



# **EFG EUROBANK ERGASIAS S.A.**

**FINANCIAL REPORT  
for the six months ended  
30 June 2008**

**According to Article 5 of the Law 3556/2007**

## **Table of Contents**

- I. Declaration (according to the article 5, par. 2 of the Law 3556/2007)***
- II. Interim Directors' Report***
- III. Auditor's Report on Review of Interim Financial Information***
- IV. Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2008***
- V. Condensed Interim Financial Statements for the six months ended 30 June 2008***
- VI. Financial Data and Information for the period from 1 January to 30 June 2008***
- VII. Use of Proceeds from the Share Capital increase in cash for the six months ended 30 June 2008***

***I. Declaration (according to the article 5, par. 2 of the Law 3556/2007)***

**Declaration**  
**(according to the article 5, par.2 of the Law 3556/2007)**

To the best of our knowledge, the financial statements of EFG Eurobank Ergasias S.A. (the Bank) and the consolidated financial statements of the Bank and its subsidiaries (the Group) for the six months ended 30 June 2008 comply with applicable accounting standards, and present fairly the financial position and the results of the Bank and the Group.

Furthermore, to the best of our knowledge, the Report of the Directors for the same period presents fairly the information required by paragraph 6 of article 5 of Law 3556/2007.

Athens, 30 July 2008

**Xenophon C. Nickitas**  
I.D. No Θ - 914611  
CHAIRMAN OF THE BOARD OF DIRECTORS

**Nicholas C. Nanopoulos**  
I.D. No Σ - 237468  
CHIEF EXECUTIVE OFFICER

**Byron N. Ballis**  
I.D. No Σ - 232324  
DEPUTY CHIEF EXECUTIVE OFFICER

***II. Interim Directors' Report***

The directors present their report together with the accounts for the six months ended 30 June 2008.

#### Profit Attributable

The profit attributable to equity shareholders of Eurobank EFG amounted to €436m for the first half of 2008 from €417m in 2007 (€408m as adjusted - see note 7 to the accounts), as set out in the consolidated income statement on page 3.

#### Activities

Eurobank EFG Group is a financial services provider active in retail, corporate and private banking, asset management, insurance, treasury and capital markets services. The Group operates through branches, offices and subsidiaries in Greece and the region of Central, Eastern and Southeastern Europe (New Europe).

#### Regional Expansion

During 2008 the Eurobank EFG Group continued to expand its activities in New Europe with a total presence in seven countries, numbering over 1,150 units (branches, points of sales and business centres) and employing 14,000 people. Following the approval of the Central Bank of Cyprus the Group converted its Cyprus branch into a subsidiary in March 2008. Also, following the approval of the Central Bank of Russia, the Group has established a representative office in Moscow.

#### Financial Results Review

In the 12 months to June 2008, Eurobank EFG grew its Balance Sheet by 26% to €77bn as a result of strong lending and deposit growth across all categories and all countries.

During this period, Clients Funds under Management increased by 15% and amounted to € 56bn. Gross loans also grew by 33% to reach € 54bn, and net additions for the half year were € 7.1bn. Similarly, deposits expanded by 41% to reach € 44bn, and net additions for the half year totalled € 7.7bn. As a result, the loan to deposit ratio improved to 120%, down from 2007's 126%.

The strong business development drove net interest income to € 1,156m, 25% up on the first 6 months of 2007, with a 3.2% net interest margin, fees to € 344m, up 14%, and total operating income to € 1,596m, up 19%. In spite of the continued expansion of the branch network in New Europe the growth of operating expenses decelerated to 22%, down from 2007's 28% and from the first quarter's 24%, with the cost to income ratio at 49%. Solid credit quality continues with non performing loans at 2.5% of gross loans, provisioning charges at 1.07% of average net loans and provisions covering 84% of the non performing loans.

New Europe's profits grew almost 4 times and totalled € 83m against € 21m in the first half of 2007. The second quarter's results of € 46m are 28% up on the previous quarter's € 36m. Operating income doubled to € 495m up from € 258m and the cost to income ratio improved to 65% from 82%.

In summary, the Return on Equity reached 20.5%, compared to 2007's 23.5% excluding the one-off wildfire donation and taxation on reserves.

#### Capital Adequacy

Under Basle II-Internal Rating Based Methodology, the capital adequacy ratio stands at 10.6% compared to 2007's 12.2% (under the Standardised Methodology), above the minimum requirement set by the Bank of Greece. Similarly, the Core Tier I ratio stands at 8.17% compared to 2007's 9.2%. If the capital floor was eliminated, as it will be as of 2009, the capital adequacy ratio would improve to 11.3% and the Core Tier I ratio would improve to 8.8%.

#### Dividend Reinvestment Plan

On 21 April 2008 the Annual General Meeting authorised the Board of Directors to proceed with dividend reinvestment plans within prescribed parameters, enabling ordinary shareholders to opt for the plan during the payment of the final dividend for 2007 and the dividends for the year 2008 (note12).

#### Authority to acquire Treasury Shares

The Board of Directors was authorised by the Annual General Meeting of 2008, to take any action or handle any issue necessary for the implementation of a program of acquisition of treasury shares, in accordance with the provisions of article 16 of company law 2190/1920. Further details are in note 12 to the accounts.

#### Share Capital

The ordinary share capital was increased by 2.6 million shares during the period as a result of the dividend reinvestment program, and the distribution of shares to the executive directors, management and staff.

At June 2008, the share capital amounts to €1,450,875,915.50 divided into 527,591,242 ordinary voting shares of a nominal value of €2.75 each. All shares are registered, listed on the Athens Exchange and have all the rights and obligations set by Greek law. Additional information is in note 12 to the accounts.

#### Business Outlook and Risks

The global macroeconomic environment for the first half of this year is characterised by decelerating economic activity, deterioration of inflationary expectations and continued turbulence from credit crunch in subprime markets. However, in the region Eurobank EFG operates in, the outlook on most economic fundamentals remains positive. In Greece the economic activity shows resilience with unemployment falling mainly due to strong tourism and shipping activity. GDP growth is expected to decelerate to around 3.3% - still being one of the highest rates among Eurozone countries - mainly due to slowdown in domestic demand as rising inflation starts affecting real incomes. In New Europe countries inflationary pressures and current account deficits have become key issues. Monetary authorities, almost in all countries, have adopted a tightening policy stance, by increasing key interest rates; still growth remains strong, substantially outpacing that of Western Europe.

The main risks for the second half of the current financial year concern the global macroeconomic environment and economic growth. A possible slowdown of the global economic growth due to the credit crunch and the accelerating energy and food prices could adversely affect the Greek economy as well as the economies of the countries in which Eurobank EFG operates. This could be further affected by increasing inflation and interest rates. The European Central Bank recently increased its rate from 4.00% to 4.25%. An environment of increasing interest rates could result in slower credit growth and more challenging loan repayments. In addition, foreign exchange rate risk is high, due to the unstable nature of some currencies. At the same time, the Bank holds positions in the bond, stock and foreign exchange markets. It is possible, these positions to be adversely affected by fluctuations in financial and other markets and along with the continuous instability of the global markets the risk of losses is increased.

Eurobank EFG continues to implement its business plan for consolidation of its position in Greece and further expansion in the wider region of "New Europe", focusing on credit risk management, cost containment and more efficient utilization of the capital.

#### Related party transactions

All transactions with related parties are entered into in the normal course of business and are concluded on an arm's length basis. There are no material related party transactions. See also note 18 to the accounts.

***III. Auditor's Report on Review of Interim Financial Information***

[Translation from the original text in Greek]

**Report on Review of Interim Financial Information**

**To the Shareholders of EFG EUROBANK ERGASIAS S.A.**

**Introduction**

We have reviewed the accompanying stand alone and consolidated condensed balance sheets of EFG EUROBANK ERGASIAS SA (the "Company") and its subsidiaries (the "Group") as of 30 June 2008 and the related stand alone and consolidated statements of income, changes in equity and cash flows for the six-month period then ended which also include certain explanatory notes, that comprise the interim financial information and which form an integral part of the six-month financial report as required by article 5 of L.3556/2007. The Company's Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as adopted by the European Union and as applicable to interim financial reporting (International Accounting Standard 'IAS 34'). Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' to which Greek Auditing Standards refer to. 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.

**Review Conclusion**

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

**Reference to Other Legal and Regulatory Requirements**

In addition to the interim financial information referred to above, we reviewed the remaining information included in the six-month financial report as required by article 5 of L.3556/2007 as well as the information required by the relevant Decisions of the Capital Markets Committee as set-out in the Law. Based on our review we concluded that the financial report includes the data and information that is required by the Law and the Decisions referred to above and is consistent with the accompanying financial information.

**PRICEWATERHOUSECOOPERS** 

Athens, 31 July 2008



***IV. Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2008***



**EFG EUROBANK ERGASIAS S.A.**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED**

**30 JUNE 2008**

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Company Registration No: 6068/06/B/86/07

**Index to the Condensed Consolidated Interim Financial Statements**

	<b>Page</b>
Consolidated Interim Income Statement	3
Consolidated Interim Balance Sheet	4
Consolidated Interim Statement of Changes in Equity	5
Consolidated Interim Cash Flow Statement	6
Selected Explanatory Notes to the Condensed Consolidated Interim Financial Statements	
1 General information	7
2 Basis of preparation of condensed consolidated interim financial statements	7
3 Principal accounting policies	7
4 Critical accounting estimates and judgements in applying accounting policies	7
5 Business segments	7
6 Earnings per share	8
7 Income tax expense	8
8 Provision for impairment losses on loans and advances to customers	8
9 Shares in subsidiary undertakings	9
10 Other assets	10
11 Debt issued and other borrowed funds	11
12 Ordinary share capital, share premium and treasury shares	11
13 Share options	12
14 Preferred securities	12
15 Contingent liabilities and capital expenditure commitments	12
16 Post balance sheet events	12
17 Acquisition of subsidiaries	12
18 Related party transactions	12
19 Dividends	13

	Note	Six months ended 30 June		Three months ended 30 June	
		2008 €million	2007 €million	2008 €million	2007 €million
Net interest income		1,156	927	590	482
Net banking fee and commission income		309	264	160	138
Net insurance income		21	27	9	13
Income from non banking services		14	10	7	5
Dividend income		15	10	11	8
Net trading income/(loss)		(5)	22	(1)	5
Gains less losses from investment securities		70	67	30	29
Other operating income		16	12	4	9
<b>Operating income</b>		<b>1,596</b>	<b>1,339</b>	<b>810</b>	<b>689</b>
Operating expenses		(776)	(634)	(401)	(333)
Impairment losses on loans and advances	8	(263)	(186)	(136)	(95)
<b>Profit from operations</b>		<b>557</b>	<b>519</b>	<b>273</b>	<b>261</b>
Share of results of associates		(8)	4	(0)	3
<b>Profit before tax</b>		<b>549</b>	<b>523</b>	<b>273</b>	<b>264</b>
Income tax expense	7	(101)	(99)	(45)	(47)
<b>Profit for the period</b>		<b>448</b>	<b>424</b>	<b>228</b>	<b>217</b>
Net profit for the period attributable to minority interest		12	7	7	4
<b>Net profit for the period attributable to shareholders</b>	7	<b>436</b>	<b>417</b>	<b>221</b>	<b>213</b>
	Note	€	€	€	€
<b>Earnings per share</b>					
- basic	6	0.81	0.84	0.41	0.43
- diluted	6	0.81	0.84	0.41	0.43

Notes on pages 7 to 13 form an integral part of these condensed consolidated interim financial statements

	<b>Note</b>	<b>30 June 2008 € million</b>	<b>31 December 2007 € million</b>
<b>ASSETS</b>			
Cash and balances with central banks		3,020	2,732
Loans and advances to banks		5,137	4,577
Financial instruments at fair value through profit or loss		808	960
Derivative financial instruments		1,216	738
Loans and advances to customers		52,639	45,638
Available-for-sale investment securities		10,154	10,477
Held-to-maturity investment securities		1,368	618
Property, plant and equipment		1,193	1,120
Intangible assets		705	735
Other assets	10	1,016	794
<b>Total assets</b>		<b>77,256</b>	<b>68,389</b>
<b>LIABILITIES</b>			
Due to other banks		3,097	2,012
Repurchase agreements with banks		11,173	10,754
Derivative financial instruments		1,485	1,050
Due to customers		43,841	36,151
Debt issued and other borrowed funds	11	10,947	11,238
Other liabilities		1,725	1,825
<b>Total liabilities</b>		<b>72,268</b>	<b>63,030</b>
<b>EQUITY</b>			
Share capital	12	1,411	1,432
Share premium	12	1,202	1,325
Other reserves		1,302	1,495
<b>Ordinary shareholders' equity</b>		<b>3,915</b>	<b>4,252</b>
Preferred securities	14	738	777
<b>Ordinary and Preferred shareholders' equity</b>		<b>4,653</b>	<b>5,029</b>
Minority interest		335	330
<b>Total</b>		<b>4,988</b>	<b>5,359</b>
<b>Total equity and liabilities</b>		<b>77,256</b>	<b>68,389</b>

Notes on pages 7 to 13 form an integral part of these condensed consolidated interim financial statements

	Attributable to ordinary shareholders of the Bank					Preferred securities €million	Minority interest €million	Total €million
	Share capital €million	Share premium €million	Special reserves €million	Retained earnings €million	Total €million			
	<b>Balance at 1 January 2007</b>	1,242	176	991	248			
Cash flow hedges								
- net changes in fair value, net of tax	-	-	14	-	14	-	-	14
- transfer to net profit, net of tax	-	-	(0)	-	(0)	-	-	(0)
Available-for-sale securities								
- net changes in fair value, net of tax								
• bonds	-	-	(154)	-	(154)	-	-	(154)
• equities and equivalents	-	-	87	-	87	-	-	87
- transfer to net profit from fair value hedges, net of tax								
• bonds	-	-	119	-	119	-	-	119
- transfer to net profit on disposal, net of tax								
• bonds	-	-	(14)	-	(14)	-	-	(14)
• equities and equivalents	-	-	(49)	-	(49)	-	-	(49)
Currency translation differences	-	-	26	-	26	-	4	30
Net income/(expense) recognised directly in equity	-	-	29	-	29	-	4	33
Profit for the period	-	-	-	417	417	-	7	424
Total recognised income for the six months ended 30 June 2007	-	-	29	417	446	-	11	457
Distribution of free shares to executive directors, management and staff	3	22	-	-	25	-	-	25
Minority's share in subsidiaries' capital increase	-	-	-	-	-	-	1	1
Acquisitions/Changes in participating interests in subsidiary and associated undertakings	-	-	-	(18)	(18)	-	(3)	(21)
Purchase of preferred securities	-	-	-	-	-	(16)	-	(16)
Sale of preferred securities	-	-	-	-	-	12	-	12
Preferred securities' dividend paid	-	-	-	(19)	(19)	-	-	(19)
Final dividend for 2006	-	-	-	(214)	(214)	-	-	(214)
Dividends paid by subsidiaries attributable to minority interest	-	-	-	-	-	-	(4)	(4)
Employee share option scheme:								
- Value of employee services	-	-	4	-	4	-	-	4
Purchase of treasury shares	(10)	(80)	-	-	(90)	-	-	(90)
Sale of treasury shares	26	166	33	-	225	-	-	225
	19	108	37	(251)	(87)	(4)	(6)	(97)
<b>Balance at 30 June 2007</b>	<b>1,261</b>	<b>284</b>	<b>1,057</b>	<b>414</b>	<b>3,016</b>	<b>782</b>	<b>186</b>	<b>3,984</b>
<b>Balance at 1 January 2008</b>	<b>1,432</b>	<b>1,325</b>	<b>1,160</b>	<b>335</b>	<b>4,252</b>	<b>777</b>	<b>330</b>	<b>5,359</b>
Cash flow hedges								
- net changes in fair value, net of tax	-	-	35	-	35	-	-	35
- transfer to net profit, net of tax	-	-	(2)	-	(2)	-	-	(2)
Available-for-sale securities								
- net changes in fair value, net of tax								
• bonds	-	-	(171)	-	(171)	-	0	(171)
• equities and equivalents	-	-	(160)	-	(160)	-	-	(160)
- transfer to net profit from fair value hedges, net of tax								
• bonds	-	-	51	-	51	-	-	51
- transfer to net profit on disposal, net of tax								
• bonds	-	-	(34)	-	(34)	-	-	(34)
• equities and equivalents	-	-	(20)	-	(20)	-	-	(20)
Currency translation differences	-	-	(68)	-	(68)	-	(1)	(69)
Net income/(expense) recognised directly in equity	-	-	(369)	-	(369)	-	(1)	(370)
Profit for the period	-	-	-	436	436	-	12	448
Total recognised income for the six months ended 30 June 2008	-	-	(369)	436	67	-	11	78
Distribution of free shares to executive directors, management and staff	4	23	-	-	27	-	-	27
Share capital increase due to re-investment of dividend	4	20	-	-	24	-	-	24
Acquisitions/Changes in participating interests in subsidiary and associated undertakings	-	-	-	2	2	-	0	2
Purchase of preferred securities	-	-	-	-	-	(40)	-	(40)
Sale of preferred securities	-	-	-	-	-	1	-	1
Preferred securities' dividend paid	-	-	-	(14)	(14)	-	-	(14)
Final dividend for 2007	-	-	-	(257)	(257)	-	-	(257)
Dividends paid by subsidiaries attributable to minority interest	-	-	-	-	-	-	(6)	(6)
Employee share option scheme:								
- Value of employee services	-	-	10	-	10	-	-	10
Purchase of treasury shares	(30)	(172)	-	-	(202)	-	-	(202)
Sale of treasury shares	1	6	(1)	-	6	-	-	6
	(21)	(123)	9	(269)	(404)	(39)	(6)	(449)
<b>Balance at 30 June 2008</b>	<b>1,411</b>	<b>1,202</b>	<b>800</b>	<b>502</b>	<b>3,915</b>	<b>738</b>	<b>335</b>	<b>4,988</b>

Note 12

Note 12

Note 14

Notes on pages 7 to 13 form an integral part of these condensed consolidated interim financial statements

	Note	Six months ended 30 June	
		2008 € million	2007 € million
<b>Cash flows from operating activities</b>			
Interest received and net trading receipts		2,279	1,906
Interest paid		(1,422)	(1,070)
Fees and commissions received		398	317
Fees and commissions paid		(100)	(45)
Dividends received		2	2
Other income received		25	20
Cash payments to employees and suppliers		(607)	(480)
Income taxes paid		(22)	(18)
Cash flows from operating profits before changes in operating assets and liabilities		553	632
<b>Changes in operating assets and liabilities</b>			
Net (increase)/decrease in cash and balances with central banks		(194)	103
Net (increase)/decrease in financial instruments at fair value through profit or loss		(194)	123
Net (increase)/decrease in loans and advances to banks		(463)	478
Net (increase)/decrease in loans and advances to customers		(6,765)	(4,969)
Net (increase)/decrease in derivative financial instruments assets		177	321
Net (increase)/decrease in other assets		57	(581)
Net increase/(decrease) in due to other banks and repos		1,454	29
Net increase/(decrease) in due to customers		7,340	2,707
Net increase/(decrease) in derivative financial instruments liabilities		(167)	(245)
Net increase/(decrease) in other liabilities		(397)	150
<b>Net cash from operating activities</b>		<b>1,401</b>	<b>(1,252)</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(106)	(135)
Proceeds from sale of property, plant and equipment		9	9
Purchases of available-for-sale investment securities		(3,173)	(3,729)
Proceeds from sale of available-for-sale investment securities		3,073	4,308
Purchases of held-to-maturity investment securities		(829)	(328)
Proceeds from redemption of held-to-maturity investment securities		27	4
Acquisition of subsidiary undertakings net of cash acquired		(8)	(20)
Proceeds from sale of associated undertakings		5	-
Dividends from investment securities and associated undertakings		15	10
Net contributions by minority interest		(6)	(4)
<b>Net cash used in investing activities</b>		<b>(993)</b>	<b>115</b>
<b>Cash flows from financing activities</b>			
Proceeds from debt issued and other borrowed funds	11	6,265	7,807
Repayments of debt issued and other borrowed funds	11	(6,499)	(4,945)
Purchases of preferred securities	14	(40)	(16)
Proceeds from sale of preferred securities	14	1	12
Preferred securities' dividend paid		(14)	(19)
Dividends paid, net of dividend re-invested		(233)	(214)
Expenses for issue of bonus shares		(1)	(0)
Purchases of treasury shares		(202)	(90)
Proceeds from sale of treasury shares		6	225
<b>Net cash used in financing activities</b>		<b>(717)</b>	<b>2,760</b>
Effect of exchange rate changes on cash and cash equivalents		(19)	13
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(328)</b>	<b>1,636</b>
Cash and cash equivalents at beginning of period		4,690	3,563
<b>Cash and cash equivalents at end of period</b>		<b>4,362</b>	<b>5,199</b>

Notes on pages 7 to 13 form an integral part of these condensed consolidated interim financial statements

**1. General information**

EFG Eurobank Ergasias S.A. (the "Bank") and its subsidiaries (the "Group") are active in retail, corporate and private banking, asset management, insurance, treasury, capital markets and other services. The Bank is incorporated in Greece and its shares are listed on the Athens Stock Exchange. The Group operates mainly in Greece and in Central, Eastern and Southeastern Europe (New Europe).

These condensed consolidated interim financial statements were approved by the Board of Directors on 30 July 2008.

**2. Basis of preparation of condensed consolidated interim financial statements**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and they should be read in conjunction with the Group's published consolidated annual financial statements for the year ended 31 December 2007. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period. Except as indicated, financial information presented in euro has been rounded to the nearest million.

**3. Principal accounting policies**

The same accounting policies and methods of computation are followed in these condensed consolidated interim financial statements as those in the published consolidated annual financial statements for the year ended 31 December 2007.

**4. Critical accounting estimates and judgements in applying accounting policies**

In preparing these condensed consolidated interim financial statements, the significant judgements made by Management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the published consolidated annual financial statements for the year ended 31 December 2007.

**5. Business segments**

The Group is organised into five main business segments:

- Retail - incorporating customer current accounts, savings, deposits and investment savings products, credit and debit cards, consumer loans, small business banking and mortgages.
- Corporate - incorporating direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products to corporate entities.
- Wealth Management - incorporating private banking services, including total wealth management, to medium and high net worth individuals, insurance, mutual fund and investment savings products, and institutional asset management.
- Global and Capital Markets - incorporating investment banking services including corporate finance, merger and acquisitions advice, custody, equity brokerage, financial instruments trading and institutional finance to corporate and institutional entities, as well as, specialised financial advice and intermediation to private and large retail individuals as well as small and large corporate entities.
- New Europe - incorporating operations in Romania, Bulgaria, Serbia, Cyprus, Poland, Turkey and Ukraine.

Other operations of the Group comprise mainly of investing activities, including property management and investment, electronic commerce and the management of unallocated capital. Transactions between the business segments are on normal commercial terms and conditions. With the exception of Greece no other individual country contributed more than 10% of consolidated income.

	For the six months ended 30 June 2008							Total €million
	Retail €million	Corporate €million	Wealth Management €million	Global & Capital Markets €million	Other €million	New Europe €million	Elimination center €million	
External revenue	648	191	89	155	18	495	-	1,596
Inter-segment revenue	29	8	(17)	(8)	18	(3)	(27)	-
<b>Total revenue</b>	<b>677</b>	<b>199</b>	<b>72</b>	<b>147</b>	<b>36</b>	<b>492</b>	<b>(27)</b>	<b>1,596</b>
Operating expenses	(310)	(58)	(32)	(37)	(28)	(338)	27	(776)
Impairment losses on loans and advances	(173)	(14)	(0)	(1)	-	(75)	-	(263)
<b>Profit from operations</b>	<b>194</b>	<b>127</b>	<b>40</b>	<b>109</b>	<b>8</b>	<b>79</b>	<b>-</b>	<b>557</b>
Profit before tax	194	127	39	109	1	79	-	549
Minority interest	-	-	(0)	-	(6)	(8)	-	(14)
<b>Profit before tax attributable to shareholders</b>	<b>194</b>	<b>127</b>	<b>39</b>	<b>109</b>	<b>(5)</b>	<b>71</b>	<b>-</b>	<b>535</b>
Income tax expense								(99)
<b>Net profit attributable to shareholders</b>								<b>436</b>



5. Business segments (continued)

	For the six months ended 30 June 2007							Total € million
	Retail € million	Corporate € million	Wealth Management € million	Global & Capital Markets € million	Other € million	New Europe € million	Elimination center € million	
External revenue	606	154	128	181	12	258	-	1,339
Inter-segment revenue	54	10	(35)	(21)	17	-	(25)	-
Total revenue	660	164	93	160	29	258	(25)	1,339
Operating expenses	(288)	(53)	(30)	(34)	(23)	(231)	25	(634)
Impairment losses on loans and advances	(150)	(11)	-	-	-	(25)	-	(186)
Profit from operations	222	100	63	126	6	2	-	519
Profit before tax	223	100	63	126	9	2	-	523
Minority interest	-	-	(1)	-	(5)	(1)	-	(7)
Profit before tax attributable to shareholders	223	100	62	126	4	1	-	516
Income tax expense								(99)
Net profit attributable to shareholders								417

6. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has one category of dilutive potential ordinary shares: share options. In order to adjust the weighted average number of shares for the share options a calculation is made to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Bank's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is added to the weighted average number of ordinary shares in issue in order to determine the weighted average number of ordinary shares used for the calculation of the diluted earnings per share.

		Six months ended 30 June		Three months ended 30 June	
		2008	2007	2008	2007
Net profit for period attributable to ordinary shareholders (after deducting dividend attributable to preferred securities holders)	€ million	417	397	212	204
Weighted average number of ordinary shares in issue	Number of shares	516,855,991	470,313,854	514,506,888	472,317,056
Weighted average number of ordinary shares for diluted earnings per share	Number of shares	518,195,606	471,692,668	516,035,648	473,947,235
Basic earnings per share	€	0.81	0.84	0.41	0.43
Diluted earnings per share	€	0.81	0.84	0.41	0.43

Basic and diluted earnings per share for the period 1 January 2007 to 30 June 2007 and for the period 1 April 2007 to 30 June 2007 have been adjusted taken into account the distribution of free shares approved by the Extraordinary General Meeting held on 9 November 2007 and the Annual General Meeting held on 8 April 2008, and the rights issue that was completed on 14 September 2007.

7. Income tax expense

Following law 3634 that was enacted in January 2008, the non-taxed reserves created in 2007 from (a) capital gains on listed shares (domestic and foreign), (b) gains from derivatives (domestic and foreign) and (c) non-taxable profits under the provisions of article 99 of L.2238/1994, will be taxed at 25% in September 2008. As a result, the Bank will pay the amount of € 16.6 million on the 2007 profits accounted for through the Income Statement, out of which an amount of € 9 million relate to capital gains for the first semester 2007. If that amount was recognised in the Income Statement for the period ended 30 June 2007, the net profit attributable to shareholders would be adjusted to € 408 million.

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

	Total € million
At 1 January 2008	1,031
Impairment losses on loans and advances charged in the period	263
Amounts recovered during the period	35
Loans written off during the period as uncollectible	(180)
Foreign exchange differences	(4)
<b>At 30 June 2008</b>	<b>1,145</b>

## 9. Shares in subsidiary undertakings

The following is a listing of the Group's principal operating subsidiaries at 30 June 2008:

<u>Name</u>	<u>Note</u>	<u>Percentage Holding</u>	<u>Country of incorporation</u>	<u>Line of business</u>
EFG Business Services S.A.		100.00	Greece	Payroll and advisory services
Eurobank EFG Asset Management S.A.		100.00	Greece	Asset management
EFG Eurobank Ergasias Leasing S.A.		100.00	Greece	Leasing
Eurobank EFG Securities S.A.		100.00	Greece	Capital markets and investment services
EFG Eurolife General Insurance S.A.		100.00	Greece	Insurance services
EFG Eurolife Life Insurance S.A.		100.00	Greece	Insurance services
EFG Factors S.A.		100.00	Greece	Factoring
EFG Insurance Services S.A.		100.00	Greece	Insurance brokerage
EFG Internet Services S.A.		100.00	Greece	Internet and electronic banking
EFG Mutual Funds Mngt Company S.A.		100.00	Greece	Mutual fund management
Eurobank EFG Telesis Finance S.A.		100.00	Greece	Investment banking
Eurobank Cards S.A.		100.00	Greece	Credit card management
Eurobank Fin and Rent S.A.		100.00	Greece	Vehicle leasing and rental
Eurobank Properties R.E.I.C.		55.25	Greece	Investment Services
Eurobank Property Services S.A.		100.00	Greece	Real estate services
Financial Planning Services S.A.		100.00	Greece	Receivables collection
Global Fund Management S.A.	c	72.00	Greece	Investment advisors
OPEN 24 S.A.		100.00	Greece	Sundry services
Be-Business Exchanges S.A.		97.26	Greece	Business-to business e-commerce
Best Direct S.A.		100.00	Greece	Sundry services
Kalabokis Tours & Cargo SA		55.25	Greece	Real Estate
Eurobank EFG Bulgaria A.D.		99.70	Bulgaria	Banking
Bulgarian Retail Services A.D.		100.00	Bulgaria	Credit card management
EFG Auto Leasing E.O.O.D.		100.00	Bulgaria	Vehicle leasing and rental
EFG Leasing E.A.D.		100.00	Bulgaria	Leasing
EFG Property Services Sofia A.D.		80.00	Bulgaria	Real estate services
EFG Securities Bulgaria E.A.D.		100.00	Bulgaria	Capital markets and investment services
EFG Hellas (Cayman Islands) Ltd		100.00	Cayman Islands	Special purpose financing vehicle
GFM Levant Capital (Cayman) Ltd	d	72.50	Cayman Islands	Fund management
EFG Hellas II (Cayman Islands) Ltd		100.00	Cayman Islands	Special purpose financing vehicle
Berberis Investments Limited		100.00	Channel Islands	Holding company
EFG Hellas Funding Limited		100.00	Channel Islands	Special purpose financing vehicle
Eurobank EFG Cyprus Ltd	a	100.00	Cyprus	Banking
CEH Balkan Holdings Ltd		100.00	Cyprus	Holding company
Eurocredit Retail Services Ltd		100.00	Cyprus	Credit card management
EFG Private Bank (Luxembourg) S.A.		100.00	Luxembourg	Banking
Aristolux Investment Fund Management Company S.A.		98.40	Luxembourg	Investment fund management
Eurobank EFG Fund Management Company, (Luxembourg) S.A.		100.00	Luxembourg	Fund management
Eurobank EFG Holding (Luxembourg) S.A.		100.00	Luxembourg	Holding company
EFG New Europe Funding B.V.		100.00	Netherlands	Finance company
EFG New Europe Holding B.V.		100.00	Netherlands	Holding company
EFG Leasing Poland Sp. z.o.o		100.00	Poland	Leasing
EFG Property Services Polska Sp. z.o.o		100.00	Poland	Real estate services
Polbank Dystrybucja Sp. z o.o.		100.00	Poland	Sundry services
Bancpost S.A.		77.56	Romania	Banking
EFG Eurobank Securities S.A.		100.00	Romania	Stock brokerage
EFG Eurobank Finance S.A.		100.00	Romania	Investment banking
EFG Leasing IFN S.A.		100.00	Romania	Leasing
EFG Eurobank Mutual Funds Management Romania S.A.I. S.A.		95.76	Romania	Mutual fund management
EFG Eurobank Property Services S.A.		80.00	Romania	Real estate services
EFG IT Shared Services S.A.		100.00	Romania	Informatics data processing
EFG Retail Services IFN S.A.		99.96	Romania	Credit card management
S.C. EFG Eurolife Asigurari de Viata S.A.		100.00	Romania	Insurance services
S.C. EFG Eurolife Asigurari Generale S.A.		100.00	Romania	Insurance services
Eliade Tower S.A.		55.25	Romania	Real estate
Bancpost Fond de Pensii S.A.		77.55	Romania	Pension fund
Retail Development S.A.		55.25	Romania	Real estate
Eurobank EFG Stedionica a.d. Beograd		99.98	Serbia	Banking
EFG Leasing a.d. Beograd		99.99	Serbia	Leasing
EFG Property Services d.o.o. Beograd		80.00	Serbia	Real estate services
EFG Retail Services a.d. Beograd		100.00	Serbia	Credit card management
Prospera Securities a.d. Beograd		88.32	Serbia	Capital market services
Reco Real Property a.d.		55.25	Serbia	Real estate
EFG Asset Fin d.o.o. Beograd		100.00	Serbia	Asset management
EFG Business Services d.o.o. Beograd		100.00	Serbia	Payroll and advisory services

## 9. Shares in subsidiary undertakings (continued)

<u>Name</u>	<u>Note</u>	<u>Percentage Holding</u>	<u>Country of incorporation</u>	<u>Line of business</u>
Eurobank Tekfen A.S.		98.23	Turkey	Banking
EFG Istanbul Holding A.S.		100.00	Turkey	Holding company
EFG Istanbul Menkul Degerler A.S.		98.23	Turkey	Capital market services
EFG Finansal Kiralama A.S.		98.22	Turkey	Leasing
Anaptyxi 2006-1 PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi APC Ltd.		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi Options Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi SME I Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Anaptyxi SME I PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Daneion 2007-1 PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Daneion APC Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Daneion Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion V Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion V Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
EFG Hellas PLC		100.00	United Kingdom	Special purpose financing vehicle
Karta 2005 -1 PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Karta APC Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Karta Holdings Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Karta LNI 1 Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Karta Options Ltd		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion II Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion III Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion III Holdings Limited		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion IV Mortgage Finance PLC		-	United Kingdom	Special purpose financing vehicle (SIC 12)
Themeleion IV Holdings Limited		-	United Kingdom	Special purpose financing vehicle (SIC 12)
O.J.S.C. Universal Bank		99.95	Ukraine	Banking
Eurobank EFG Ukraine Distribution LLC		100.00	Ukraine	Sundry services

## (a) Eurobank EFG Cyprus Ltd

In February 2008, the Central Bank of Cyprus approved the conversion of the Cyprus branch into a subsidiary. The conversion was completed in March 2008.

## (b) Representative office, Russia

In March 2008, the Group obtained the approval from Russia's Central Bank to establish and operate a representative office in Moscow.

Post balance sheet events

## (c) Global Fund Management S.A., Greece

In July 2008, the Group increased its participation in Global Fund Management S.A. to 99.5% from 72%.

## (d) GFM Levant Capital (Cayman) Ltd, Cayman

In July 2008, the Group disposed of its 72.5% participation in GFM Levant Capital (Cayman) Ltd.

## (e) EFG New Europe Funding II B.V., The Netherlands

In July 2008, the Group established, as a 100% subsidiary, EFG New Europe Funding II BV, a finance company operating in the Netherlands.

## 10. Other assets

As at 30 June 2008, Investments in associated undertakings amounted to € 32 million (31 December 2007: € 46 million, 30 June 2007: € 50 million) are presented within "Other Assets". Comparative figures have been adjusted accordingly.

The following is a listing of the Group's associates and joint ventures at 30 June 2008:

<u>Name</u>	<u>Percentage Holding</u>	<u>Country of incorporation</u>	<u>Line of business</u>
Cardlink S.A.	50.00	Greece	POS administration
Dias S.A.	42.04	Greece	Closed-end investment fund
Tefin S.A.	50.00	Greece	Motor vehicle sales financing
Unitfinance S.A.	40.00	Greece	Financing company

Tefin S.A., Cardlink S.A. and Unitfinance S.A are the Group's joint ventures.

**11. Debt issued and other borrowed funds**

During the six months ended 30 June 2008, the following new issues and repayments/repurchases of liabilities evidenced by paper took place :

	New issues €million	Repayments/ Repurchases €million
<b>Short-term debt</b>		
Commercial Paper (ECP)		
- fixed rate	4,888	(5,119)
<b>Long-term debt</b>		
Medium-term notes (EMTN)		
- fixed rate	369	(261)
- floating rate	1,008	(739)
Subordinated		
- floating rate	-	(30)
Securitised		
- floating rate	-	(350)
<b>Total</b>	<b>6,265</b>	<b>(6,499)</b>

In April 2008, the Group, through its subsidiary EFG Hellas (Cayman Islands) Limited, established a new US Medium Term Note Programme (US MTN Programme) amounting to US\$ 2 billion.

In the second quarter of 2008, the Group, through the Bank's Polish branches, has issued € 69 million under its Medium Term Note Programme totalling to PLN 2 billion.

**12. Ordinary share capital, share premium and treasury shares**

The par value of the Bank's shares is € 2.75 per share. All shares are fully paid. The movement of share capital, share premium and treasury shares is as follows:

	Ordinary share capital €million	Treasury shares €million	Net €million	Share premium €million	Treasury shares €million	Net €million
At 1 January 2008	1,443	(11)	1,432	1,412	(87)	1,325
8 April 2008:						
- Distribution of free shares to executive directors, management and staff	4	-	4	23	-	23
21 April 2008:						
- Share capital increase due to re-investment of dividend	4	-	4	20	-	20
Purchase of treasury shares	-	(30)	(30)	-	(172)	(172)
Sale of treasury shares	-	1	1	-	6	6
<b>At 30 June 2008</b>	<b>1,451</b>	<b>(40)</b>	<b>1,411</b>	<b>1,455</b>	<b>(253)</b>	<b>1,202</b>

	Number of shares		
	Issued	Treasury shares	Net
At 1 January 2008	524,945,638	(4,130,706)	520,814,932
8 April 2008:			
- Distribution of free shares to executive directors, management and staff	1,400,000	-	1,400,000
21 April 2008:			
- Share capital increase due to re-investment of dividend	1,245,604	-	1,245,604
Purchase of treasury shares	-	(10,699,949)	(10,699,949)
Sale of treasury shares	-	287,501	287,501
<b>At 30 June 2008</b>	<b>527,591,242</b>	<b>(14,543,154)</b>	<b>513,048,088</b>

In April 2008, the Annual General Meeting and the Repeat Annual General Meeting approved the following:

- the acquisition of treasury shares for up to 5% of the Bank's total shares in issue at any time, through the establishment of a share acquisition program, in order to optimise on a medium and long term basis the Group's equity, profits per share, dividends per share and capital adequacy ratios, as well as for use in a possible acquisition. The program expires in twenty four months (April 2010); the shares may be acquired within the price range of the nominal value (currently € 2.75) and € 34 per share.
- the distribution of 1,400,000 free shares to employees in May 2008.
- the increase of the share capital of the Bank by up to € 70 million through the reinvestment of dividends for the year 2008.
- the formation of a special reserve of € 3.3 million to enable the 2010 Annual General Meeting to distribute up to 1,200,000 free shares to strong performers among employees. The distribution will be possible only if profitability targets set for 3 years are met or exceeded.

**13. Share options**

The Group grants share options to executive directors, management and employees. All options are equity-settled and may be exercised wholly or partly at their owners' option provided that the vesting requirements are met.

Within the umbrella share options programme approved by the Annual General Meeting in April 2006, the Board of Directors has issued stock options on 2,600,000 shares to executive directors, management and employees with a strike price of € 10 per share. The options may be exercised from December 2010 to December 2013 only if the holders are still employed by the Group.

**14. Preferred securities**

The movement of preferred securities issued by the Group through its Special Purpose Entity, EFG Hellas Funding Limited, is as follows:

	Series A €million	Series B €million	Series C €million	Total €million
At 1 January 2008	184	397	196	777
Purchase of preferred securities	(39)	(0)	(1)	(40)
Sale of preferred securities	0	0	1	1
<b>At 30 June 2008</b>	<b>145</b>	<b>397</b>	<b>196</b>	<b>738</b>

The rate of preferred dividends for the Tier 1 Issue series A has been determined at 4.45% for the period March 18, 2008 to March 17, 2009.

As at 30 June 2008, the dividend attributable to preferred securities holders amounted to € 18.7 million (30 June 2007: € 20 million).

**15. Contingent liabilities and capital expenditure commitments**

As at 30 June 2008 the Group's contingent liabilities in terms of guarantees and standby letters of credit amounted to € 3,381 million (31 December 2007: €2,522 million) and the Group's documentary credits amounted to € 152 million (31 December 2007: € 145 million).

The Group's capital commitments in terms of property, plant and equipment amounted to € 80 million (31 December 2007: € 52 million).

**16. Post balance sheet events**

Details of significant post balance sheet events are provided in the following notes:

Note 9 - Shares in subsidiary undertakings

**17. Acquisition of subsidiaries**Adjustments to the provisional values of previous year acquisitions

With respect to the acquisition of 98.23% of the share capital of Eurobank Tekfen A.S. effected and presented provisionally in 2007, total goodwill has decreased by € 49.2 million as a result of adjustments that decreased the provisional values of net assets acquired by € 2 million, and adjustments, related to the valuation of the put option, that decreased total acquisition cost by € 51 million.

**18. Related party transactions**

The Bank is a member of the EFG Group, which consists of banks and financial services companies, the ultimate parent company of which is EFG Bank European Financial Group, a credit institution based in Switzerland. All voting rights at the general meetings of EFG Bank European Financial Group are held by the Latsis family. The EFG Group controls 41.6% of the Bank. The remaining shares are held by institutional and retail investors.

A number of banking transactions are entered into with related parties in the normal course of business and are conducted on an arms length basis. These include loans, deposits, letters of guarantee and derivatives. In addition, as part of its normal course of business in investment banking activities, the Group at times may hold positions in debt and equity instruments of related parties. The volumes of related party transactions and outstanding balances at the period/year-end are as follows:

	30 June 2008			31 December 2007		
	EFG Group	Key management personnel	Other	EFG Group	Key management personnel	Other
	€million	€million	€million	€million	€million	€million
Loans and advances to banks	0	-	-	0	-	-
Financial instruments at fair value through profit or loss	4	-	-	-	-	-
Available-for-sale investment securities	5	-	15	56	-	43
Held-to-maturity investment securities	48	-	-	-	-	-
Loans and advances to customers	-	19	41	24	16	38
Other assets	0	-	1	-	0	3
Due to other banks	152	-	-	88	-	-
Due to customers	13	58	157	2	40	118
Other liabilities	0	1	1	2	-	0
Letters of guarantee issued	386	-	4	386	-	3
Letters of guarantee received	408	-	-	411	-	-
	<b>six months ended 30 June 2008</b>			<b>six months ended 30 June 2007</b>		
Net interest income/(expense)	(3)	(1)	(1)	(10)	(0)	(3)
Net banking fee and commission income/(expense)	0	-	1	0	0	2
Dividend income	-	-	3	-	-	2
Other operating income/(expense)	(0)	-	(0)	(1)	-	(0)

**18. Related party transactions (continued)**

Key management personnel includes directors and key management personnel of the Group and its parent, and their close family members.

No provisions have been recognised in respect of loans given to related parties (2007: Nil)

**Key management compensation (including directors)**

Key management personnel are entitled to compensation in the form of short-term employee benefits totalling € 6.7 million (30 June 2007: € 5.9 million) out of which € 1.4 million (30 June 2007: € 2.0 million) are share-based payments, and in the form of long-term employee benefits totalling € 1.8 million (30 June 2007: € 2.6 million) out of which € 1.6 million (30 June 2007: € 2.4 million) are share-based payments.

**19. Dividends**

Final dividends are not accounted for until they have been ratified by the Annual General Meeting.

The Annual General Meeting on 8 April 2008 approved a total dividend in respect of 2007 of € 0.82 per share. An interim dividend of € 0.32 per share amounting to € 166 million had been paid in December 2007 in accordance with the decision of the Extraordinary General Meeting on 9 November 2007. The remaining final dividend of € 0.50 per share amounting to € 257 million has been paid in May 2008 and has been accounted for in shareholders' equity as an appropriation of retained earnings during the period from 1 April 2008 to 30 June 2008.

Athens, 30 July 2008

**Xenophon C. Nickitas**  
I.D. No Θ - 914611  
CHAIRMAN OF THE BOARD OF DIRECTORS

**Nicholas C. Nanopoulos**  
I.D. No Σ - 237468  
CHIEF EXECUTIVE OFFICER

**Paula Hadjisotiriou**  
I.D. No T - 005040  
CHIEF FINANCIAL OFFICER

**Harris V. Kokologiannis**  
I.D. No AE - 083615  
HEAD OF GROUP FINANCIAL SERVICES

***V. Condensed Interim Financial Statements for the six months ended 30  
June 2008***



**EFG EUROBANK ERGASIAS S.A.**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED**

**30 JUNE 2008**

8 Othonos Street, Athens 105 57, Greece  
www.eurobank.gr, Tel.: (+30) 210 333 7000  
Company Registration No: 6068/06/B/86/07



**Index to the Condensed Interim Financial Statements**

	<b>Page</b>
Interim Income Statement	3
Interim Balance Sheet	4
Interim Statement of Changes in Equity	5
Interim Cash Flow Statement	6
Selected Explanatory Notes to the Condensed Interim Financial Statements	
1 General information	7
2 Basis of preparation of condensed interim financial statements	7
3 Principal accounting policies	7
4 Critical accounting estimates and judgements in applying accounting policies	7
5 Income tax expense	7
6 Provision for impairment losses on loans and advances to customers	7
7 Investments in subsidiary undertakings	7
8 Other borrowed funds	8
9 Ordinary share capital, share premium and treasury shares	8
10 Share options	8
11 Hybrid capital	9
12 Contingent liabilities and capital expenditure commitments	9
13 Post balance sheet events	9
14 Related party transactions	9
15 Dividends	10

	Note	Six months ended 30 June		Three months ended 30 June	
		2008	2007	2008	2007
		€ million	€ million	€ million	€ million
Net interest income		808	701	400	358
Net banking fee and commission income		128	113	70	55
Income from non banking services		2	2	1	1
Dividend income		92	157	8	150
Net trading income/(loss)		(64)	32	16	18
Gains less losses from investment securities		66	60	29	26
Other operating income		7	8	(4)	7
<b>Operating income</b>		<b>1,039</b>	<b>1,073</b>	<b>520</b>	<b>615</b>
Operating expenses		(464)	(386)	(238)	(200)
Impairment losses on loans and advances	6	(212)	(165)	(112)	(83)
<b>Profit before tax</b>		<b>363</b>	<b>522</b>	<b>170</b>	<b>332</b>
Income tax expense	5	(57)	(68)	(36)	(29)
<b>Net profit for the period attributable to shareholders</b>	5	<b>306</b>	<b>454</b>	<b>134</b>	<b>303</b>

Notes on pages 7 to 10 form an integral part of these condensed interim financial statements

	Note	30 June 2008 €million	31 December 2007 € million
<b>ASSETS</b>			
Cash and balances with central bank		1,506	1,259
Loans and advances to banks		20,792	16,545
Financial instruments at fair value through profit or loss		795	485
Derivative financial instruments		1,318	797
Loans and advances to customers		41,547	37,235
Available-for-sale investment securities		9,072	9,355
Held-to-maturity investment securities		839	-
Investments in subsidiary undertakings		2,112	1,810
Investments in associated undertakings		28	27
Property, plant and equipment		412	406
Intangible assets		74	65
Other assets		472	288
<b>Total assets</b>		<b>78,967</b>	<b>68,272</b>
<b>LIABILITIES</b>			
Due to other banks		9,080	5,539
Repurchase agreements with banks		9,852	9,761
Derivative financial instruments		1,312	935
Due to customers		45,179	38,939
Other borrowed funds	8	8,814	7,919
Other liabilities		443	492
<b>Total liabilities</b>		<b>74,680</b>	<b>63,585</b>
<b>EQUITY</b>			
Share capital	9	1,412	1,434
Share premium	9	1,212	1,340
Other reserves		925	1,136
<b>Ordinary shareholders' equity</b>		<b>3,549</b>	<b>3,910</b>
Hybrid capital	11	738	777
<b>Total</b>		<b>4,287</b>	<b>4,687</b>
<b>Total equity and liabilities</b>		<b>78,967</b>	<b>68,272</b>

Notes on pages 7 to 10 form an integral part of these condensed interim financial statements

	Attributable to ordinary shareholders of the Bank					Hybrid capital €million	Total €million
	Share capital €million	Share premium €million	Special reserves €million	Retained earnings €million	Total €million		
	<b>Balance at 1 January 2007</b>	1,243	183	771	179		
Cash flow hedges							
- net changes in fair value, net of tax	-	-	14	-	14	-	14
- transfer to net profit, net of tax	-	-	(0)	-	(0)	-	(0)
Available-for-sale securities							
- net changes in fair value, net of tax							
• bonds	-	-	(141)	-	(141)	-	(141)
• equities and equivalents	-	-	89	-	89	-	89
- transfer to net profit from fair value hedges, net of tax							
• bonds	-	-	116	-	116	-	116
- transfer to net profit on disposal, net of tax							
• bonds	-	-	(13)	-	(13)	-	(13)
• equities and equivalents	-	-	(42)	-	(42)	-	(42)
Net income/(expense) recognised directly in equity	-	-	23	-	23	-	23
Profit for the period	-	-	-	454	454	-	454
Total recognised income for the six months ended 30 June 2007	-	-	23	454	477	-	477
Distribution of free shares to executive directors, management and staff	3	22	-	-	25	-	25
Purchase of hybrid capital	-	-	-	-	-	(16)	(16)
Sale of hybrid capital	-	-	-	-	-	12	12
Hybrid capital's dividend paid	-	-	-	(19)	(19)	-	(19)
Final dividend for 2006	-	-	-	(214)	(214)	-	(214)
Employee share option scheme:							
- Value of employee services	-	-	4	-	4	-	4
Purchase of treasury shares	(9)	(73)	-	-	(82)	-	(82)
Sale of treasury shares	25	159	33	-	217	-	217
	19	108	37	(233)	(69)	(4)	(73)
<b>Balance at 30 June 2007</b>	<b>1,262</b>	<b>291</b>	<b>831</b>	<b>400</b>	<b>2,784</b>	<b>782</b>	<b>3,566</b>
<b>Balance at 1 January 2008</b>	<b>1,434</b>	<b>1,340</b>	<b>901</b>	<b>235</b>	<b>3,910</b>	<b>777</b>	<b>4,687</b>
Cash flow hedges							
- net changes in fair value, net of tax	-	-	35	-	35	-	35
- transfer to net profit, net of tax	-	-	(2)	-	(2)	-	(2)
Available-for-sale securities							
- net changes in fair value, net of tax							
• bonds	-	-	(160)	-	(160)	-	(160)
• equities and equivalents	-	-	(126)	-	(126)	-	(126)
- transfer to net profit from fair value hedges, net of tax							
• bonds	-	-	50	-	50	-	50
- transfer to net profit on disposal, net of tax							
• bonds	-	-	(32)	-	(32)	-	(32)
• equities and equivalents	-	-	(17)	-	(17)	-	(17)
Currency translation differences	-	-	-	(4)	(4)	-	(4)
Net income/(expense) recognised directly in equity	-	-	(252)	(4)	(256)	-	(256)
Profit for the period	-	-	-	306	306	-	306
Total recognised income for the six months ended 30 June 2008	-	-	(252)	302	50	-	50
Distribution of free shares to executive directors, management and staff	4	23	-	-	27	-	27
Share capital increase due to re-investment of dividend	4	20	-	-	24	-	24
Purchase of hybrid capital	-	-	-	-	-	(40)	(40)
Sale of hybrid capital	-	-	-	-	-	1	1
Hybrid capital's dividend paid	-	-	-	(14)	(14)	-	(14)
Final dividend for 2007	-	-	-	(257)	(257)	-	(257)
Employee share option scheme:							
- Value of employee services	-	-	10	-	10	-	10
Purchase of treasury shares	(30)	(171)	-	-	(201)	-	(201)
	(22)	(128)	10	(271)	(411)	(39)	(450)
<b>Balance at 30 June 2008</b>	<b>1,412</b>	<b>1,212</b>	<b>659</b>	<b>266</b>	<b>3,549</b>	<b>738</b>	<b>4,287</b>
	Note 9	Note 9				Note 11	

Notes on pages 7 to 10 form an integral part of these condensed interim financial statements

	Note	Six months ended 30 June	
		2008 € million	2007 € million
<b>Cash flows from operating activities</b>			
Interest received and net trading receipts		2,090	1,717
Interest paid		(1,614)	(1,217)
Fees and commissions received		211	139
Fees and commissions paid		(96)	(39)
Dividends received		0	0
Other income received		4	11
Cash payments to employees and suppliers		(357)	(313)
Income taxes paid		(7)	(8)
Cash flows from operating profits before changes in operating assets and liabilities		231	290
<b>Changes in operating assets and liabilities</b>			
Net (increase)/decrease in cash and balances with central bank		(189)	84
Net (increase)/decrease in financial instruments at fair value through profit or loss		(222)	154
Net (increase)/decrease in loans and advances to banks		(1,269)	(1,497)
Net (increase)/decrease in loans and advances to customers		(4,126)	(3,191)
Net (increase)/decrease in derivative financial instruments assets		109	286
Net (increase)/decrease in other assets		(27)	135
Net increase/(decrease) in due to other banks and repurchase agreement		3,601	(312)
Net increase/(decrease) in due to customers		6,013	4,580
Net increase/(decrease) in derivative financial instruments liabilities		(143)	(234)
Net increase/(decrease) in other liabilities		(276)	(367)
<b>Net cash from operating activities</b>		<b>3,702</b>	<b>(72)</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(43)	(46)
Proceeds from sale of property, plant and equipment		3	3
Purchases of available-for-sale investment securities		(2,870)	(3,126)
Proceeds from sale of available-for-sale investment securities		2,829	3,756
Purchases of held-to-maturity investment securities		(829)	-
Acquisition of subsidiary undertakings		(254)	(11)
Proceeds from sale of associated undertakings		5	-
Dividends from investment securities and associated undertakings		65	77
<b>Net cash used in investing activities</b>		<b>(1,094)</b>	<b>653</b>
<b>Cash flows from financing activities</b>			
Proceeds from other borrowed funds	8	1,109	1,353
Repayments of other borrowed funds	8	(230)	(658)
Purchases of hybrid capital	11	(40)	(16)
Proceeds from sale of hybrid capital	11	1	12
Hybrid capital's dividend paid		(14)	(19)
Dividends paid, net of dividend re-invested		(233)	(214)
Expenses for issue of bonus shares		(1)	(0)
Purchases of treasury shares		(201)	(82)
Proceeds from sale of treasury shares		-	217
<b>Net cash from financing activities</b>		<b>391</b>	<b>593</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>2,999</b>	<b>1,174</b>
Cash and cash equivalents at beginning of period		13,025	4,835
<b>Cash and cash equivalents at end of period</b>		<b>16,024</b>	<b>6,009</b>

Notes on pages 7 to 10 form an integral part of these condensed interim financial statements

**1. General information**

EFG Eurobank Ergasias S.A. (the "Bank") is active in retail, corporate and private banking, asset management, treasury, capital markets and other services. The Bank is incorporated in Greece and its shares are listed on the Athens Stock Exchange. The Bank operates mainly in Greece and in Central, Eastern and Southeastern Europe (New Europe).

These condensed interim financial statements were approved by the Board of Directors on 30 July 2008.

**2. Basis of preparation of condensed interim financial statements**

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and they should be read in conjunction with the Bank's published annual financial statements for the year ended 31 December 2007. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period. Except as indicated, financial information presented in euro has been rounded to the nearest million.

These condensed interim financial statements are the separate statements of the Bank prepared in accordance with the requirements of Capital Market Commission. The Bank prepares also consolidated financial statements which include the financial statements of the Bank and its subsidiaries.

**3. Principal accounting policies**

The same accounting policies and methods of computation are followed in these condensed interim financial statements as those in the published annual financial statements for the year ended 31 December 2007.

**4. Critical accounting estimates and judgements in applying accounting policies**

In preparing these condensed interim financial statements, the significant judgements made by Management in applying the Bank's accounting policies and the key sources of estimation uncertainty were the same as those applied to the published annual financial statements for the year ended 31 December 2007.

**5. Income tax expense**

Following law 3634 that was enacted in January 2008, the non-taxed reserves created in 2007 from (a) capital gains on listed shares (domestic and foreign), (b) gains from derivatives (domestic and foreign) and (c) non-taxable profits under the provisions of article 99 of L.2238/1994, will be taxed at 25% in September 2008. As a result, the Bank will pay the amount of € 16.6 million on the 2007 profits accounted for through the Income Statement, out of which an amount of € 9 million relate to capital gains for the first semester 2007. If that amount was recognised in the Income Statement for the period ended 30 June 2007, the net profit attributable to shareholders would be adjusted to € 445 million.

**6. Provision for impairment losses on loans and advances to customers**

At 1 January 2008  
Impairment losses on loans and advances charged in the period  
Amounts recovered during the period  
Loans written off during the period as uncollectible  
**At 30 June 2008**

<b>Total</b>
<b>€million</b>
831
212
25
(144)
<b>924</b>

**7. Investments in subsidiary undertakings****(a) Eurobank EFG Stedionica a.d. Beograd**

In January 2008, the Bank decreased its participation in Eurobank EFG Stedionica a.d. Beograd to 58.26% from 73.95%, and in June to 55.80%.

**(b) EFG Leasing IFN S.A., Bucharest**

In February 2008, the Bank decreased its participation in EFG Leasing IFN S.A. to 7.79% from 99.92%.

**(c) Eurobank EFG Cyprus Ltd**

In February 2008, the Central Bank of Cyprus approved the conversion of the Cyprus branch into a subsidiary. The conversion was completed in March 2008 and the Bank's participation was 99.87%. In June 2008, the Bank did not participate in the company's share capital increase and its participation decreased to 75%.

**Post Balance Sheet Event**

In July 2008, the Bank transferred all of its participation to EFG New Europe Holding BV, a 100% subsidiary of the Bank.

**(d) EFG New Europe Holding B.V., The Netherlands**

In June 2008, the Bank increased the company's share capital by € 250 million.

**Post balance sheet events****(e) Global Fund Management S.A., Greece**

In July 2008, the Bank increased its participation in Global Fund Management S.A. to 90% from 62.5%.

**(f) GFM Levant Capital (Cayman) Ltd**

In July 2008, the Bank disposed of its 72.5% participation in GFM Levant Capital (Cayman) Ltd.

**8. Other borrowed funds**

During the six months ended 30 June 2008, the following new issues and repayments/repurchases of other borrowed funds took place :

	New issues €million	Repayments/ Repurchases €million
<b>Long-term debt</b>		
Medium-term notes (EMTN)		
- fixed rate	69	-
Securitised		
- floating rate	1,040	(230)
<b>Total</b>	<b>1,109</b>	<b>(230)</b>

In February 2008, the Bank proceeded with the securitisation of mortgage loans through the issuance of mortgage loans asset backed securities by Themeleon V Mortgage Finance PLC, a special purpose entity.

In the second quarter of 2008, the Bank, through its Polish branches, has issued € 69 million under its Medium Term Note Programme totalling to PLN 2 billion.

**Post balance sheet event**

In July 2008, the Bank proceeded with the first securitisation of bond loans through the issuance of bond loans asset backed securities by Anaptyxi SME I PLC, a special purpose entity, for an amount of € 2,500 million.

**9. Ordinary share capital, share premium and treasury shares**

The par value of the Bank's shares is € 2.75 per share. All shares are fully paid. The movement of share capital, share premium and treasury shares is as follows:

	Ordinary share capital €million	Treasury shares €million	Net €million	Share premium €million	Treasury shares €million	Net €million
At 1 January 2008	1,443	(9)	1,434	1,412	(72)	1,340
8 April 2008:						
- Distribution of free shares to executive directors, management and staff	4	-	4	23	-	23
21 April 2008:						
- Share capital increase due to re-investment of dividend	4	-	4	20	-	20
Purchase of treasury shares	-	(30)	(30)	-	(171)	(171)
<b>At 30 June 2008</b>	<b>1,451</b>	<b>(39)</b>	<b>1,412</b>	<b>1,455</b>	<b>(243)</b>	<b>1,212</b>

	Number of shares		
	Issued	Treasury shares	Net
At 1 January 2008	524,945,638	(3,431,626)	521,514,012
8 April 2008:			
- Distribution of free shares to executive directors, management and staff	1,400,000	-	1,400,000
21 April 2008:			
- Share capital increase due to re-investment of dividend	1,245,604	-	1,245,604
Purchase of treasury shares	-	(10,684,949)	(10,684,949)
<b>At 30 June 2008</b>	<b>527,591,242</b>	<b>(14,116,575)</b>	<b>513,474,667</b>

In April 2008, the Annual General Meeting and the Repeat Annual General Meeting approved the following:

- the acquisition of treasury shares for up to 5% of the Bank's total shares in issue at any time, through the establishment of a share acquisition program, in order to optimise on a medium and long term basis the Bank's equity, profits per share, dividends per share and capital adequacy ratios, as well as for use in a possible acquisition. The program expires in twenty four months (April 2010); the shares may be acquired within the price range of the nominal value (currently € 2.75) and € 34 per share.
- the distribution of 1,400,000 free shares to employees in May 2008.
- the increase of the share capital of the Bank by up to € 70 million through the reinvestment of dividends for the year 2008.
- the formation of a special reserve of € 3.3 million to enable the 2010 Annual General Meeting to distribute up to 1,200,000 free shares to strong performers among employees. The distribution will be possible only if profitability targets set for 3 years are met or exceeded.

**10. Share options**

The Bank grants share options to executive directors, management and employees. All options are equity-settled and may be exercised wholly or partly at their owners' option provided that the vesting requirements are met.

Within the umbrella share options programme approved by the Annual General Meeting in April 2006, the Board of Directors has issued stock options on 2,600,000 shares to executive directors, management and employees with a strike price of € 10 per share. The options may be exercised from December 2010 to December 2013 only if the holders are still employed by the Bank.

**11. Hybrid capital**

The movement of hybrid capital issued by the Bank through its Special Purpose Entity, EFG Hellas Funding Limited, is as follows:

	Series A €million	Series B €million	Series C €million	Total €million
At 1 January 2008	184	397	196	777
Purchase of hybrid capital	(39)	(0)	(1)	(40)
Sale of hybrid capital	0	0	1	1
<b>At 30 June 2008</b>	<b>145</b>	<b>397</b>	<b>196</b>	<b>738</b>

The rate of hybrid capital for the Tier 1 Issue series A has been determined at 4.45% for the period March 18, 2008 to March 17, 2009.

As at 30 June 2008, the dividend attributable to hybrid capital holders amounted to € 18.7 million (30 June 2007: € 20 million).

**12. Contingent liabilities and capital expenditure commitments**

As at 30 June 2008 the Bank's contingent liabilities in terms of guarantees and standby letters of credit amounted to € 21,659 million (31 December 2007: € 21,482 million) and the Bank's documentary credits amounted to € 76 million (31 December 2007: € 67 million).

Bank's capital commitments in terms of property, plant and equipment amounted to € 18 million (31 December 2007: € 7 million).

**13. Post balance sheet events**

Details of significant post balance sheet events are provided in the following notes:

Note 7 - Investments in subsidiary undertakings

Note 8 - Other borrowed funds

**14. Related party transactions**

The Bank is a member of the EFG Group, which consists of banks and financial services companies, the ultimate parent company of which is EFG Bank European Financial Group, a credit institution based in Switzerland. All voting rights at the general meetings of EFG Bank European Financial Group are held by the Latsis family. The EFG Group controls 41.6% of the Bank. The remaining shares are held by institutional and retail investors.

A number of banking transactions are entered into with related parties in the normal course of business and are conducted on an arms length basis. These include loans, deposits, letters of guarantee and derivatives. In addition, as part of its normal course of business in investment banking activities, the Bank at times may hold positions in debt and equity instruments of related parties. The volumes of related party transactions and outstanding balances at the period/year-end are as follows:

	30 June 2008			
	Subsidiaries €million	EFG Group €million	Key management personnel €million	Other €million
Loans and advances to banks	16,106	-	-	-
Financial instruments at fair value through profit or loss	462	4	-	-
Available-for-sale investment securities	225	5	-	15
Held-to-maturity investment securities	-	48	-	-
Derivative financial instruments asset	144	-	-	-
Loans and advances to customers	1,931	-	19	41
Other assets	22	-	-	-
Due to other banks	6,341	151	-	-
Derivative financial instruments liabilities	21	-	-	-
Due to customers	15,731	12	58	93
Other borrowed funds	5,454	-	-	-
Other liabilities	25	-	1	-
Letters of guarantee issued	16,745	385	-	1
Letters of guarantee received	-	407	-	-
	<b>six months ended 30 June 2008</b>			
Net interest income/(expense)	(101)	(3)	(1)	0
Net banking fee and commission income/(expense)	(5)	0	-	0
Dividend income	79	-	-	3
Other operating income/(expense)	(13)	-	-	-
Impairment losses on loans and advances to customers	(7)	-	-	-



## 14. Related party transactions (continued)

	31 December 2007			
	Subsidiaries	EFG Group	Key management personnel	Other
	€ million	€ million	€ million	€ million
Loans and advances to banks	12,420	-	-	-
Financial instruments at fair value through profit or loss	82	-	-	-
Available-for-sale investment securities	206	56	-	43
Derivative financial instruments asset	110	-	-	-
Loans and advances to customers	1,953	24	16	38
Other assets	32	-	-	-
Due to other banks	4,323	88	-	-
Derivative financial instruments liabilities	21	-	-	-
Due to customers	15,941	2	40	55
Other borrowed funds	4,278	-	-	-
Other liabilities	33	2	-	-
Letters of guarantee issued	17,562	385	-	1
Letters of guarantee received	-	407	-	-
	six months ended 30 June 2007			
Net interest income/(expense)	(156)	(10)	(0)	(1)
Net banking fee and commission income/(expense)	16	0	0	0
Dividend income	147	-	-	2
Other operating income/(expense)	(8)	(1)	-	-
Impairment losses on loans and advances to customers	(5)	-	-	-

Key management personnel includes directors and key management personnel of the Bank and its parent, and their close family members.

In relation to the letters of guarantee issued to the Bank's subsidiaries, the Bank had received cash collateral € 12,490 million as at 30 June 2008 and € 13,709 million as at 31 December 2007, which is included in due to customers.

No provisions have been recognised in respect of loans given to related parties (2007: Nil)

**Key management compensation (including directors)**

Key management personnel are entitled to compensation in the form of short-term employee benefits totalling € 6.7 million (30 June 2007: € 5.9 million) out of which € 1.4 million (30 June 2007: € 2.0 million) are share-based payments, and in the form of long-term employee benefits totalling € 1.8 million (30 June 2007: € 2.6 million) out of which € 1.6 million (30 June 2007: € 2.4 million) are share-based payments.

## 15. Dividends

Final dividends are not accounted for until they have been ratified by the Annual General Meeting.

The Annual General Meeting on 8 April 2008 approved a total dividend in respect of 2007 of € 0.82 per share. An interim dividend of € 0.32 per share amounting to € 166 million had been paid in December 2007 in accordance with the decision of the Extraordinary General Meeting on 9 November 2007. The remaining final dividend of € 0.50 per share amounting to € 257 million has been paid in May 2008 and has been accounted for in shareholders' equity as an appropriation of retained earnings during the period from 1 April 2008 to 30 June 2008.

Athens, 30 July 2008

**Xenophon C. Nickitas**  
I.D. No Θ - 914611  
CHAIRMAN OF THE BOARD OF DIRECTORS

**Nicholas C. Nanopoulos**  
I.D. No Σ - 237468  
CHIEF EXECUTIVE OFFICER

**Paula Hadjisotiriou**  
I.D. No T - 005040  
CHIEF FINANCIAL OFFICER

**Harris V. Kokologiannis**  
I.D. No AE - 083615  
HEAD OF GROUP FINANCIAL SERVICES

**VI. *Financial Data and Information for the period from 1 January to 30 June 2008***

The financial information listed below is aiming to provide an overview of the financial position and the financial results of EFG Eurobank Ergasias S.A. and its Group. Consequently, readers are strongly advised to visit the website of the Bank ([www.eurobank.gr](http://www.eurobank.gr)) where the interim financial statements prepared in accordance with International Financial Reporting Standards (IFRS) are available, before any investment decision or transaction with the Bank is entered into.

#### COMPANY'S DATA

Company's website: [www.eurobank.gr](http://www.eurobank.gr)  
 Date of approval of the interim financial statements by BoD: 30 July 2008  
 Certified Public Accountant - Auditor: Marios Psaltis

Audit Firm: PricewaterhouseCoopers S.A.  
 Auditors' report : Unqualified opinion  
 Issue Date of Auditors' report: 31 July 2008

#### BALANCE SHEET

Amounts in Euro million

Bank		Group	
30 Jun 2008	31 Dec 2007	30 Jun 2008	31 Dec 2007
<b>ASSETS</b>			
1,506	1,259	3,020	2,732
20,792	16,545	5,137	4,577
795	485	808	960
1,318	797	1,216	738
41,547	37,235	52,639	45,638
9,072	9,355	10,154	10,477
839	-	1,368	618
2,112	1,810	-	-
28	27	32	46
338	331	843	810
74	75	350	310
74	65	705	735
472	288	984	748
<b>78,967</b>	<b>68,272</b>	<b>77,256</b>	<b>68,389</b>
<b>LIABILITIES</b>			
9,080	5,539	3,097	2,012
9,852	9,761	11,173	10,754
1,312	935	1,485	1,050
45,179	38,939	43,841	36,151
8,814	7,919	10,947	11,238
443	492	1,725	1,825
<b>74,680</b>	<b>63,585</b>	<b>72,268</b>	<b>63,030</b>
<b>EQUITY</b>			
1,412	1,434	1,411	1,432
1,212	1,340	1,202	1,325
925	1,136	1,302	1,495
<b>3,549</b>	<b>3,910</b>	<b>3,915</b>	<b>4,252</b>
738	777	738	777
<b>4,287</b>	<b>4,687</b>	<b>4,653</b>	<b>5,029</b>
-	-	335	330
<b>4,287</b>	<b>4,687</b>	<b>4,988</b>	<b>5,359</b>
<b>78,967</b>	<b>68,272</b>	<b>77,256</b>	<b>68,389</b>

#### STATEMENT OF CHANGES IN EQUITY

Amounts in Euro million

Bank		Group	
1 Jan - 30 Jun 2008	1 Jan - 30 Jun 2007	1 Jan - 30 Jun 2008	1 Jan - 30 Jun 2007
4,687	3,162	5,359	3,624
33	14	33	14
(142)	(38)	(154)	(49)
(143)	47	(180)	38
(4)	-	(69)	30
306	454	448	424
(233)	(214)	(233)	(214)
(53)	(23)	(53)	(23)
(201)	135	(196)	135
37	29	33	5
<b>4,287</b>	<b>3,566</b>	<b>4,988</b>	<b>3,984</b>

#### CASH FLOW STATEMENT

Amounts in Euro million

Bank		Group	
1 Jan - 30 Jun 2008	1 Jan - 30 Jun 2007	1 Jan - 30 Jun 2008	1 Jan - 30 Jun 2007
3,702	(72)	1,401	(1,252)
(1,094)	653	(993)	115
391	593	(717)	2,760
2,999	1,174	(309)	1,623
-	-	(19)	13
2,999	1,174	(328)	1,636
<b>13,025</b>	<b>4,835</b>	<b>4,690</b>	<b>3,563</b>
<b>16,024</b>	<b>6,009</b>	<b>4,362</b>	<b>5,199</b>

#### INCOME STATEMENT

Amounts in Euro million

Bank		Group	
1 Jan - 30 Jun 2008	1 Jan - 30 Jun 2007	1 Jan - 30 Jun 2008	1 Jan - 30 Jun 2007
808	701	400	358
128	113	70	55
-	-	-	-
2	2	1	1
92	157	8	150
(64)	32	16	18
66	60	29	26
7	8	(4)	7
<b>1,039</b>	<b>1,073</b>	<b>520</b>	<b>615</b>
(254)	(213)	(128)	(109)
(177)	(145)	(95)	(76)
(33)	(28)	(15)	(15)
(212)	(165)	(112)	(83)
363	522	170	332
-	-	-	-
363	522	170	332
(57)	(68)	(36)	(29)
306	454	134	303
-	-	-	-
<b>306</b>	<b>454</b>	<b>134</b>	<b>303</b>
<b>0,5563</b>	<b>0,9219</b>	<b>0,2440</b>	<b>0,6201</b>
<b>0,5538</b>	<b>0,9192</b>	<b>0,2433</b>	<b>0,6179</b>

#### Notes:

- The Bank's consolidated financial statements are included in EFG Bank European Financial Group's Consolidated Financial Statements. EFG Bank European Financial Group is incorporated in Geneva, Switzerland, and indirectly controls 42% of the Bank's ordinary shares.
- The fixed assets of the Bank and the Group are free of charges or encumbrances.
- The outcome of pending lawsuits is not expected to have a significant impact on the Group's Financial Statements.
- A list of the companies consolidated on 30 June 2008 are mentioned in Notes 9 and 10 of the condensed consolidated interim financial statements where information on the percentage of Group's holding, the country of incorporation as well as the consolidation method applied is reported.
  - The companies that were fully consolidated for the first time on 30.06.2008 were the newly established EFG Business Services d.o.o. Beograd, Anaptixy SME I Holdings Ltd, Anaptixy SME I PLC as well as the acquired company Retail Development S.A. Furthermore, the companies that were fully consolidated on 30.06.2008 but not included in the 30.06.2007 consolidation were the newly established companies EFG Hellas II (Cayman Islands) Ltd, Eurobank EFG Cyprus Ltd, EFG Asset Fin d.o.o. Beograd, Themeleon V Mortgage Finance Plc and Themeleon V Holdings Limited, Bancpost Fond De Pensii S.A., EFG Securities Bulgaria E.A.D., EFG Property Services Polska Sp. z o.o., EFG Leasing Poland Sp. z o.o., Daneion 2007 - 1 PLC, Daneion APC Ltd and Daneion Holdings Ltd as well as the acquired companies Kalabokis Tours & Cargo S.A., Eliade Tower S.A., RECO Real Property A.D. and Prospera Securities a.d. Beograd. From the companies that are fully consolidated on 30.06.2007, DZI Bank A.D. has been absorbed by Eurobank EFG Bulgaria A.D. (formerly Bulgaria Post Bank A.D.) in the semester ended 31.12.2007.
  - From the companies that are consolidated under the equity method, Sofitel Athens Airport S.A. is no longer consolidated due to its disposal in the semester ended 31.12.2007.
- The Annual General Meeting on 8 April 2008 approved a total dividend in respect of 2007 of € 0.82 per share.
- a) The Bank has been audited by tax authorities up to 2005. b) Of the Group's bank subsidiaries: i) EFG Private Bank (Luxembourg) S.A. and Eurobank EFG Stedionica a.d. Beograd (Serbia) have been audited by tax authorities up to 2004, ii) Bancpost S.A. (Romania) has been audited by tax authorities up to 2003, iii) Eurobank EFG Bulgaria A.D. (Bulgaria) has been audited by tax authorities up to 2002. The remaining of the Group's subsidiaries and associates (notes 9 and 10 to the Group's accounts), which operate in countries where a statutory tax audit is explicitly stipulated by law, have open tax years from 0 to 8 years.
- The total number of employees as at 30.06.2008 was 9,876 (2007: 8,694) for the Bank and 24,415 (2007: 20,963) for the Group.
- The number of treasury shares held by the Bank, its subsidiary and associated undertakings is 14,813,154 at a cost of € 298m. The Bank holds 14,116,575 treasury shares at a cost of € 282m.
- The related party transactions of the Group are as follows: receivables € 114m., liabilities € 323m., letters of guarantee issued € 390m., letters of guarantee received € 408m., expenses € 8m. and revenues € 6m. The related party transactions of the Bank are as follows: receivables € 19,003m., liabilities € 27,828m., letters of guarantee issued € 17,131m., letters of guarantee received € 407m., expenses € 636m. and revenues € 589m. The key management personnel transactions are the following: compensation € 8.5m., receivables € 19m., liabilities € 59m., expenses € 0.9m. and revenues € 0.4m.
- The same accounting policies and methods of computation are followed in the condensed consolidated interim financial statements as those in the published consolidated annual financial statements for the year ended 31 December 2007.

Athens, 30 July 2008

Xenophon C. Nickitas  
 I.D. No G - 914611  
 CHAIRMAN OF THE BOARD OF DIRECTORS

Nicholas C. Nanopoulos  
 I.D. No Σ - 237468  
 CHIEF EXECUTIVE OFFICER

Paula Hadjisotiriou  
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 CHIEF FINANCIAL OFFICER

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 HEAD OF GROUP FINANCIAL SERVICES

***VII. Use of Proceeds from the Share Capital increase in cash for the six months ended 30 June 2008***

**EFG EUROBANK ERGASIAS S.A.**

Reg. No. 6068/06/B/86/07 D.O.Y. F.A.E.E. ATHENS

HEAD OFFICE: 8 OTHONOS STR., 105 57 ATHENS

**USE OF PROCEEDS FROM THE SHARE CAPITAL INCREASE IN CASH, RESOLVED BY THE REPEAT EXTRAORDINARY GENERAL SHAREHOLDERS MEETING HELD ON 02/08/2007**

**EFG Eurobank Ergasias S.A.** ("Bank") announces that the Athens Exchange (ATH.EX.), approved on 20/09/2007, the listing of 61,444,496 new ordinary shares of the Bank, resulting from the share capital increase in cash in favour of existing shareholders (rights offering). The funds raised from the rights offering amount to € 1,228.9 million. The trading of the new shares on the ATH.EX. commenced on 25/09/2007. The certification of the share capital increase by the Bank's Board of Directors took place on 19/09/2007.

**TABLE OF USE OF PROCEEDS FROM THE RIGHTS OFFERING**

	<b>Total funds raised</b>	<b>Total funds used as at 31/12/2007</b>	<b>Total funds used from 01/01/2008 to 30/06/2008</b>	<b>Unused funds as at 30/06/2008</b>
Amounts in € millions	1,228.9	165.8	1,063.1	-

Note:

The total funds raised from the rights offering were fully used, according to the purpose of the share capital increase as stated in the respective Offering Memorandum of 23/08/2007, as follows: a) the amount of € 15.9 million for expenses of the share capital increase, b) the amount of € 100.0 million for the increase of the capital endowment of the branch in Poland, c) the amount of € 50.0 million for a subordinated loan provided to the subsidiary Bancpost S.A. and d) the amount of € 1,063.0 million for the enhancement of the Bank's capital adequacy required for its expansion. Thus, the use of funds raised was completed within the period ended on 30/06/2008.

Athens, 30 July 2008

Xenophon C. Nickitas CHAIRMAN OF THE BOARD OF DIRECTORS	Nicholas C. Nanopoulos CHIEF EXECUTIVE OFFICER	Paula Hadjisotiriou CHIEF FINANCIAL OFFICER	Harris V. Kokologiannis HEAD OF GROUP FINANCIAL SERVICES
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This report has been translated to the English language from the Greek Language original

## **Report of factual findings in connection with the Use of Funds raised from the Share Capital Increase**

Report of factual findings

To the Board of Directors of "EFG EUROBANK ERGASIAS S.A." (the "Bank")

Following the request of the Directors of EFG Eurobank Ergasias S.A., we have performed the agreed-upon procedures enumerated below with respect to the Report on the use of funds resulting from the Share Capital increase carried out by the Bank in September 2007. The Bank's management is responsible for preparing this Report. Our engagement was undertaken in accordance with the International Standard on Related Services (ISRS) "Engagements to perform Agreed – Upon procedures regarding Financial Information". The procedures that were performed are summarised as follows:

1. We compared the payments presented in the attached table "Report on the Use of Funds raised from Share Capital Increase in cash", with the corresponding amounts recorded in the Bank's accounting books and records for the relevant period.
2. We examined the consistency of the content of the above Report with the Offering Circular issued by the Bank as well as with other relevant announcements made by the Bank's officials.

We report our findings below:

- a) With respect to item 1, we found that the amounts included in the table of the above Report, agrees to the Bank's books and records for the relevant period.
- b) With respect to item 2, we found that the content of the report is consistent with the information included in the Offering Circular, as well as, to other relevant announcements made by the Bank's officials.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing, we do not express any assurance on the amounts included in the Report of Use of Funds of Share Capital Increase.

Had we performed additional procedures or had we performed an audit or review in accordance with International Standards on Auditing or International standard on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the "Report on the use of funds" and does not extend to any financial statements of EFG Eurobank Ergasias S.A., taken as a whole.

Athens, 31 July 2008

The Certified Auditor-Accountant

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