholding incentive were the, as per the above, securities holders following the end of the trading session of the Athens Exchange, on Monday, December 4th, 2006. After this offering, the percentage of the main shareholder, the «Greek State» has decreased to 54,42%.
- On July 11, 2007 was successfully completed the sale of PSB's 28.173.354 common shares, ownership of the main shareholder «Hellenic Republic», through a private placement to qualified investors in Greece and internationally, via an accelerated book building process. The offering took place as part of the State's privatization program, at the price of 18.10 euros per share selling at a small premium relative to the closing price of July 09, 2007. The offering was oversubscribed three times. Following the aforementioned offering of shares, representing 20% of voting rights of PSB's outstanding share capital the direct participation percentage of the main shareholder «Hellenic Republic» in PSB's share capital has declined to 34,43% from 54,43%, while the indirect participation, of 10%, via «Hellenic Post S.A.» has remained unchanged.
- As of July 20th, 2007, the Securities Accounts of the beneficiaries of the Private Placement, i.e. the members of the Board of Directors, the Bank employees and Associates, were credited by 12,054 free shares, corresponding to 0,052% of the Bank's share capital, which were deposited by the main shareholder, the «Greek State» in the context of the «Postal Savings Bank share withholding incentive», following Decision No. 66/10.05.2006 of the Inter-Ministerial Committee for Privatizations, and Decision No. 2/27865/025 of the Minister of Economy and Finance, which were issued during the IPO process of the Bank on the Athens Exchange. According to these decisions, a share withholding incentive was granted by the main shareholder, the «Greek State», to every employee, member of the Board of Directors and Associate of the Bank, who would acquire shares of the company «Greek Postal Savings Bank S.A.», in the context of the Private Placement and would continue to hold them for a period of twelve (12) months from the date of registration of the shares in his/her Securities Account, which is held in the Intangible Securities System of the Central Securities Depository for the supply of one (1) free share for each ten (10) held shares, as specified per the above, and up until the total of one hundred (100) free shares per employee, Member of the Board of Directors and Associate of the Bank. Following this offering, the percentage of the main shareholder, the «Greek State» decreased to 34,37%.
- On December 21, 2007, the Bank's Board of Directors proceeded to accreditation of its share capital increase that took place through a rights issue in cash according to Article 10 of Law 3340/2005 and in the framework of implementation of the two year stock options plan (that is the years 2007 & 2008), of article 13 of Law 2190/2007, enacted by the Extraordinary General Meeting of April 18th 2007, for maximum number of shares up to 2% of the total number of shares at that time, that is maximum 2.281.237 shares.
- The Board of Directors, in its session on December 20th 2007, in force of paragraph 13 of article 13 of Law 2190/2007 regarding securities anonyms, due to the exercise of stock options rights by the Beneficiaries (for the period from December 10 to December 15, 2007) by the amount of euro 5.054.384.40 in cash and the issue of 1.366.212 new common, nominal, voting shares of nominal value euro 3,70 each and issue price euro 3,70.
- The above decisions were submitted to the Ministry of Development, Credit and Societies Anonymes Department (protocol number documents K2-18440 & K2-18441/21.12.2007) so as to be recorded to the Societies Anonymes Registry kept at the Ministry of Development.
- Following the abovementioned increase, the share capital of the Bank reached euro 526.262.033.40 and is divided into 142.232.982 common, nominal, voting shares of nominal value euro 3,70 each.
- Thereafter the Bank proceed to all legal actions, according to the underlying legislation and relative process, so that the new shares are introduced for trading on the Athens Exchange, ultimately on January 17, 2008.
- Following the above increase, the stake of the main shareholder, «Greek State», decreased to 34,043%, while that of the second largest shareholder «Hellenic Post S.A.» decreased to 9,904% from 10%.

CHAIRMAN OF BOARD OF DIRECTORS

ANGELOS PHILIPPODES
 I.D. NUM. S147554

GENERAL DIRECTOR of Financial and Operating Services

GEORGIOS XIFARAS
 A.D. NUM. T129953
 P.E.R.N. 2575'A Class

VICE - PRESIDENT 'A'

ANTONIS KAMINARIS
 I.D. NUM. A864989

VICE - PRESIDENT 'B'

CHRISTOS MITREIDES
 I.D. NUM. K407398

DEPUTY FINANCIAL DIRECTOR

ALEXANDROS TOPALOGLOU
 I.D. NUM. X158683
 P.E.R.N. 12737

FINANCIAL DIRECTOR

ATHANASIOS DIONAS
 I.D. NUM. M54937
 P.E.R.N. 41343

Athens, March 28th 2008