



MID YEAR FINANCIAL REPORT

For the 1st semester 2008

According to Law 3556/ 2007

July 2008

The information contained in this Mid Year Financial Report has been translated from the original Mid Year Financial Report that has been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language Mid Year Financial Report, the Greek language Mid Year Financial Report will prevail over this document.

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STATEMENT (article 5 of L.3556/2007)

To the best of our knowledge, the Interim Financial Statements that have been prepared in accordance with the applicable International Financial Reporting Standards, give a fair and true view of the assets, liabilities and financial position of Piraeus Bank S.A. and the group of companies included in the interim consolidated accounts, as provided in art. 5 par. 3 - 5 of Law 3556/2007 and the Board of Director's interim report as of 30 June 2008 provides all information required by art. 5 par. 6 of Law 3556/2007.

MICHALIS G. SALLAS

THEODOROS N. PANTALAKIS

ALEXANDROS ST. MANOS

CHAIRMAN OF THE
BOARD OF DIRECTORS

VICE-CHAIRMAN OF THE BOARD OF
DIRECTORS
AND MANAGING DIRECTOR

MANAGING DIRECTOR

BOARD OF DIRECTORS' INTERIM MANAGEMENT REPORT

(According to Greek Law 3556/2007)

During the first half of the year 2008, the conditions in the international capital markets and especially in the banking sector were adverse, since the credit turmoil that was initiated in mid 2007 and was driven by mortgage market crisis in the US, continued. The fluctuations that characterized the banking sector were accompanied by the intensification of inflationary pressures at macroeconomic level in the past months, due to the severe increase in oil and food prices that aggravated an already uncertain atmosphere. The international economy, however, seems more resilient than initially expected, mainly due to the contribution of the emerging economies, with an expected growth rate at approximately 4% for the full year, according to the latest International Monetary Fund forecasts.

Amidst these conditions, the Greek banking system continues its course of growth of the past years, leveraging on the dynamics of the wider geographical area where it operates, while at the same time assessing possible risks and taking the necessary measures. Within this framework, Piraeus Group operates with commitment to its objectives and with great attention to the implementation of its plan, so as to accompany profitability targets with continuous improvement of the loan portfolio quality, maintenance of high levels of liquidity and capital adequacy, as demonstrated in fact in the previous quarters.

Hence, in the first half of 2008 the Group showed positive performance. The Group's total assets exceeded €51 bn, while net profit was increased by 30%*, reaching €284 mn. After tax basic earnings per share, following the Bank's recent share capital increase and based on the adjusted average number of shares in issue, rose to €0.87 versus €0.79* last year. More specifically, the increase of net interest income was 35% reaching €556 mn and net commission income 19% at €127 mn. Both of these two sources of recurring profitability constituted 81% of the Group's net operating revenues for the first half of 2008.

At the same time, the Group's effort to balance the growth of operations is bearing results and deposits and loans showed an equivalent increase of €5.6 bn from the beginning of the year until the end of June 2008. Thus, for the third consecutive quarter since the beginning of the credit turmoil, the Group managed to cover the increase in loans in absolute numbers- with the increase in deposits.

The abovementioned fact in conjunction with the €0.8 bn third issue of Piraeus Bank's residential mortgage backed securities, that was completed in April 2008, the expansion of interbanking funding sources, along with targeted policies that were developed, such as the selected expansion of the branch network, new deposit products, marketing initiatives, as well as the beginning of operations in Cyprus, led the Group's liquidity at a historically high level, over €3 billion, while the Group's capital base remains strong.

Regarding the performance ratios, the net interest margin on average interest earning assets was retained at 3.0%, return on equity was 18.3%, return on assets at 1.2%, while the efficiency cost to income ratio improved, reaching 48.8% compared to 51.0%* in the first half of 2007.

Analyzing the evolution of the Group's volumes, the increase in deposits including retail bonds on an annual basis reached 43% at €30 bn and the loans grew 42% at €36 bn. Since the beginning of the year, the growth rates were 24% and 18% respectively. The acceleration of deposits contributed to the further improvement of the loan to deposit ratio, which was at 121% at the end June 2008 as opposed to 127% at the end of 2007. The increase in loans on an annual basis was moderated from 48% in December 2007 and March 2008 to 42% at the end of June 2008, in the context of a more cautious expansion of portfolios both in Greece and abroad, but still above the average annual growth rates that were considered in the Group's Business Plans Plan for the period through to 2010 (average annual growth in Group loans from 2008 to 2010 at 26%).

The contribution of the figures from international operations were decisive during the first half 2008 as well. The Group is currently present in 9 countries: more specifically the deposits originating from the Group's international activities showed an annual increase of 86% reaching €4,890 mn, while loans showed an annual growth rate of 88% reaching €8,046 mn. The contribution of international operations in the Group's figures was at 17% for deposits and 22% for loans at the end of June 2008, versus 14% and 20% respectively at the end of 2007.

It should be noted that the expansion of the Group's branch network continued during the first half year of 2008, and reached 832 units, 343 of which in Greece and 489 abroad. During the first half of the year, 88 new branches were added to the Group, 23 in Greece and 65 abroad. Included are 12 branches of the Group's new subsidiary in Cyprus, which began operations in 2008 with very positive results in acquiring new deposits (€910 mn at the end of June 2008). The contribution of the new branch network was once more significant in achieving the Group's high growth rates, along with the contribution of the more mature in years of operation branch network, which is performing faster than the market.

As mentioned afore, Piraeus Group attaches special attention to and importance on the retention of the traditionally positive asset quality ratio. Thus, loans in arrears more than 90 days according to the stricter framework of the International Financial Reporting Standards, represented 3.3% of loans versus to 3.4% in December 2007. Equally satisfying was also the level of the capital adequacy ratio according to the supervisory framework of Basel II, which was at 10.5% (estimate), with Core Tier I at 8.5% (estimate).

* excluding the one-off trading gain of first half of 2007

Additionally, it is worth mentioning that during the first half of 2008 and following the relevant resolutions of the Shareholders' General Meeting and the Bank's Board of Directors, 10,407,537 treasury shares were cancelled, while 752,478 new ordinary shares were listed, resulting from the reinvestment of the 2007 dividend.

Regarding the related party transactions of the Bank, such as members of Board of Directors and Management of the Bank and subsidiaries, it is noted that these were not significant for the first half 2008, in any case these are included in the Group's financial statements.

With the aim to continue the positive performance and the implementation of its business plan, Piraeus Group will continue its course into the second half 2008, monitoring closely the developments in the economic environment, while focusing on sustaining the qualitative elements characterizing the Group: liquidity, capital adequacy, asset quality, and reduction of cost to income ratio.

The times we are going through are not cloudless. On the contrary: they present many challenges, featured by changing conditions with fluctuations in the development of markets and macroeconomic indices and a combination of factors, that require close attention in order to manage them effectively. Being a banking institution, and in fact a bank well established in the middle sized market for businesses and households, Piraeus Group makes significant adjustments to its development policy, depending on the economic developments and mainly the course of economies, both in Greece and in the various countries it conducts business, and of course the conditions in the European and international economy environment.

The outlook for 2008 regarding the macroeconomic data of the Group's wider area of operations is encouraging. However, we are closely monitoring developments and we take any necessary actions. We are optimistic as far as the accomplishment of our business plan is concerned and dedicated to its implementation, for the benefit of our shareholders, employees and customers.

Michalis Sallas
Chairman of the Board of Directors

APPENDICES



PIRAEUS BANK GROUP

Consolidated Interim Condensed Financial Information

30 June 2008

According to the International Financial
Reporting Standards

The attached Consolidated Interim Condensed Financial Information has been approved by the Piraeus Bank S.A. Board of Directors on July 31st, 2008 and it is available on the web site of Piraeus Bank at www.piraeusbank.gr

This financial information has been translated from the original interim financial information that has been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial information, the Greek language financial information will prevail over this document.

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CONSOLIDATED INTERIM INCOME STATEMENT

	Note	Period from 1 January to		Period from 1 April to	
		30 June 2008	30 June 2007	30 June 2008	30 June 2007
Interest and similar income		1,726,947	1,188,295	903,490	634,397
Interest expense and similar charges		(1,170,990)	(776,804)	(613,928)	(415,930)
NET INTEREST INCOME		555,956	411,491	289,561	218,467
Fee and commission income		148,744	123,008	77,209	62,570
Fee and commission expense		(21,451)	(15,647)	(11,400)	(7,314)
NET FEE AND COMMISSION INCOME		127,293	107,361	65,809	55,256
Dividend income		16,254	7,914	14,677	7,556
Net trading income		34,689	5,442	21,797	4,002
Net income from financial instruments designated at fair value through profit or loss		(12,282)	11,051	(14,079)	(4,215)
Gains/ (Losses) from investment securities	6	17,548	167,472	7,714	9,779
Other operating income		104,561	98,393	47,808	59,789
TOTAL NET INCOME		844,019	809,124	433,287	350,634
Staff costs		(208,706)	(171,673)	(105,800)	(89,738)
Administrative expenses		(163,344)	(132,327)	(91,754)	(74,218)
Depreciation and amortisation		(42,764)	(29,533)	(22,252)	(14,177)
Gains/ (Losses) from sale of assets		2,809	2,165	208	1,944
Impairment losses on loans and receivables	10	(82,217)	(52,023)	(41,123)	(26,530)
Other provisions		(555)	(472)	(34)	(331)
TOTAL OPERATING EXPENSES		(494,778)	(383,863)	(260,756)	(203,050)
Share of profit of associates		3,751	2,646	2,967	2,706
PROFIT BEFORE INCOME TAX		352,992	427,907	175,498	150,290
Income tax expense	7	(60,019)	(44,690)	(24,915)	(19,391)
PROFIT FOR THE PERIOD		292,973	383,217	150,583	130,899
Profit for the period attributable to the equity holders of Piraeus Bank		283,811	372,263	145,271	124,092
Minority Interest		9,162	10,954	5,313	6,807
Earnings per share to equity holders (in euros):					
- Basic	8	0.8711	1.3419	0.4473	0.4499
- Diluted	8	0.8689	1.3323	0.4462	0.4466

CONSOLIDATED INTERIM BALANCE SHEET

	Note	30 June 2008	31 December 2007
ASSETS			
Cash and balances with central banks		2,882,904	3,400,169
Treasury bills and other eligible bills		126,021	214,819
Loans and advances to credit institutions		1,860,681	2,611,891
Derivative financial instruments - assets	9	217,922	83,216
Trading securities		5,728,679	4,506,731
Financial instruments at fair value through profit or loss		648,528	508,137
Loans and advances to customers (net of provisions)	10	35,785,714	30,288,785
Investment securities			
-Available for sale securities	11	728,822	1,383,628
-Held to maturity		101,299	110,356
Investments in associated undertakings	12	121,596	116,946
Intangible fixed assets		296,968	264,635
Property, plant and equipment		930,164	863,430
Investment property		721,722	692,799
Assets held for sale		4,728	4,696
Deferred tax assets		148,055	144,397
Inventories - property		180,069	182,743
Other assets		1,045,850	1,049,963
TOTAL ASSETS		51,529,724	46,427,340
LIABILITIES			
Due to credit institutions		9,851,905	10,705,784
Derivative financial instruments - liabilities	9	169,792	87,038
Due to customers	13	27,097,209	22,067,315
Debt securities in issue	14	8,749,411	7,788,572
Other borrowed funds	15	785,053	795,831
Hybrid capital	15	180,619	193,406
Retirement benefit obligations		191,977	169,604
Other provisions		14,294	3,750
Current income tax liabilities		69,751	97,851
Deferred tax liabilities		126,986	134,354
Other liabilities		961,303	1,074,256
TOTAL LIABILITIES		48,198,299	43,117,761
EQUITY			
Share capital	17	1,571,923	1,617,977
Share premium	17	927,775	1,099,903
Less: Treasury shares	17	(89,618)	(250,863)
Other reserves	18	(19,055)	53,939
Retained earnings	18	714,655	561,058
Capital and reserves attributable to Piraeus Bank equity holders		3,105,680	3,082,015
Minority Interest		225,746	227,565
TOTAL EQUITY		3,331,425	3,309,579
TOTAL LIABILITIES AND EQUITY		51,529,724	46,427,340

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

Note	Attributable to equity holders						TOTAL
	Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings	Minority interests	
Opening balance as at 1 January 2007	1,288,830	88,146	(97,302)	163,650	172,877	216,219	1,832,420
Purchases of treasury shares			(164,309)				(164,309)
Sales of treasury shares			24,417		2,973		27,390
Available for sale reserve				(98,943)			(98,943)
Profit after tax for the first semester of 2007					372,263	10,954	383,217
Dividend relating to the previous year					(86,462)	(2,316)	(88,778)
Transfers between other reserves and retained earnings				2,099	(2,099)		0
Reserve for stock option plan				3,396			3,396
Acquisitions, disposals and movement in subsidiaries holding				(180)	(2,815)	(10,984)	(13,979)
Currency translation differences and other adjustments				8,861	(3,646)	(1,834)	3,381
Balance as at 30 June 2007	1,288,830	88,146	(237,194)	78,883	453,091	212,039	1,883,795

Note	Attributable to equity holders						TOTAL
	Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings	Minority interests	
Opening balance as at 1 July 2007	1,288,830	88,146	(237,194)	78,883	453,091	212,039	1,883,795
Issue of share capital by cash contribution	322,208	994,481					1,316,689
Issue of share capital due to the exercise of share options	6,939	17,276		(4,571)			19,644
Purchases of treasury shares			(24,330)				(24,330)
Sales of treasury shares and share options			10,662				10,662
Available for sale reserve				4,292			4,292
Profit after tax for the second semester of 2007					249,878	18,364	268,242
Dividend relating to the previous year						(5,327)	(5,327)
Interim dividend for year 2007					(117,598)		(117,598)
Transfer between other reserves and retained earnings				23,002	(23,002)		0
Reserve for stock option plan				3,395			3,395
Acquisitions, disposals and movement in subsidiaries holding				(172)	4,463	(1,646)	2,645
Currency translation differences and other adjustments				(50,890)	(5,774)	4,134	(52,530)
Balance as at 31 December 2007	1,617,977	1,099,903	(250,862)	53,939	561,058	227,564	3,309,579

Note	Attributable to equity holders						TOTAL
	Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings	Minority interests	
Opening balance as at 1 January 2008	1,617,977	1,099,903	(250,862)	53,939	561,058	227,564	3,309,579
Cancellation of treasury shares	(49,644)	(184,526)	234,170				0
Share capital increase due to reinvestment of dividends	3,589	12,398					15,987
Purchases of treasury shares			(72,925)				(72,925)
Available for sale reserve				(66,799)			(66,799)
Profit after tax for the first semester of 2008					283,811	9,162	292,973
Prior year dividends					(118,122)	(6,522)	(124,644)
Transfer between other reserves and retained earnings				4,825	(4,825)		0
Reserve for stock option plans				1,661			1,661
Acquisitions, disposals and movement in subsidiaries holding				(2,866)	(4,812)	(1,535)	(9,213)
Currency translation differences and other adjustments				(9,815)	(2,455)	(2,923)	(15,193)
Balance as at 30 June 2008	1,571,923	927,775	(89,618)	(19,055)	714,655	225,746	3,331,425

CONSOLIDATED INTERIM CASH FLOW STATEMENT

	Note	From January 1st to	
		30 June 2008	30 June 2007
<i>Cash flows from operating activities</i>			
Profit before tax		352,992	427,907
<i>Adjustments to profit before tax</i>			
Add: impairment for loans and advances and other provisions	10	82,773	52,495
Add: depreciation and amortisation		42,764	29,533
Add: retirement benefits		18,665	16,677
(Gains)/ losses from valuation of trading securities and financial instruments at fair value through profit or loss		4,616	(3,043)
(Gains)/ losses from investing activities		(73,717)	(242,333)
		428,093	281,236
<i>Cash flows from operating profits before changes in operating assets and liabilities</i>			
<i>Changes in operating assets and liabilities:</i>			
Net (increase)/ decrease in cash and balances with Central Bank		(321,750)	(90,278)
Net (increase)/ decrease in treasury bills and other eligible bills		74,473	(119,539)
Net (increase)/ decrease in trading securities and financial instruments at fair value through profit or loss		933,255	(1,543,883)
Net (increase)/ decrease in loans and advances to credit institutions		541,016	(524,254)
Net (increase)/ decrease in loans and advances to customers		(5,471,449)	(4,778,484)
Net (increase)/ decrease in other assets		14,996	(296,133)
Net increase/ (decrease) in due to Banks		(916,219)	1,511,872
Net increase/ (decrease) in amounts due to customers		4,759,291	2,989,463
Net increase/ (decrease) in other liabilities		(104,085)	351,540
		(62,379)	(2,218,460)
<i>Net cash flow from operating activities before income tax payment</i>			
Income tax paid		(41,979)	(12,201)
Net cash inflow/ (outflow) from operating activities		(104,358)	(2,230,661)
<i>Cash flows from investing activities</i>			
Purchases of property, plant and equipment		(148,804)	(68,580)
Sales of property, plant and equipment		35,725	64,112
Purchases of intangible assets		(16,795)	(7,133)
Purchases of available for sale securities		(89,658)	(105,243)
Disposals of available for sale securities		635,513	815,797
Purchase of held to maturity securities		(16,382)	(27,822)
Maturity of held to maturity securities		23,669	23,637
Acquisition of subsidiaries (net of cash & cash equivalents acquired)	20	160,970	(13,741)
Disposals of subsidiaries (net of cash & cash equivalents disposed)	20	34	1,939
Acquisition of associates	20	(3,650)	(18,844)
Disposal of associates	20	120	4,855
Dividends receipts		12,345	6,894
Net cash inflow/ (outflow) from investing activities		593,087	675,871
<i>Cash flows from financing activities</i>			
Net proceeds from issue/ (repayment) of debt securities and other borrowed funds		937,274	1,425,287
Net proceeds from issue of share capital due to reinvestment of dividends	17	15,987	-
Prior year dividends		(122,385)	(90,258)
Purchases of treasury shares	17	(72,925)	(164,309)
Sales of treasury shares	17	-	27,390
Other cashflows from financing activities		4,168	(19,218)
Net cash inflow/ (outflow) from financing activities		762,119	1,178,892
Foreign exchange differences on cash and cash equivalents		5,552	3,562
Net increase/ (decrease) in cash and cash equivalents of the period		1,256,400	(372,336)
Cash and cash equivalents at the beginning of the period		5,062,568	4,381,289
Cash and cash equivalents at the end of the period		6,318,968	4,008,953

The notes on pages 6 to 17 are an integral part of these consolidated interim condensed financial information.

1 General Information about the Group

Piraeus Bank S.A. is a banking institution operating in accordance with the provisions of Law 2190/1920 on sociétés anonymes, Law 3601/2007 on credit institutions, and other relevant laws. According to article 2 of its Statute, the object of the company is to execute, on its behalf or on behalf of third parties, any and every operation acknowledged or delegated by law to banks.

Piraeus Bank (parent company) is incorporated and domiciled in Greece. The address of its registered office is 4 Amerikis st., Athens. Piraeus Bank and its subsidiaries (together "the Group") provide services in the Southeast Europe, Egypt, the U.S., as well as Western Europe. The Group employs 13,752 people.

Apart from the ATHEX Composite Index, the Piraeus Bank share is included in a series of other indices, such as FTSE/ATHEX- 20, MSCI Greece, MSCI EAFE, DJ Euro Stoxx, DJ Euro Stoxx Banks and FTSE4Good Index.

2 General accounting policies of the Group

The same accounting policies and methods of computation as those in the annual consolidated financial statements for the year ended 31 December 2007 have been followed.

The amounts of the consolidated interim condensed financial information attached are expressed in thousand euros (unless otherwise stated).

3 Basis of presentation of the consolidated interim condensed financial information

The consolidated interim condensed financial information has been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and it should be read along with the Group's annual consolidated financial statements for the year ended 31 December 2007.

4 Critical accounting estimates and judgements

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Impairment losses on loans and advances

The Group examines, at every reporting period, whether trigger for impairment exists for its loans or loans portfolios. If such triggers exist, the recoverable amount of the loan portfolio is calculated and the relevant provision for this impairment is raised. The provision is recorded in the profit or loss statement. The estimates, methodology and assumptions used are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

2. Fair value of financial instruments

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. All models use observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Assumptions that affect the reported fair values of financial instruments are examined regularly.

3. Impairment of available for sale investments

The available for sale portfolio is recorded at fair value and any changes in fair value are recorded in the available for sale reserve. Available for sale investments are impaired when there is significant or prolonged decline (judgement is required) in the fair value below cost. When this occurs, the relevant portion of the available for sale reserve is recycled to the income statement of the period. Judgement is also required for the estimation of the fair value of investments that are not traded in a market. For these investments, the fair value computation through financial models takes also into account evidence of deterioration in the financial health of the investee, industry and sector performance and changes in technology.

4. Securitisations and special purpose entities

The Group sponsors the formation of special purpose financing entities (SPEs) for various purposes including asset securitisation. The Group does not consolidate SPEs that it does not control. As it can sometimes be difficult to determine whether the Group does control an SPE, it makes judgements about its exposure to the risks and rewards, as well as about its ability to make operational decisions for the SPE in question. In many instances, elements are present that, considered in isolation, indicate control or lack of control over an SPE, but when considered together make it difficult to reach a clear conclusion. In such cases, the SPE is consolidated.

5. Held to maturity investments

The Group follows the guidance of IAS 39 on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held to maturity. This classification requires significant judgement. In making this judgement, the Group evaluates its intention and ability to hold such investments to maturity. If the Group fails to keep these investments to maturity other than for the specific circumstances - for example, selling an insignificant amount close to maturity - it will be required to reclassify the entire class as available for sale. The investments would therefore be remeasured at fair value.

6. Income taxes

The Group is subject to income taxes in the countries in which operates. This requires estimates in determining the provision for income taxes and therefore the final income tax determination is uncertain during the fiscal year. Where the final income tax expense is different from the amounts that were initially recorded, differences will impact the income tax and deferred tax provisions in the period in which the tax computation is finalised.

5 Business segments

Piraeus Bank Group has defined the following business segments:

Retail Banking - This segment includes the retail banking facilities of the Bank and its subsidiaries, which are addressed to retail customers as well as to small - medium companies (deposits, loans, working capital, imports – exports, letters of guarantees, etc.)

Corporate Banking - This segment includes facilities related to retail banking, provided by the Bank and its subsidiaries, addressed to large and maritime companies, which due to their specific needs are serviced centrally (deposits, loans, syndicated loans, project financing, working capital, imports-exports, letters of guarantees, etc.).

Investment Banking - This segment includes activities related to investment banking facilities of the Bank and its subsidiaries (investment advisory and stock exchange services, underwriting services and public listings, etc.).

Asset Management and Treasury – This segment includes asset management facilities for clients of the Group and for behalf of the Group (wealth management facilities, mutual funds management, treasury).

Other – Includes other facilities of the Bank and its subsidiaries that are not included in the above segments (Bank's administration, real estate activities, IT activities etc.).

An analysis of income and other financial figures per business segment of the Group is presented below:

<u>At 30 June 2008</u>	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Eliminations	Group
Revenues	991,971	341,853	27,966	558,256	116,414	-	2,036,460
Revenues from other business segments	146,093	15,003	712	818	248,676	(411,302)	0
Total revenues	1,138,064	356,856	28,678	559,074	365,090	(411,302)	2,036,460
Net revenues	724,786	147,611	22,255	58,952	(109,585)	-	844,019
Net revenues from other business segments	(150,634)	(19,279)	(4,067)	(2,079)	206,769	(30,710)	0
Total net revenues	574,152	128,332	18,188	56,873	97,184	(30,710)	844,019
Segment results	213,712	68,883	14,739	38,493	13,414	-	349,241
Share of profit of associates							3,751
Profit before tax							352,992
Income tax expense							(60,019)
Profit after tax							292,973
Other segment items							
Capital expenditure	105,406	19,167	269	163	40,594	-	165,599
Depreciation and amortisation	20,834	3,158	323	316	18,133	-	42,764
Impairment charge - loans	59,782	17,364	53	-	5,018	-	82,217
<u>At 30 June 2007</u>	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Eliminations	Group
Revenues	619,070	204,960	46,995	466,160	264,390	-	1,601,575
Revenues from other business segments	94,304	10,386	711	62	164,393	(269,856)	0
Total revenues	713,374	215,346	47,706	466,222	428,783	(269,856)	1,601,575
Net revenues	531,390	93,462	38,452	46,408	99,412	-	809,124
Net revenues from other business segments	(81,744)	(17,772)	(5,957)	(7,359)	139,130	(26,298)	0
Total net revenues	449,646	75,690	32,495	39,049	238,542	(26,298)	809,124
Segment Results	163,883	24,982	31,014	28,742	176,640	-	425,261
Share of profit of associates							2,646
Profit before tax							427,907
Income tax expense							(44,690)
Profit after tax							383,217
Other segment items							
Capital expenditure	29,742	14,769	171	372	30,659	-	75,713
Depreciation and amortisation	15,434	2,961	588	357	10,193	-	29,533
Impairment charge - loans	36,068	11,863	-	-	4,092	-	52,023

<u>At 30 June 2008</u>	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Eliminations	Group
Segment assets	25,861,704	11,008,102	175,814	11,575,551	2,908,553	-	51,529,724
Segment liabilities	17,393,478	3,623,944	103,049	19,109,443	7,968,385	-	48,198,299

<u>At 31 December 2007</u>	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Eliminations	Group
Segment assets	22,334,173	9,263,542	130,416	11,332,738	3,366,471	-	46,427,340
Segment liabilities	13,372,301	1,110,708	124,121	19,237,790	9,272,841	-	43,117,761

Other business segments results for the first semester of 2007 include amount of € 159.3 million which relates to the sale of the Bank's participation in Bank of Cyprus.

Capital expenditure includes additions of intangible and tangible assets that took place in the period by each business segment.

Revenues and net revenues from other business segments include revenues and net revenues derived from transactions between business segments.

6 Gains less losses from investment securities

During the first semester of 2008, gains less losses from investment securities amount to € 17.5 million (30/6/2007: € 167.5 million). It should be noted that during the period 1/1 - 30/6/2007 gains less losses from investment securities include amount of € 159.3 million which derives from the sale of Piraeus Bank's participation in Bank of Cyprus (percentage 8.08%).

7 Income tax expense

	1st Semester 2008	1st Semester 2007
Current Tax	(45,768)	(29,957)
Deferred tax	(14,251)	(14,733)
	(60,019)	(44,690)

The tax rate for Greek legal entities, in accordance with the provisions in force of article 109, par. 1 of Law 2238/1994, is 25% for the years 2007 and 2008.

During the first semester of 2008 tax authorities have completed the audit of Piraeus Bank's tax position for the years 2004 - 2006. As a result, the tax years remaining unaudited are 2007 and the current year. The unaudited tax years of the subsidiaries and associates are included in note 12. For the unaudited tax years, a provision has been raised according to International Financial Reporting Standards (IFRS).

For the subsidiaries operating abroad, the tax has been calculated according to the respective nominal tax rates that was imposed in the fiscal years of 2007 and 2008 (Bulgaria: 10%, Romania: 16%, U.S.A.: 35%, Serbia: 10%, Ukraine: 25% and Egypt: 20%). The nominal tax rate in Albania has decreased from 20% in 2007 to 10% in 2008.

8 Earnings per share

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

For the calculation of the diluted earnings per share, all the dilutive potential ordinary shares are taken into consideration. The two share option schemes (note 17) are the only cases of dilutive potential ordinary shares for the Group. Specifically, the weighted average number of ordinary shares used for the calculation of the basic earnings per share is increased by the number of shares that arises from the comparison of a) the number of shares that would have been issued at fair value for the total consideration received from the exercise of the share options and b) the number of shares issued due to the exercise of the share options.

Basic earnings per share	1/1 - 30/6/2008	1/1 - 30/6/2007	1/4 - 30/6/2008	1/4 - 30/6/2007
Net profit attributable to shareholders	283,811	372,263	145,271	124,092
Weighted average number of shares in issue	325,793,627	277,409,234	324,787,580	275,815,738
Basic earnings per share (in euro)	0.8711	1.3419	0.4473	0.4499

Diluted earnings per share	1/1 - 30/6/2008	1/1 - 30/6/2007	1/4 - 30/6/2008	1/4 - 30/6/2007
Net profit attributable to shareholders	283,811	372,263	145,271	124,092
Weighted average number of shares in issue	325,793,627	277,409,234	324,787,580	275,815,738
Adjustment for share options	847,204	2,004,327	808,790	2,066,618
Weighted average number of shares in issue for the diluted earnings per share calculation	326,640,831	279,413,561	325,596,370	277,882,356
Diluted earnings per share (in euro)	0.8689	1.3323	0.4462	0.4466

According to the requirements of IAS 33, the weighted average number of shares has been adjusted with a) a factor of 1.0552 for the comparative period of 2007 in order to adjust earnings per share (basic and diluted) for the discount price of the rights issue share capital increase that took place in September 2007 and b) a factor of 1.00014 for the comparative period of 2007 in order to adjust earnings per share (basic and diluted) for the reinvestment of dividend that took place during the first semester of 2008.

9 Derivative financial instruments

The Group gradually expands the use of the derivative financial instruments, towards the management of interest rate risk.

10 Loans and advances to customers

	30 June 2008	31 December 2007
Loans to individuals		
Mortgages	6,358,787	5,743,069
Consumer/ personal and other loans	4,321,720	3,717,054
Credit cards	693,646	618,665
	11,374,153	10,078,788
Loans to corporate entities	24,912,359	20,626,020
Total loans and advances to customers	36,286,512	30,704,809
Less: Allowance for losses (impairment) on loans and advances to customers	(500,798)	(416,024)
Total loans and advances to customers (less allowances for losses)	35,785,714	30,288,785
Current loans and advances to customers	14,268,968	12,904,404
Non current loans and advances to customers	21,516,746	17,384,381
	35,785,714	30,288,785

Movement in allowance (impairment) for losses on loans and advances:

a) Loans to individuals

	Mortgages	Consumer/ personal and other loans	Credit cards	Total
Balance at 1 January 2007	9,880	102,663	16,295	128,838
Charge for the period	1,907	22,398	7,044	31,349
Loans written-off	-	(24,310)	(407)	(24,717)
Foreign exchange differences	-	(59)	9	(50)
Balance at end of period 30/6/2007	11,787	100,692	22,941	135,420
Balance at 1 July 2007	11,787	100,692	22,941	135,420
Opening balance of new subsidiaries	-	34	-	34
Charge for the period	3,335	25,620	7,077	36,032
Loans written-off	-	(3,173)	-	(3,173)
Foreign exchange differences	397	(2,092)	108	(1,587)
Balance at end of year 31/12/2007	15,519	121,081	30,126	166,726
Balance at 1 January 2008	15,519	121,081	30,126	166,726
Opening balance of new subsidiaries	-	1,574	180	1,754
Charge for the period	5,066	31,561	7,712	44,339
Loans written-off	(4)	(2,842)	(5)	(2,851)
Foreign exchange differences	(29)	(65)	(36)	(130)
Balance at end of period 30/6/2008	20,552	151,309	37,977	209,838

b) Loans to corporate entities

Balance at 1 January 2007	248,994
Charge for the period	15,200
Loans written-off	(35,492)
Foreign exchange differences	(477)
Balance at end of period 30/6/2007	228,225
Balance at 1 July 2007	228,225
Opening balance of new subsidiaries	1,327
Charge for the period	25,610
Loans written-off	(6,962)
Foreign exchange differences	1,098
Balance at end of year 31/12/2007	249,298
Balance at 1 January 2008	249,298
Opening balance of new subsidiaries	10,397
Charge for the period	34,540
Loans written-off	(2,482)
Foreign exchange differences	(793)
Balance at end of period 30/6/2008	290,960

The charge for the first semester of 2008 (€ 82,217 thousand) in the income statement includes amount of € 3,338 thousand which relates to impairment of other receivables. The charge for the first semester of 2007 (€ 52,023 thousand) in the income statement includes amount of € 3,093 thousand which relates to the charge for the period for impairment on other receivables, loans written off directly to profit or loss (€ 2,461 thousand) and amount of € 80 thousand which relates to reversal of provisions of other assets.

11 Investment securities

Available for sale securities decreased from € 1,383.6 million as at 31/12/2007 to € 728.8 million as at 30/6/2008, mainly due to the sale of Eurozone's government bonds.

12 Investments in subsidiaries and associate companies

The investments of Piraeus Bank in subsidiaries and associates are:

A) Subsidiaries companies (full consolidation method)

a/a	Name of Company	Activity	% holding	Country	Unaudited tax years
1.	Marathon Banking Corporation	Banking Activities	87.91%	U.S.A	2007
2.	Tirana Bank I.B.C.	Banking Activities	90.72%	Albania	2007
3.	Piraeus Bank Romania S.A.	Banking Activities	100.00%	Romania	2007
4.	Piraeus Bank Beograd A.D.	Banking Activities	100.00%	Serbia	2006-2007
5.	Piraeus Bank Bulgaria A.D.	Banking Activities	99.98%	Bulgaria	2004-2007
6.	Piraeus Bank Egypt S.A.E.	Banking Activities	95.36%	Egypt	1999-2007
7.	OJSC Piraeus Bank ICB	Banking Activities	99.95%	Ukraine	-
8.	Piraeus Bank Cyprus LTD	Banking Activities	100.00%	Cyprus	2006-2007
9.	Piraeus Asset Management Europe S.A.	Mutual Funds Management	100.00%	Luxemburg	-
10.	Piraeus Leasing S.A.	Finance Leasing	87.61%	Greece	2006-2007
11.	Piraeus Leasing Romania S.R.L.	Finance Leasing	100.00%	Romania	2003-2007
12.	Piraeus Insurance and Reinsurance Brokerage S.A.	Insurance and Reinsurance Brokerage	100.00%	Greece	2006-2007
13.	Tirana Leasing S.A.	Finance Leasing	100.00%	Albania	2005-2007
14.	Piraeus Securities S.A.	Stock Exchange Operations	100.00%	Greece	2006-2007
15.	Piraeus Group Capital LTD	Debt Securities Issue	100.00%	United Kingdom	-
16.	Piraeus Leasing Bulgaria EAD.	Finance Leasing	100.00%	Bulgaria	-
17.	Piraeus Auto Leasing Bulgaria EAD.	Auto Leasing	100.00%	Bulgaria	-
18.	Piraeus Group Finance P.L.C.	Debt Securities Issue	100.00%	United Kingdom	2005-2007
19.	Multicollection S.A.	Assessment and collection of commercial debts	51.00%	Greece	2005-2007
20.	Piraeus Factoring S.A.	Corporate factoring	100.00%	Greece	2005-2007
21.	Piraeus Multifin S.A.	Motor vehicles trading	100.00%	Greece	2007
22.	ETBA Finance S.A.	Special liquidations	100.00%	Greece	2003-2007
23.	Picar S.A.	City Link Areas Management	100.00%	Greece	2005-2007
24.	Piraeus Real Estate Investment Property S.A.	Real estate investment property	38.78%	Greece	2006-2007
25.	Bufina S.A.	Property Management	100.00%	Bulgaria	2003-2007
26.	Piraeus ATFS S.A.	Accounting and tax consulting	100.00%	Greece	2007
27.	General Construction and Development Co. S.A.	Property development/ holding company	66.67%	Greece	2005-2007
28.	Piraeus Best Leasing S.A.	Auto Leasing	42.13%	Greece	2003-2007
29.	Piraeus Direct Services S.A.	Call center services	100.00%	Greece	2007
30.	Exodus S.A.	Information technology & software	50.10%	Greece	2005-2007
31.	Komotini Real Estate Development S.A.	Property Management	100.00%	Greece	2006-2007
32.	Piraeus Real Estate S.A.	Construction company	100.00%	Greece	2005-2007
33.	ND Development S.A.	Property Management	100.00%	Greece	2002-2007
34.	Property Horizon S.A.	Property Management	100.00%	Greece	2003-2007
35.	ETBA Industrial Estates S.A.	Development/ Management of Industrial Areas	65.00%	Greece	2006-2007
36.	Piraeus Property S.A.	Property Management	100.00%	Greece	2006-2007
37.	Piraeus Development S.A.	Property Management	100.00%	Greece	2006-2007
38.	Piraeus Asset Management S.A.	Mutual Funds Management	100.00%	Greece	2005-2007
39.	Piraeus Buildings S.A.	Property Development	100.00%	Greece	2005-2007
40.	Piraeus Developer S.A.	Property Management	100.00%	Greece	2006-2007
41.	Estia Mortgage Finance PLC	SPE for securitization of mortgage loans	-	United Kingdom	-
42.	Euroinvestment & Finance Public LTD	Banking, Asset Management, real estate operations	90.79%	Cyprus	2002-2007
43.	Lakkos Mikelli Real Estate LTD	Property Management	50.65%	Cyprus	2005-2007
44.	Philoktimatiki Public LTD	Land and property development	53.26%	Cyprus	2005-2007
45.	Philoktimatiki Ergoliptiki LTD	Construction company	53.26%	Cyprus	2005-2007
46.	AGR Investments S.A.	Securitized Receivable Investments	100.00%	Greece	2005-2007
47.	New Evolution S.A.	Property, Tourism & Development Company	100.00%	Greece	2005-2007
48.	Imperial Stockbrokers Limited	Stock Exchange Operations	90.79%	Cyprus	2002-2007
49.	Imperial Eurobrokers Limited	Stock Exchange Operations	90.79%	Cyprus	2002-2007
50.	EMF Investors Limited	Investment company	90.79%	Cyprus	2002-2007
51.	Euroinvestment Mutual Funds Limited	Mutual Funds Management	90.79%	Cyprus	2002-2007
52.	Bull Fund Limited	Investment company	90.79%	Cyprus	2002-2007
53.	Good Works Energy Photovoltaics S.A.	Construction & Operation PV Solar Projects	33.15%	Greece	2005-2007
54.	Piraeus Green Investments S.A.	Holding company	100.00%	Greece	2005-2007
55.	New Up Dating Development Real Estate and Tourism S.A.	Property, Tourism & Development Company	100.00%	Greece	2005-2007
56.	Sunholdings Properties Company LTD	Land and property development	26.63%	Cyprus	2005-2007

Piraeus Bank Group - 30 June 2008
Amounts in thousand euros (Unless otherwise stated)

a/a	Name of Company	Activity	% holding	Country	Unaudited tax years
57.	Piraeus Cards S.A.	Financial services and consultancy	100.00%	Greece	2005-2007
58.	Polytropon Properties Limited	Land and property development	39.95%	Cyprus	2006-2007
59.	Shinefocus Limited	Land and property development	39.95%	Cyprus	1999-2007
60.	Capital Investments & Finance S.A.	Investment company	100.00%	Liberia	-
61.	Maples Invest & Holding S.A.	Investment company	100.00%	British Virgin Islands	-
62.	Margetson Invest & Finance S.A.	Investment company	100.00%	British Virgin Islands	-
63.	Vitria Investments S.A.	Investment company	100.00%	Panama	-
64.	Piraeus Insurance Brokerage EOOD	Insurance Brokerage	99.98%	Bulgaria	2007
65.	SSIF Piraeus Securities Romania S.A.	Stock Exchange Operations	99.33%	Romania	2007
66.	Trieris Real Estate Management LTD	Management of Trieris Real Estate Ltd	100.00%	British Virgin Islands	-
67.	Piraeus Egypt Asset Management S.A.E.	Property Administration	85.71%	Egypt	2003-2007
68.	Piraeus Egypt Leasing Co.	Finance Leasing	95.30%	Egypt	2007
69.	Piraeus Egypt Brokerage Co.	Stock Exchange Operations	94.98%	Egypt	2007
70.	Piraeus Insurance Reinsurance Broker Romania S.R.L.	Insurance and Reinsurance Brokerage	100.00%	Romania	2007
71.	Piraeus Real Estate Consultants S.R.L.	Construction company	100.00%	Romania	2007
72.	Piraeus Leases S.A.	Finance Leasing	87.61%	Greece	2000-2007
73.	Iapetos Energy Photovoltaics S.A.	PV Solar projects development	33.16%	Greece	-
74.	Phoebe Energy Photovoltaics S.A.	PV Solar projects development	33.16%	Greece	-
75.	Orion Energy Photovoltaics S.A.	PV Solar projects development	33.16%	Greece	-
76.	Astraios Energy Photovoltaics S.A.	PV Solar projects development	33.16%	Greece	-
77.	Multicollection Romania S.R.L.	Assessment and collection of commercial debts	51.00%	Romania	-
78.	Olympic Commercial & Tourist Enterprises S.A.	Operating Leasing	94.00%	Greece	2006-2007
79.	Piraeus Rent Doo Beograd	Operating Leasing	100.00%	Serbia	-
80.	Estia Mortgage Finance II PLC	SPE for securitization of mortgage loans	-	United Kingdom	-
81.	Piraeus Leasing Doo Beograd	Financial Leasing	100.00%	Serbia	-
82.	Piraeus Real Estate Consultants Doo	Construction company	100.00%	Serbia	-
83.	Piraeus Real Estate Bulgaria EOOD	Construction company	100.00%	Bulgaria	-
84.	Piraeus Real Estate Egypt LLC	Construction company	99.80%	Egypt	-
85.	Piraeus Bank Egypt Investment Company	Investment company	95.17%	Egypt	-
86.	Piraeus Best Leasing Bulgaria EAD	Auto Leasing	99.98%	Bulgaria	2007
87.	Piraeus Insurance Agency S.A.	Insurance Agency	100.00%	Greece	-
88.	KL Real Estate S.A.	Real Estate Company	100.00%	Greece	-
89.	Estia Mortgage Finance III PLC	SPE for securitization of mortgage loans	-	Ηνωμένο Βασίλειο	-

B) Associate companies (equity accounting method)

a/a	Name of Company	Activity	% holding	Country	Unaudited tax years
1.	Crete Scient. &Tech. Park Manag. & Dev. Co. S.A.	Scientific and technology park management	30.45%	Greece	2000-2007
2.	"Evros" Development Company S.A.	European community programs management	30.00%	Greece	2000-2007
3.	Stalko S.A.	Electrical equipment production	25.00%	Greece	2003-2007
4.	Delphi Advanced Research Technologies LTD	Information technology services	22.70%	Cyprus	2006-2007
5.	Project on Line S.A.	Information technology & software	40.00%	Greece	2004-2007
6.	Alexandria for Development and Investment	Investment company	20.98%	Egypt	2004-2007
7.	Nile Shoes Company	Footwear Seller- Manufacturer	37.51%	Egypt	2003-2007
8.	Piraeus Insurance Consultant	Insurance Brokerage	38.15%	Egypt	2003-2007
9.	Integrated Storage System Co.	Warehouse & Mail Distribution Management	38.15%	Egypt	2004-2007
10.	APE Commercial Property Real Estate Tourist & Develop.S.A.	Real estate, development/ tourist services	27.80%	Greece	2005-2007
11.	APE Fixed Assets Real Estate Tourist & Development S.A.	Real estate, development/ tourist services	27.80%	Greece	2005-2007
12.	Borg El Arab Company	Manufacturing vegetable oils & animal foods	26.20%	Egypt	-
13.	Trieris Real Estate LTD	Property Management	22.80%	British Virgin Islands	-
14.	European Reliance Gen. Insurance Co. S.A.	General and life insurance and reinsurance	30.23%	Greece	2001-2007
15.	Hellenic Steel Company S.A.	Manufacturing and trading of steel products	30.83%	Greece	2001-2007
16.	APE Investment Property S.A.	Real estate, development/ tourist services	27.20%	Greece	-
17.	Sciens International Investments & Holding S.A.	Holding Company	29.80%	Greece	2005-2007
18.	Ekathariseis Aktoploias S.A.	Ticket Settlements	49.00%	Greece	-

13 Due to customers

	30 June 2008	31 December 2007
Current and sight deposits	5,786,148	5,007,055
Savings account	3,579,701	3,572,553
Term deposits	16,591,545	12,353,526
Other accounts	281,687	264,141
Repurchase agreements	858,128	870,040
	27,097,209	22,067,315
Current due to customers	26,529,182	21,225,542
Non current due to customers	568,027	841,773
	27,097,209	22,067,315

14 Debt securities in issue

	Currency	Average interest rate (%)		30 June 2008	31 December 2007
		1st Semester 2008	2007		
ETBA bonds	EUR	4.43%	3.30%	2,203,686	793,972
Euro Commercial Paper (Short term securities)	EUR	4.71%	4.20%	2,340,464	2,559,822
	USD	4.06%	5.40%	178,437	206,206
	GBP	-	5.75%	-	50,257
	CHF	3.18%	2.64%	12,282	20,788
	JPY	1.17%	1.00%	141,029	68,418
				2,672,212	2,905,491
Other debt securities	BGN	7.17%	5.33%	19,052	19,107
Euro Medium Term Note (Medium/ long term securities)			Interest rate (%)	30 June 2008	31 December 2007
€ 32.5 m. floating rate notes due 2010			Variable	705	738
€ 21.65 m. floating rate notes due 2010			Variable	1,350	1,350
€ 500 m. floating rate notes due 2010			Euribor + 0.30%	471,734	489,288
€ 2.15 m. floating rate notes due 2008			Variable	-	2,150
€ 3.43 m. floating rate notes due 2009			Variable	390	3,025
USD 15 m. floating rate notes due 2009			Libor + 0.10%	7,258	8,476
USD 20 m. floating rate notes due 2009			Libor + 0.20%	6,484	9,659
USD 15 m. floating rate notes due 2008			Libor + 0.05%	-	8,944
€ 500 m. floating rate notes due 2009			Euribor + 0.20%	496,307	492,361
€ 25 m. floating rate notes due 2008			Euribor + 0.15%	-	24,999
€ 60 m. floating rate notes due 2015			Variable	60,000	60,000
€ 20 m. floating rate notes due 2008			Euribor + 0.10%	-	12,907
€ 10 m. floating rate notes due 2013			Euribor + 0.30%	9,990	9,990
€ 500 m. floating rate notes due 2011			Euribor + 0.25%	451,795	455,257
€ 20 m. floating rate notes due 2008			Euribor + 0.05%	-	11,036
€ 5.05 m. floating rate notes due 2011			Variable	5,050	5,050
€ 50 m. floating rate notes due 2010			Euribor + 0.225%	50,000	50,000
€ 750 m. floating rate notes due 2010			Euribor + 0.20%	711,150	711,605
€ 53 m. floating rate notes due 2008			Euribor + 0.08%	-	53,000
€ 60 m. floating rate notes due 2008			Euribor + 0.05%	-	59,983
€ 20 m. floating rate notes due 2012			Euribor + 0.20%	19,970	19,966
€ 30 m. floating rate notes due 2008			Euribor + 0.05%	29,999	29,988
€ 20 m. floating rate notes due 2008			Euribor + 0.05%	-	19,989
€ 20 m. floating rate notes due 2008			Euribor + 0.05%	-	19,990
€ 20 m. floating rate notes due 2008			Euribor + 0.05%	-	19,991
€ 10 m. fixed rate notes due 2009			Fixed	-	10,000
€ 10 m. fixed rate notes due 2009			Fixed	-	10,000
€ 45 m. fixed/ floating rate notes due 2009			Fixed/ Euribor + 0.25%	45,000	-
€ 45 m. fixed/ floating rate notes due 2009			Fixed/ Euribor + 0.25%	45,000	-
€ 40 m. fixed/ floating rate notes due 2009			Fixed/ Euribor + 0.28%	40,000	-
€ 10 m. fixed/ floating rate notes due 2010			Fixed/ Euribor + 0.35%	5,970	-
Accrued interest and other expenses				8,097	10,248
				2,466,248	2,609,990
Securitisation of mortgage loans					
€ 750 m. floating rate notes due 2040			Euribor + 0.18%	389,313	444,600
€ 1,250 m. floating rate notes due 2054			Euribor + 0.18%	998,900	1,015,412
€ 800 m. floating rate notes due 2055			Euribor + 0.45%	0	-
				1,388,213	1,460,012
Total debt securities in issue				8,749,411	7,788,572
				30 June 2008	31 December 2007
Current debt securities in issue				4,398,672	3,409,073
Non current debt securities in issue				4,350,739	4,379,499
				8,749,411	7,788,572

Issuance under Euro Commercial Paper and Euro Medium Term Note programs is undertaken through the Piraeus Group Finance PLC, a subsidiary of Piraeus Bank Group. Euro Commercial Paper (ECP) short term securities issuance during the first semester of 2008, averaged about in the amount of € 3 billion with no significant changes in average maturity and spreads. Euro Medium Term Note (EMTN) issuance activity during the first semester of 2008, included private placements.

Piraeus Bank undertook its first Residential Mortgage Backed Securitisation (RMBS) transaction called ESTIA I in 2005. ESTIA I had an outstanding value of € 750 million at issue and was undertaken through the UK-based special purpose vehicle Estia Mortgage Finance PLC. The bonds are callable by the issuer after 9 years and have an average cost of 3 month Euribor plus 18 basis points.

The second RMBS transaction called ESTIA II was completed through the UK-based special purpose vehicle Estia Mortgage Finance II PLC on July, 2007. The € 1.25 billion bonds are callable by the issuer after 7 years and have an average cost of 3 month Euribor plus 18 basis points.

The third RMBS transaction called ESTIA III was completed through the UK-based special purpose vehicle Estia Mortgage Finance III PLC on April, 2008. The € 800 million bonds are callable by the issuer after 7 years and have an average cost of 3 month Euribor plus 45 basis points. This issue as at 30/6/2008 has been retained by Piraeus Bank.

Other debt securities have been issued by Piraeus Bank Bulgaria on 19/7/2004 (€ 3.6 million, non callable, with a fixed rate 6.67% and 5 years duration) and on 7/3/2007 (€ 15.3 million, non callable, with nominal coupon 3 month Sofibor plus 0.7%, with 3 years duration).

15 Hybrid capital and other borrowed funds

	Interest rate (%)	30 June 2008	31 December 2007
Hybrid capital (Tier I)			
€ 200 m. floating rate notes	Euribor + 1.25%	178,712	191,632
Accrued interest and other expenses		1,907	1,774
		180,619	193,406
Subordinated loans (Tier II)			
€ 400 m. floating rate notes due 2014	Euribor + 0.60%	386,594	393,650
€ 400 m. floating rate notes due 2016	Euribor + 0.55%	391,023	395,784
Accrued interest and other expenses		4,171	2,895
		781,788	792,329
Other borrowed funds (USD)	6.60%	3,265	3,502
Total hybrid capital and other borrowed funds		965,672	989,237

Tier I hybrid capital has been issued by Piraeus Group Capital LTD in October 2004. These securities are callable by the issuer after 10 years and bear a nominal coupon of 3 month Euribor plus 125 basis points.

Lower Tier II subordinated debt has been issued by Piraeus Group Finance PLC via the EMTN program. Initially, on 29/9/2004, an amount of € 400 million was issued, with a 10 year maturity, which is callable by the issuer after 5 years and bears a 3 month Euribor nominal coupon increased by 60 basis points. Subsequently, on 20/7/2006, an amount of € 400 million was issued, with a 10 year maturity, which is callable after 5 years and bears a 3 month Euribor nominal coupon increased by 55 basis points.

Marathon Bank issued borrowed funds on 15/12/2006, with a duration of 30 years, callable or repriced every 5th anniversary and with a fixed coupon of 6.60%.

Accrued interest on hybrid capital and other borrowed funds is included in the respective amounts of hybrid capital and other borrowed funds. The Group does not have any defaults of principal, interest or redemption amounts of hybrid capital and other borrowed funds. The balance of hybrid capital and other borrowed funds on 30/6/2008 (€ 965.7 million) is non current.

16 Contingent liabilities and commitments

A) Legal procedures

The legal proceedings outstanding against the Group as at 30/6/2008, are not expected to have any significant impact on the financial statements of the Group, according to the opinion of the legal affairs division of the Bank and its subsidiaries.

B) Credit commitments

As at 30/6/2008 the Group had the following capital commitments:

	30 June 2008	31 December 2007
Letters of guarantee	3,071,389	2,595,065
Letters of credit	312,638	243,875
Commitments to extend credit	12,796,651	11,756,868
	16,180,678	14,595,808

C) Assets pledged

	30 June 2008	31 December 2007
Balances with central banks	253	-
Trading securities	1,151,942	3,073,425
Investment securities	42,484	85,071
	1,194,679	3,158,496

D) Operating lease commitments and receivables

The future minimum lease payments under non-cancellable operating leases are analysed as follows:

	30 June 2008	31 December 2007
Up to 1 year	41,951	37,150
From 1 to 5 years	169,481	150,901
More than 5 years	330,406	308,777
	541,838	496,828

17 Share capital

	Share Capital	Share Premium	Treasury Shares	Total
At 1 January 2007	1,288,830	88,146	(97,302)	1,279,674
Issue of shares	322,208	994,481	-	1,316,689
Issue of share capital from the exercise of share options under the 2nd & 3rd share option plans	6,939	17,276	-	24,215
Purchases of treasury shares	-	-	(188,639)	(188,639)
Sales of treasury shares	-	-	24,417	24,417
Sale of pre-emption rights from treasury shares	-	-	10,662	10,662
At 31 December 2007	1,617,977	1,099,903	(250,862)	2,467,018
At 1 January 2008	1,617,977	1,099,903	(250,862)	2,467,018
Cancellation of treasury shares	(49,644)	(184,526)	234,170	0
Share capital increase due to reinvestment of dividends	3,589	12,398	-	15,987
Purchases of treasury shares	-	-	(72,925)	(72,925)
At 30 June 2008	1,571,923	927,775	(89,618)	2,410,080

Changes to the number of Bank's shares are analysed in the table below:

	Number of shares		
	Issued shares	Treasury shares	Net number of shares
Opening balance at 1st January 2007	270,195,031	(4,758,247)	265,436,784
Issue of shares	67,548,758	-	67,548,758
Issue of shares due to the exercise of share options	1,454,798	-	1,454,798
Purchases of treasury shares	-	(7,323,853)	(7,323,853)
Sales of treasury shares	-	1,000,000	1,000,000
Sale of pre-emption rights from treasury shares	-	-	-
Balance at 31st December 2007	339,198,587	(11,082,100)	328,116,487
	Number of shares		
	Issued shares	Treasury shares	Net number of shares
Opening balance at 1st January 2008	339,198,587	(11,082,100)	328,116,487
Cancellation of treasury shares	(10,407,537)	10,407,537	0
Share capital increase due to reinvestment of dividends	752,478	-	752,478
Purchases of treasury shares	-	(3,727,941)	(3,727,941)
Balance at 30 June 2008	329,543,528	(4,402,504)	325,141,024

Piraeus Bank's registered shares are at a nominal value of € 4.77 each. The share capital is fully paid-in.

During the Annual General Meeting of shareholders of the Bank at 3/4/2008 it was decided, according to the article 16 of codified Law 2190/1920, the purchase of treasury shares through the Athens Stock Exchange up to a maximum number of 33,000,000 treasury shares, which is less than 10% of the Bank's total number of issued shares, including the shares that have already been acquired and held by the Bank or by any person executing on his account but for the Bank's interest. The minimum and maximum purchase price for the shares is between € 4 and € 40. The purchases of the treasury shares must be completed within twenty four months from the General Meeting resolution, that is the latest by 3/4/2010 and the treasury shares acquired may be distributed to the staff of the Bank or the staff of any affiliated company.

The 2nd Iterative Ordinary General Meeting of Piraeus Bank's shareholders, held on the 7/5/2008, resolved on the decrease of the Bank's share capital by € 49,643,951.49 by cancellation of 10,407,537 treasury shares, in order to fulfill the obligation undertaken in the Prospectus for the Bank's share capital increase dated 6/7/2007. Following the decrease, the share capital of the Bank amounted to € 1,568,333,308.50, divided into 328,791,050 shares of nominal value € 4.77 each.

In addition, the same General Meeting resolved on the increase of the Bank's share capital up to the amount of € 26,378,367.12 by issuing up to 5,530,056 new ordinary registered shares. The share capital increase was effected by cash contribution and provided the shareholders the option of reinvesting the dividend of the fiscal year 2007 (that remains following the deduction of the already paid interim dividend) that is € 0.36 per share. The new shares were issued at € 21.36 per share. The total reinvested dividend amounted to € 16,072,930.08. Consequently, the Bank's share capital increased by € 3,589,320.06, by issuing 752,478 new shares of nominal value of € 4.77 per share. The additional paid-in value of the shares amounting to € 12,483,610.02 minus the relevant share capital increase expenses, was credited to the share premium account.

Following all the above corporate acts, the Bank's share capital currently amounts to € 1,571,922,628.56, divided into 329,543,528 ordinary registered shares.

Share option plans

The terms of the two existing share option plans are described in the annual financial statements of the year 2007.

The 2nd Iterative Ordinary General Meeting at 7/5/2008 decided on the authorization of the Board of Directors, according to the article 13 par. 14 of codified Law 2190/1920, valid for a year, to establish a five-year stock option plan for the management and personnel of the Bank and its affiliated companies (as they are defined in article 42e of codified Law 2190/1920). The stock option plan enables the issue of new shares up to a total number of 5,000,000 shares (from which 1/5 will be vested each year). The stock option plan enables, additionally or alternatively, the allocation of existing treasury shares or shares acquired to that end. The minimum offering price of these shares shall be € 21.36 per share.

18 Other reserves and retained earnings

	30 June 2008	31 December 2007
Legal reserve	70,199	65,374
Extraordinary reserve	1,205	1,205
Available for sale reserve	(51,813)	14,986
Currency translation reserve	(46,426)	(36,604)
Other reserves	7,780	8,978
Total other reserves	(19,055)	53,939
Retained earnings	714,655	561,058
Total other reserves and retained earnings	695,600	614,997
	30 June 2008	31 December 2007
Other reserves movement		
Opening balance for the period	53,939	163,650
Available for sale reserve	(66,799)	(94,651)
Transfer from retained earnings	-	1,239
Formation of legal reserve	4,825	23,862
Reserve for stock option plan	1,661	6,791
Transfer to share premium due to exercise of share options	-	(4,571)
Foreign exchange differences and other adjustments	(12,681)	(42,381)
Closing balance for the period	(19,055)	53,939
	30 June 2008	31 December 2007
Available for sale reserve movement		
Opening balance for the period	14,986	109,637
Gains/ (losses) from the valuation of available for sale bonds	(3,219)	(7,246)
Gains/ (losses) from the valuation of available for sale shares	(69,642)	43,145
Deferred income tax	23,087	28,830
Recycling of the accumulated fair value adjustment of disposed available for sale securities	(18,099)	(162,293)
Foreign exchange differences and other adjustments	1,074	2,913
Closing balance for the period	(51,813)	14,986
	30 June 2008	31 December 2007
Retained earnings movement		
Opening balance for the period	561,058	172,877
Profit after tax for the period attributable to the equity holders of Piraeus Bank	283,811	622,141
Prior year dividends	(118,122)	(86,462)
Interim dividend for the year 2007	-	(117,598)
Gains/ (losses) from sales of treasury shares	-	2,973
Transfer to other reserves	(4,825)	(25,101)
Acquisitions, absorptions and movement in subsidiaries holding	(4,812)	1,648
Differences from currency translations and other adjustments	(2,455)	(9,420)
Closing balance for the period	714,655	561,058

During the Annual General Meeting of shareholders of Piraeus Bank which was held on April 3, 2008, it was decided among other € 0.72 dividend per share for the year 2007 (the interim dividend mentioned below is included). Out of the total amount of dividend per share (€ 0.72), an interim dividend of € 0.36 per share was paid in December 2007 in accordance with the decision of the Board of Directors of 31/10/2007. The interim dividend (€ 0.36 per share) was recognised as a deduction in the Bank's equity during 2007.

19 Related party transactions

Related parties include a) Members of the Bank Board of Directors and key management personnel of the Bank b) Members of the Board of Directors / key management personnel of Group Subsidiaries c) Close family and financially dependants (husbands, wives, children etc) of Board of Directors members and key management personnel d) companies having transactions with Piraeus Bank Group, when the total cumulative participating interest (of members of Board of Directors, key management personnel and their dependants/ close family) exceeds 20%.

	Board of Directors members and key management personnel	
	30 June 2008	31 December 2007
Loans	294,894	177,459
Deposits	120,643	28,169

Letters of guarantees and letters of credits to the members of the board of directors and to the key management personnel as at 30/6/2008 are € 2.1 million (31/12/2007: € 11 million). The total income on loans to members of the board of directors and to key management personnel for the first semester of 2008 is € 6.7 million (first semester of 2007: € 2 million). The total expense on deposits of the prementioned related parties for the first semester of 2008 is € 0.8 million (first semester of 2007: € 0.5 million).

Loans and letters of guarantees issued to related parties represent an insignificant part of total loans and letters of guarantees issued by the Group, respectively. Loans and letters of guarantees have been issued to related parties in the normal course of business, within the approved credit policies and Group procedures, adequately collateralised. Loans to related parties are performing and no provision has been raised for their balances.

	30 June 2008	31 December 2007
Director's remuneration		
Salaries and other remuneration	5,558	4,991
Post employment benefits	3,464	1,804
	9,022	6,795

The total cost for the share options granted to Board of Directors members and key management personnel is € 0.8 million (first semester of 2007: € 1.6 million). The total amount of provisions for Board of Directors members and key management personnel is € 31.6 million as at 30/6/2008 (31/12/2007: € 32.7 million). This amount has been included in the retirement benefit obligation.

	Associates	
	30 June 2008	31 December 2007
Deposits	67,870	41,947
Loans	25,588	301
	1st Semester 2008	1st Semester 2007
Interest expense	(1,252)	(295)
Interest income	101	8

20 Changes in the portfolio of subsidiaries and associates

In the period from 1/1/2008 to 30/6/2008, the following changes took place in the Group's portfolio of subsidiaries and associates:

a) Acquisitions

On 25/1/2008, Piraeus Bank acquired, by its local subsidiary in Cyprus, Piraeus Bank Cyprus LTD, the branch network of Arab Bank in Cyprus for a consideration of € 15 million. The goodwill recorded initially from the above acquisition was approximately € 25 million. The allocation of the cost of the business combination to the identifiable assets acquired, liabilities and contingent liabilities assumed at fair values will be carried out according to the rules of IFRS 3 "Business combinations". The Group will complete the purchase price allocation exercise within 12 months from the date of acquisition of the branch network of Arab Bank in Cyprus, when the accounting of the acquisition will be finalized.

b) Participation in share capital increases

On 3/1/2008 and 24/1/2008 Piraeus Bank covered the total amount of share capital increases of Piraeus Bank Cyprus LTD with the amount of € 2 million and € 47.4 million respectively, without altering its shareholding (100%).

On 30/1/2008 Piraeus Bank participated in the share capital increases of the associate company Trieris Real Estate Ltd in the amount of € 3.65 million without altering its shareholding (22.8%).

On 27/2/2008 Piraeus Bank covered the total amount of share capital increases of Piraeus Bank Beograd AD with the amount of € 25 million without altering its shareholding (100%).

On 12/5/2008 it was fulfilled share capital decrease of General Construction and Development Co. SA., during which amount of € 6 million were paid back in Piraeus Bank without altering its shareholding (66.67%).

On 25/6/2008 Piraeus Bank participated in the share capital increases of Marathon Banking Corporation in the amount of € 6.4 million increasing in this way its shareholding from 86.64% to 87.91%.

c) Increases of participation

Piraeus Bank increased its shareholding in Piraeus Leasing S.A. by 0.06% for a consideration of € 79 thousand, increasing in this way its shareholding to 87.61%.

Piraeus Bank increased its shareholding in Euroinvestment & Finance LTD by 0.13% for a consideration of € 11 thousand, increasing in this way its shareholding to 90.79%.

Piraeus Bank increased its shareholding in Real Estate Investment Property S.A by 0.09% for a consideration of € 112 thousand, increasing in this way its shareholding to 38.78%.

On 12/6/2008, European Reliance Gen. Insurance Co S.A., decreased its share capital by cancelation of treasury shares. Following the decrease, Piraeus Bank increased its shareholding from 30% to 30.23%.

d) Liquidation and disposal of shareholding percentages

On 1/2/2008 Piraeus Bank sold its shareholding (25%) in the associate company Etanal S.A. for a consideration of € 120 thousand.

On 6/3/2008, Ekathariseis Aktoploias S.A., 100% subsidiary of Piraeus ATFS S.A. was partly sold (49%) to Piraeus Bank for a consideration of € 32 thousand and the remaining (51%) was sold to third parties for a consideration of € 34 thousand.

e) Renames

Piraeus Bank's subsidiaries OJSC International Commerce Bank (ICB) and Phenillion Enterprises LTD have been renamed to OJSC Piraeus Bank ICB and Piraeus Bank Cyprus LTD respectively.

The Group's portfolio changes in subsidiaries for the period 1/1 - 30/6/2008 which are described above, are analysed in the table as follows:

	2008	2007
Participation in share capital increases	80,804	565,884
Incorporation of companies	16	2,552
Total participation in share capital increases and incorporation of companies	80,820	568,436
Increase of shareholding percentage in Group subsidiaries	203	16,540
Acquisition of subsidiaries	15,000	81,235
Less: Cash and cash equivalents of subsidiaries acquired	(176,173)	(33,239)
Total net cash inflow/ (outflow) from acquisition of subsidiaries and increase of shareholding percentage	(160,970)	64,536

During the period 1/1 - 30/6/2008, the goodwill raised from the acquisition of subsidiaries and the increase of shareholding in Group subsidiaries was € 25,981 thousand (2007: € 42,646 thousand).

21 Post Balance Sheet events

The subsidiary Piraeus Bank Romania SA entered on July 17, 2008 into a share purchase agreement for the acquisition of 51% of the share capital of Capital Partners SRL. Capital Partners SRL provides services in connection with mergers and acquisitions, the financing of business undertakings including the financing of real estate development, real estate brokerage and the capital structure of corporations, and will provide in addition, in accordance with the aforementioned agreement, services in connection with the placement of securities either privately or to the public. Transaction completion is expected within the following months, following the submission of all necessary notifications and receipt of any necessary approvals of the competent supervisory authorities.

On July 30, 2008 the international rating agency Fitch upgraded the credit rating of Piraeus Bank to 'A-' from 'BBB+'.

Athens, July 31st, 2008

CHAIRMAN OF THE BOARD OF DIRECTORS

VICE-CHAIRMAN OF THE BOARD OF DIRECTORS

DEPUTY GENERAL MANAGER

and MANAGING DIRECTOR

MICHAEL G. SALLAS

THEODOROS N. PANTALAKIS

CONSTANTINOS I. LIAPIS

Report on review of interim financial information

To the Shareholders of PIRAEUS BANK SA

Introduction

We have reviewed the accompanying consolidated condensed balance sheet of PIRAEUS BANK SA (the "Bank") and its subsidiaries (the "Group") as of 30 June 2008, the related consolidated condensed 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 Bank'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 S.A.
268 Kifissias Avenue
152 32 Halandri
SOEL Reg. No. 113

Athens, 31 July 2008
THE CERTIFIED AUDITOR

Vassilios Goutis
SOEL Reg. No. 10411



PIRAEUS BANK S.A.

**Interim Condensed Financial
Information**

30 June 2008

According to the International
Financial Reporting Standards

The attached Interim Condensed Financial Information has been approved by the Piraeus Bank S.A. Board of Directors on July 31st, 2008 and it is available on the web site of Piraeus Bank at www.piraeusbank.gr

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INTERIM INCOME STATEMENT

	Note	Period from 1 January to		Period from 1 April to	
		30 June 2008	30 June 2007	30 June 2008	30 June 2007
Interest and similar income		1,477,915	1,044,285	771,177	553,257
Interest expense and similar charges		(1,081,238)	(721,034)	(566,840)	(388,549)
NET INTEREST INCOME		396,677	323,251	204,337	164,708
Fee and commission income		69,557	68,731	38,386	35,732
Fee and commission expense		(21,219)	(15,152)	(10,264)	(8,158)
NET FEE AND COMMISSION INCOME		48,338	53,579	28,122	27,574
Dividend income		39,949	19,133	38,477	17,425
Net trading income		1,137	(797)	(3,125)	3,827
Net income from financial instruments designated at fair value through profit or loss		(12,375)	11,040	(14,188)	(4,218)
Gains/ (Losses) from investment securities	6	17,556	161,629	15,873	2,686
Other operating income		18,886	5,541	6,677	1,348
TOTAL NET INCOME		510,168	573,376	276,173	213,350
Staff costs		(126,084)	(118,161)	(62,979)	(60,632)
Administrative expenses		(105,891)	(94,441)	(62,412)	(53,913)
Depreciation and amortisation		(20,896)	(15,052)	(10,531)	(6,747)
Gains/ (Losses) from sale of assets		316	76	163	675
Impairment losses on loans and receivables	10	(48,686)	(32,229)	(24,710)	(12,161)
TOTAL OPERATING EXPENSES		(301,240)	(259,807)	(160,468)	(132,778)
PROFIT BEFORE INCOME TAX		208,928	313,569	115,705	80,572
Income tax expense	7	(30,675)	(25,138)	(10,700)	(10,132)
PROFIT FOR THE PERIOD		178,253	288,431	105,005	70,440
Earnings per share (in euros):					
- Basic	8	0.5471	1.0397	0.3233	0.2554
- Diluted	8	0.5457	1.0323	0.3225	0.2535

INTERIM BALANCE SHEET

	Note	30 June 2008	31 December 2007
ASSETS			
Cash and balances with Central Banks		1,319,540	2,066,182
Loans and advances to credit institutions		4,081,169	4,296,193
Derivative financial instruments - assets	9	214,185	76,325
Trading securities		5,600,154	4,403,891
Financial instruments at fair value through profit or loss		647,687	508,137
Loans and advances to customers (net of provisions)	10	31,081,317	26,762,959
Investment securities			
-Available for sale securities	11	637,855	1,274,431
Investments in subsidiaries	12	1,763,527	1,694,920
Investments in associated undertakings	12	108,693	105,011
Intangible fixed assets		24,420	21,200
Property, plant and equipment		266,499	252,997
Investment property		49,477	39,562
Deferred tax assets		113,720	113,033
Inventories - property		51,424	51,734
Other assets		673,762	676,735
TOTAL ASSETS		46,633,430	42,343,311
LIABILITIES			
Due to credit institutions		10,353,979	10,704,842
Derivative financial instruments - liabilities	9	179,094	83,609
Due to customers	13	22,559,294	19,030,022
Debt securities in issue	14	8,934,193	7,707,932
Hybrid capital and other borrowed funds	15	961,692	985,141
Retirement benefit obligations		170,165	162,193
Other provisions		10,360	10,360
Current income tax liabilities		22,274	60,988
Deferred tax liabilities		46,221	61,207
Other liabilities		513,757	592,732
TOTAL LIABILITIES		43,751,029	39,399,025
EQUITY			
Share capital	17	1,571,923	1,617,977
Share premium	17	927,775	1,099,903
Less: Treasury shares	17	(89,615)	(250,860)
Other reserves	18	5,975	71,208
Retained earnings	18	466,343	406,057
TOTAL EQUITY		2,882,400	2,944,285
TOTAL LIABILITIES AND EQUITY		46,633,430	42,343,311

INTERIM STATEMENT OF CHANGES IN EQUITY

	Note	Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings	TOTAL
Opening balance as at 1 January 2007		1,288,830	88,146	(97,300)	144,265	204,154	1,628,095
Purchases of treasury shares	17			(164,309)			(164,309)
Sales of treasury shares	17			24,417		2,973	27,390
Available for sale reserve	18				(99,013)		(99,013)
Prior year dividends						(86,462)	(86,462)
Reserve for stock option plan					3,396		3,396
Profit after tax for the first semester of 2007						288,431	288,431
Other movements					447	(447)	0
Balance as at 30 June 2007		1,288,830	88,146	(237,192)	49,095	408,649	1,597,528

	Note	Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings	TOTAL
Opening balance as at 1 July 2007		1,288,830	88,146	(237,192)	49,095	408,649	1,597,528
Issue of share capital by cash contribution	17	322,208	994,481				1,316,689
Issue of share capital due to the exercise of share options	17	6,939	17,276		(4,571)		19,644
Purchases of treasury shares	17			(24,330)			(24,330)
Sales of treasury shares and share options	17			10,662			10,662
Available for sale reserve	18				2,129		2,129
Interim dividend for year 2007						(117,598)	(117,598)
Reserve for stock option plans					3,395		3,395
Profit after tax for the second semester of 2007					21,160	113,600	134,760
Other movements						1,405	1,405
Balance as at 31 December 2007		1,617,977	1,099,903	(250,860)	71,208	406,057	2,944,285

	Note	Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings	TOTAL
Opening balance as at 1 January 2008		1,617,977	1,099,903	(250,860)	71,208	406,057	2,944,285
Cancellation of treasury shares	17	(49,644)	(184,526)	234,170			0
Share capital increase due to reinvestment of dividends	17	3,589	12,398				15,987
Purchases of treasury shares	17			(72,925)			(72,925)
Available for sale reserve	18				(66,894)		(66,894)
Reserve for stock option plans	18				1,661		1,661
Prior year dividends						(118,122)	(118,122)
Profit after tax for the first semester of 2008						178,253	178,253
Other movements						155	155
Balance as at 30 June 2008		1,571,923	927,775	(89,615)	5,975	466,343	2,882,400

INTERIM CASH FLOW STATEMENT

	Note	From January 1st to	
		30 June 2008	30 June 2007
<i>Cash flows from operating activities</i>			
Profit before tax		208,928	313,569
<i>Adjustments to profit before tax:</i>			
Add: impairment for loans and advances	10	48,686	32,229
Add: depreciation and amortisation charge		20,896	15,052
Add: retirement benefits		15,542	15,897
(Gains)/ losses from valuation of trading securities and financial instruments at fair value through profit or loss		8,317	(4,894)
(Gains)/ losses from investing activities		(66,005)	(181,639)
		236,364	190,214
<i>Cash flows from operating profits before changes in operating assets and liabilities</i>			
<i>Changes in operating assets and liabilities:</i>			
Net (increase)/ decrease in cash and balances with Central Bank		(969)	2,863
Net (increase)/ decrease in trading securities and financial instruments at fair value through profit or loss		991,228	(1,483,548)
Net (increase)/ decrease in loans and advances to credit Institutions		186,009	(686,186)
Net (increase)/ decrease in loans and advances to customers		(4,365,045)	(3,701,461)
Net (increase)/ decrease in other assets		(96,964)	(82,502)
Net increase/ (decrease) in due to banks		(350,863)	1,675,291
Net increase/ (decrease) in amounts due to customers		3,529,272	2,672,512
Net increase/ (decrease) in other liabilities		18,195	57,263
		147,227	(1,355,554)
<i>Net cash flow from operating activities before income tax payment</i>			
Income tax paid		(37,433)	(7,390)
		109,794	(1,362,944)
<i>Cash flows from investing activities</i>			
Purchases of property, plant and equipment		(36,821)	(24,675)
Sales of property, plant and equipment		3,337	4,603
Purchases of intangible assets		(6,731)	(4,189)
Purchases of available for sale securities		(64,000)	(61,933)
Disposal of available for sale securities		599,151	766,555
Acquisition of subsidiaries and participation in share capital increases		(75,084)	(492,917)
Disposals of subsidiaries		-	1,935
Acquisition of associates and participation in share capital increases		(3,682)	(25,757)
Disposal of associates		120	3
Dividends from subsidiaries		2,763	11,867
Dividends from associates		605	-
Dividends from available for sale securities		9,795	4,468
Dividends from trading securities		1,715	1,779
		431,168	181,739
<i>Cash flows from financing activities</i>			
Net proceeds from issue/ (repayment) of debt securities and other borrowed funds		1,202,812	1,415,420
Net proceeds from issue of share capital due to the reinvestment of dividends	17	15,987	-
Prior year dividends paid	18	(118,122)	(86,462)
Purchases of treasury shares	17	(72,925)	(164,309)
Sales of treasury shares	17	-	27,390
		1,027,752	1,192,039
<i>Foreign exchange differences on cash and cash equivalents</i>			
		6,824	5,076
		1,575,538	15,910
Cash and cash equivalents at the beginning of the period			
		5,354,552	4,265,201
Cash and cash equivalents at the end of the period			
		6,930,090	4,281,111

1 General Information about the Bank

Piraeus Bank S.A. is a banking institute operating in accordance with the provisions of Laws 2190/1920 on sociétés anonymes, 3601/2007 on credit institutions, and other relevant laws. According to article 2 of its Statute, the scope of the company is to execute, on its behalf or on behalf of third parties, any and every operation acknowledged or delegated by law to banks.

Piraeus Bank is incorporated and domiciled in Greece. The address of the registered office is 4 Amerikis st., Athens. Piraeus Bank operates in Greece and in London (U.K.). The Bank employs 5,149 people.

Apart from the ATHEX Composite Index, the Piraeus Bank share is included in a series of other indices, such as FTSE/ATHEX- 20, MSCI Greece, MSCI EAFE, DJ Euro Stoxx, DJ Euro Stoxx Banks and FTSE4Good Index.

2 General accounting policies of the Bank

The same accounting policies and methods of computation as those in the annual financial statements for the year ended 31 December 2007 have been followed.

The amounts of the interim condensed financial information attached are expressed in thousand euros (unless otherwise stated).

3 Basis of presentation of the Bank's interim condensed financial information

The interim condensed financial information has been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and it should be read along with the Bank's annual financial statements for the year ended 31 December 2007.

Piraeus Bank prepares, except for the attached interim condensed financial information, consolidated interim condensed financial information which include the financial information of the Bank and its subsidiaries.

4 Critical accounting estimates and judgements

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

1. Impairment losses on loans and advances

The Bank examines at every reporting period, whether trigger for impairment exists for its loans or loans portfolios. If such triggers exist, the recoverable amount of the loan or loan portfolio is calculated and the relevant provision for this impairment is raised. The provision is recorded in the profit or loss statement. The estimates, methodology and assumptions used are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

2. Fair value of financial instruments

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. All models use observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Assumptions that affect the reported fair values of financial instruments are examined regularly.

3. Impairment of available for sale portfolio

The available for sale portfolio is recorded at fair value and any changes in fair value are recorded in the available for sale reserve. Available for sale investments are impaired when there is significant or prolonged decline (judgement is required) in the fair value below cost. When this occurs, the relevant portion of the available for sale reserve is recycled to the income statement of the period. Judgement is also required for the estimation of the fair value of investments that are not traded in a market. For these investments, the fair value computation through financial models takes also into account evidence of deterioration in the financial health of the investee, industry and sector performance and changes in technology.

4. Held to maturity investments

The Bank follows the guidance of IAS 39 on classifying non-derivative financial assets with fixed or determinable payments and fixed maturity as held to maturity. This classification requires significant judgement. In making this judgement, the Bank evaluates its intention and ability to hold such investments to maturity. If the Bank fails to keep these investments to maturity other than for the specific circumstances - for example, selling an insignificant amount close to maturity - it will be required to reclassify the entire class as available for sale. The investments would therefore be remeasured at fair value.

5. Income taxes

The Bank is subject to income taxes in the countries in which it operates. This requires estimates in determining the provision for income taxes and therefore the final income tax determination is uncertain during the fiscal year. Where the final income tax expense is different from the amounts that were initially recorded, differences will impact the income tax and deferred tax provisions in the period in which the tax computation is finalised.

5 Business segments

Piraeus Bank has defined the following business segments:

Retail Banking - This segment includes the retail banking facilities of the Bank, which are addressed to retail customers, as well as to small - medium companies (deposits, loans, working capital, imports – exports, letters of guarantees, etc.)

Corporate Banking - This segment includes facilities related to retail banking addressed to large and maritime companies, which due to their specific needs are serviced by the headquarters (deposits, loans, syndicated loans, project financing, working capital, imports – exports, letters of guarantees, etc.).

Investment Banking - This segment includes activities related to investment banking facilities of the Bank (investment and advisory services, underwriting services and public listings, stock exchange services etc.).

Asset Management and Treasury – This segment includes asset management facilities for clients and for the Bank (wealth management facilities, mutual funds management, treasury).

Other – Includes other facilities of the bank that are not included in the above segments (Bank's administration etc.).

An analysis of income and other financial figures per business segment of the Bank is presented below:

	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Total
1st Semester 2008						
Revenues	747,775	251,433	4,996	539,501	68,920	1,612,625
Net revenues	346,517	71,889	4,927	40,206	46,629	510,168
Segment results	136,279	43,960	2,488	26,201	-	208,928
Profit before tax						208,928
Income tax expense						(30,675)
Profit after tax						178,253
Other segment items						
Capital expenditure	20,785	10	-	43	22,714	43,552
Depreciation	9,595	94	4	280	10,923	20,896
Impairment charge - loans and advances	34,255	12,257	-	-	2,174	48,686
1st Semester 2007						
Revenues	512,517	151,182	14,712	457,352	173,799	1,309,562
Net revenues	327,759	45,722	13,489	37,303	149,103	573,376
Segment results	118,714	7,814	12,812	21,735	152,494	313,569
Profit before tax						313,569
Income tax expense						(25,138)
Profit after tax						288,431
Other segment items						
Capital expenditure	8,870	144	9	357	19,484	28,864
Depreciation	7,049	116	2	338	7,547	15,052
Impairment charge - loans and advances	22,898	8,844	-	-	487	32,229
At 30 June 2008						
Segment assets	22,344,579	9,278,489	11	11,571,359	3,438,992	46,633,430
Segment liabilities	21,364,071	3,055,512	-	19,098,164	233,282	43,751,029
At 31 December 2007						
Segment assets	19,292,593	7,941,566	15	11,329,757	3,779,380	42,343,311
Segment liabilities	18,400,876	806,487	-	19,217,004	974,658	39,399,025

Other business segments results for the first semester of 2007 include amount of € 159.3 million which relates to the sale of the Bank's participation in Bank of Cyprus.

Capital expenditure includes additions of intangible and tangible assets that took place in the period by each business segment.

Revenues and net revenues from other business segments include revenues and net revenues derived from transactions between business segments.

6 Gains less losses from investment securities

During the first semester of 2008, gains less losses from investment securities amount to € 17.6 million (30/6/2007: € 161.6 million). It should be noted that during the period 1/1 - 30/6/2007 gains less losses from investment securities include amount of 159.3 million which derives from the sale of Piraeus Bank's participation in Bank of Cyprus (8.08%).

7 Income tax expense

	1st Semester 2008	1st Semester 2007
Current Tax	(24,001)	(16,911)
Deferred Tax	(6,674)	(8,227)
	<u>(30,675)</u>	<u>(25,138)</u>

During the first semester of 2008 tax authorities have completed the audit of Piraeus Bank's tax position for the years 2004 - 2006. As a result, the tax years remaining unaudited are 2007 and the current year. For the unaudited tax years, a provision has been raised according to International Financial Reporting Standards (IFRS).

The tax rate for Greek legal entities, in accordance with the provisions in force of article 109, par. 1 of Law 2238/1994, is to 25% for the years 2007 and 2008.

8 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year by the weighted average number of shares in issue during the year, excluding the average number of ordinary shares purchased by Piraeus Bank and held as treasury shares.

For the calculation of the diluted earnings per share, all the dilutive potential ordinary shares are taken into consideration. The two share option schemes currently in force (note 17) are the only cases of dilutive potential ordinary shares for the Bank. Specifically, the weighted average number of ordinary shares used for the calculation of the basic earnings per share is increased by the number of shares that arises from the comparison of a) the number of shares that would have been issued at fair value for the total consideration received from the exercise of the share options and b) the number of shares issued due to the exercise of the share options.

	1/1 - 30/6/2008	1/1 - 30/6/2007	1/4 - 30/6/2008	1/4 - 30/6/2007
Basic earnings per share				
Profit after tax	178,253	288,431	105,005	70,440
Weighted average number of shares in issue	325,795,360	277,409,413	324,789,149	275,815,917
Basic earnings per share (in euros)	<u>0.5471</u>	<u>1.0397</u>	<u>0.3233</u>	<u>0.2554</u>
Diluted earnings per share				
Profit after tax	178,253	288,431	105,005	70,440
Weighted average number of shares in issue	325,795,360	277,409,413	324,789,149	275,815,917
Adjustment for share options	847,204	2,004,327	808,790	2,066,618
Weighted average number of shares in issue for the diluted earnings per share calculation	326,642,564	279,413,740	325,597,939	277,882,535
Diluted earnings per share (in euros)	<u>0.5457</u>	<u>1.0323</u>	<u>0.3225</u>	<u>0.2535</u>

According to the requirements of IAS 33, the weighted average number of shares has been adjusted with a) a factor of 1.0552 for the comparative period of 2007 in order to adjust earnings per share (basic and diluted) for the discount price of the rights issue share capital increase that took place in September 2007 and b) a factor of 1.00014 for the comparative period of 2007 in order to adjust earnings per share (basic and diluted) for the reinvestment of dividend that took place during the first semester of 2008.

9 Derivative financial instruments

The Bank gradually expands the use of the derivative financial instruments, towards the management of interest rate risk.

10 Loans and advances to customers

	30 June 2008	31 December 2007
Loans to individuals		
Mortgages	5,805,580	5,316,653
Consumer/ personal and other loans	2,582,826	2,386,274
Credit cards	638,884	575,786
	<u>9,027,290</u>	<u>8,278,713</u>
Loans to corporate entities	<u>22,417,872</u>	<u>18,801,404</u>
Total loans and advances to customers	<u>31,445,162</u>	<u>27,080,117</u>
Less: Allowance for losses (impairment) on loans and advances to customers	(363,845)	(317,158)
Total loans and advances to customers (after allowance for losses)	<u>31,081,317</u>	<u>26,762,959</u>
Current loans and advances to customers	13,205,042	11,497,972
Non current loans and advances to customers	17,876,275	15,264,987
	<u>31,081,317</u>	<u>26,762,959</u>

Movement in allowance (impairment) for losses on loans and advances to customers:

a) Loans to individuals

	Mortgages	Consumer/ personal loans	Credit cards	Total
Balance at 1 January 2007	8,591	75,207	12,815	96,613
Charge for the period	89	16,272	6,100	22,461
Loans written-off	-	(20,707)	(407)	(21,114)
Balance at end of period 30/6/2007	8,680	70,772	18,508	97,960
Balance at 1 July 2007	8,680	70,772	18,508	97,960
Charge for the period	1,779	5,712	5,278	12,769
Balance at end of year 31/12/2007	10,459	76,484	23,787	110,730
Balance at 1 January 2008	10,459	76,484	23,787	110,730
Charge for the period	2,914	13,011	5,858	21,783
Balance at end of period 30/6/2008	13,373	89,495	29,645	132,513

b) Loans to corporate entities

Balance at 1 January 2007	216,278
Charge for the period	9,768
Loans written-off	(32,702)
Foreign exchange differences	(631)
Balance at end of period 30/6/2007	192,713
Balance at 1 July 2007	192,713
Charge for the period	19,098
Loans written-off	(5,383)
Balance at end of year 31/12/2007	206,428
Balance at 1 January 2008	206,428
Charge for the period	24,904
Balance at end of period 30/6/2008	231,332

The charge of the first semester 2008 (€ 48.7 million) in the income statement includes amount of € 2 million which relates to impairment of other receivables.

11 Investment securities

Investment securities decreased from € 1,274.4 million as at 31/12/2007 to € 637.9 million as at 30/6/2008, mainly due to the sale of Eurozone's government bonds.

12 Investments in subsidiaries and associate companies

The investments of Piraeus Bank in subsidiaries and associates are:

A) Subsidiaries companies

a/a	Companies	Activity	% holding	Country
1.	Marathon Banking Corporation	Banking Activities	87.91%	U.S.A
2.	Tirana Bank I.B.C.	Banking Activities	90.72%	Albania
3.	Piraeus Bank Romania S.A.	Banking Activities	100.00%	Romania
4.	Piraeus Bank Beograd A.D.	Banking Activities	100.00%	Serbia
5.	Piraeus Bank Bulgaria A.D.	Banking Activities	99.98%	Bulgaria
6.	Piraeus Bank Egypt S.A.E.	Banking Activities	95.36%	Egypt
7.	OJSC Piraeus Bank ICB	Banking Activities	99.95%	Ukraine
8.	Piraeus Bank Cyprus LTD	Banking Activities	100.00%	Cyprus
9.	Piraeus Asset Management Europe S.A.	Mutual Funds Management	99.94%	Luxemburg
10.	Piraeus Leasing S.A.	Finance Leasing	87.61%	Greece
11.	Piraeus Leasing Romania S.R.L.	Finance Leasing	99.80%	Romania
12.	Piraeus Insurance and Reinsurance Brokerage S.A.	Insurance and Reinsurance Brokerage	100.00%	Greece
13.	Tirana Leasing S.A.	Finance Leasing	100.00%	Albania
14.	Piraeus Securities S.A.	Stock Exchange Operations	100.00%	Greece
15.	Piraeus Group Capital LTD	Debt Securities Issue	100.00%	United Kingdom
16.	Piraeus Leasing Bulgaria EAD.	Finance Leasing	100.00%	Bulgaria
17.	Piraeus Group Finance P.L.C.	Debt Securities Issue	100.00%	United Kingdom
18.	Multicollection S.A.	Assessment and collection of commercial debts	51.00%	Greece
19.	Piraeus Factoring S.A.	Corporate factoring	100.00%	Greece
20.	Piraeus Multifin S.A.	Motor vehicles trading	100.00%	Greece
21.	ETBA Finance S.A.	Special liquidations	100.00%	Greece
22.	Picar S.A.	City Link Areas Management	100.00%	Greece
23.	Piraeus Real Estate Investment Property S.A.	Real estate investment property	38.78%	Greece
24.	Bulfina S.A.	Property Management	100.00%	Bulgaria
25.	Piraeus ATFS S.A.	Accounting and tax consulting	100.00%	Greece
26.	General Construction and Development Co. S.A.	Property development/ holding company	66.67%	Greece

Piraeus Bank - 30 June 2008
Amounts in thousand euros (Unless otherwise stated)

a/a	Companies	Activity	% holding	Country
27.	Piraeus Direct Services S.A.	Call center services	100.00%	Greece
28.	Exodus S.A.	Information technology & software	50.10%	Greece
29.	Komotini Real Estate Development S.A.	Property Management	100.00%	Greece
30.	Piraeus Real Estate S.A.	Construction company	100.00%	Greece
31.	ND Development S.A.	Property Management	100.00%	Greece
32.	Property Horizon S.A.	Property Management	100.00%	Greece
33.	ETBA Industrial Estates S.A.	Development/ Management of Industrial Areas	65.00%	Greece
34.	Piraeus Property S.A.	Property Management	100.00%	Greece
35.	Piraeus Development S.A.	Property Management	100.00%	Greece
36.	Piraeus Asset Management S.A.	Mutual Funds Management	100.00%	Greece
37.	Piraeus Developer S.A.	Property Management	100.00%	Greece
38.	Estia Mortgage Finance PLC	SPE for securitization of mortgage loans	-	United Kingdom
39.	Euroinvestment & Finance Public LTD	Banking, Asset Management, real estate operations	90.79%	Cyprus
40.	Lakkos Mikelli Real Estate LTD	Property Management	40.00%	Cyprus
41.	Philoktimatiki Public LTD	Land and property development	6.39%	Cyprus
42.	New Evolution S.A.	Property, Tourism & Development Company	100.00%	Greece
43.	Piraeus Green Investments S.A.	Holding company	100.00%	Greece
44.	Piraeus Cards S.A.	Financial services and consultancy	59.16%	Greece
45.	Capital Investments & Finance S.A.	Investment company	100.00%	Liberia
46.	Maples Invest & Holding S.A.	Investment company	100.00%	British Virgin Islands
47.	Margetson Invest & Finance S.A.	Investment company	100.00%	British Virgin Islands
48.	Vitria Investments S.A.	Investment company	100.00%	Panama
49.	SSIF Piraeus Securities Romania S.A.	Stock Exchange Operations	79.46%	Romania
50.	Trieris Real Estate Management LTD	Management of Trieris Real Estate Ltd	100.00%	British Virgin Islands
51.	Piraeus Insurance Reinsurance Broker Romania S.R.L.	Insurance and Reinsurance Brokerage	95.00%	Romania
52.	Olympic Commercial & Tourist Enterprises S.A.	Operating Leasing	94.00%	Greece
53.	Piraeus Rent Doo Beograd	Operating Leasing	100.00%	Serbia
54.	Estia Mortgage Finance II PLC	SPE for securitization of mortgage loans	-	United Kingdom
55.	Piraeus Leasing Doo Beograd	Financial Leasing	100.00%	Serbia
56.	Estia Mortgage Finance III PLC	SPE for securitization of mortgage loans	-	United Kingdom

B) Associate companies

a/a	Companies	Activity	% holding	Country
1.	Crete Scientific & Technology Park Management & Dev. Co. S.A.	Scientific and technology park management	30.45%	Greece
2.	"Evros" Development Company S.A.	European community programs management	30.00%	Greece
3.	Stalko S.A.	Electrical equipment production	25.00%	Greece
4.	Project on Line S.A.	Information technology & software	40.00%	Greece
5.	APE Commercial Property Real Estate Tourist & Develop. S.A.	Real estate, development/ tourist services	27.80%	Greece
6.	APE Fixed Assets Real Estate Tourist & Development S.A.	Real estate, development/ tourist services	27.80%	Greece
7.	Trieris Real Estate LTD	Property Management	22.80%	British Virgin Islands
8.	European Reliance Gen. Insurance Co. S.A.	General and life insurance and reinsurance	30.23%	Greece
9.	Hellenic Steel Company S.A.	Manufacturing and trading of steel products	30.83%	Greece
10.	APE Investment Property S.A.	Real estate, development/ tourist services	27.20%	Greece
11.	Sciens International Investments & Holding S.A.	Holding Company	29.80%	Greece
12.	Ekathariseis Aktoploias S.A.	Ticket Settlements	49.00%	Greece

13 Due to customers

	30 June 2008	31 December 2007
Current and sight deposits	4,366,822	4,009,760
Savings account	3,280,679	3,347,160
Term deposits	13,864,282	10,599,282
Other accounts	194,373	203,726
Repurchase agreements	853,138	870,093
	22,559,294	19,030,022
Current due to customers	22,523,724	18,990,363
Non current due to customers	35,570	39,659
	22,559,294	19,030,022

14 Debt securities in issue

	Currency	Average interest rate (%)		30 June 2008	31 December 2007
		1st Semester 2008	2007		
ETBA bonds	EUR	4.43%	3.30%	2,213,701	793,972
Euro Commercial Paper	EUR	4.71%	4.20%	2,511,600	2,559,822
	USD	4.06%	5.40%	200,645	206,206
	GBP	-	5.75%	-	50,257
	CHF	3.18%	2.64%	12,282	20,788
	JPY	1.17%	1.00%	141,029	68,418
				2,865,556	2,905,491
Euro Medium Term Note			Interest rate (%)	30 June 2008	31 December 2007
€ 32.5 m. floating rate notes due 2010			Variable	705	738
€ 21.65 m. floating rate notes due 2010			Variable	1,350	1,350
€ 500 m. floating rate notes due 2010			Euribor + 0.30%	471,140	488,811
€ 2.15 m. floating rate notes due 2008			Variable	-	2,150
€ 3.43 m. floating rate notes due 2009			Variable	390	3,025
USD 15 m. floating rate notes due 2009			Libor + 0.10%	7,237	8,458
USD 20 m. floating rate notes due 2009			Libor + 0.20%	8,386	9,659
USD 15 m. floating rate notes due 2008			Libor + 0.05%	-	8,937
€ 500 m. floating rate notes due 2009			Euribor + 0.20%	495,753	491,928
€ 25 m. floating rate notes due 2008			Euribor + 0.15%	-	24,995
€ 60 m. floating rate notes due 2015			Variable	60,000	59,965
€ 20 m. floating rate notes due 2008			Euribor + 0.10%	-	12,892
€ 10 m. floating rate notes due 2013			Euribor + 0.30%	9,987	9,987
€ 500 m. floating rate notes due 2011			Euribor + 0.25%	451,253	454,877
€ 20 m. floating rate notes due 2008			Euribor + 0.05%	-	11,024
€ 5.05 m. floating rate notes due 2011			Variable	5,050	5,050
€ 50 m. floating rate notes due 2010			Euribor + 0.225%	50,000	50,000
€ 750 m. floating rate notes due 2010			Euribor + 0.20%	710,792	711,389
€ 53 m. floating rate notes due 2008			Euribor + 0.08%	-	53,000
€ 60 m. floating rate notes due 2008			Euribor + 0.05%	-	60,000
€ 20 m. floating rate notes due 2012			Euribor + 0.20%	19,964	19,964
€ 30 m. floating rate notes due 2008			Euribor + 0.05%	29,979	29,979
€ 20 m. floating rate notes due 2008			Euribor + 0.05%	-	19,982
€ 20 m. floating rate notes due 2008			Euribor + 0.05%	-	19,982
€ 20 m. floating rate notes due 2008			Euribor + 0.05%	-	19,982
€ 10 m. fixed rate notes due 2009			Fixed	-	10,000
€ 10 m. fixed rate notes due 2009			Fixed	-	10,000
€ 45 m. fixed/ floating rate notes due 2009			Fixed/ Euribor + 0.25%	45,000	-
€ 45 m. fixed/ floating rate notes due 2009			Fixed/ Euribor + 0.25%	45,000	-
€ 40 m. fixed/ floating rate notes due 2009			Fixed/ Euribor + 0.28%	40,000	-
€ 10 m. fixed/ floating rate notes due 2010			Fixed/ Euribor + 0.35%	5,970	-
Accrued interest and other expenses				8,768	10,947
				2,466,724	2,609,071
Securitisation of mortgage loans					
€ 750 m. floating rate notes due 2040			Euribor + 0.18%	389,313	423,146
€ 1,250 m. floating rate notes due 2054			Euribor + 0.18%	998,899	976,252
€ 800 m. floating rate notes due 2055			Euribor + 0.45%	0	-
				1,388,212	1,399,398
Total debt securities in issue				8,934,193	7,707,932
Current debt securities in issue				5,495,999	3,529,560
Non current debt securities in issue				3,438,194	4,178,372
				8,934,193	7,707,932

Issuance under the Euro Commercial Paper and Euro Medium Term Note programs is undertaken through Piraeus Group Finance PLC, a subsidiary of Piraeus Bank Group. Euro Commercial Paper (ECP) short term securities issuance during the first semester of 2008, averaged about in the amount of € 3.0 billion with no significant changes in average maturity and spreads. Euro Medium Term Note (EMTN) issuance activity during the first semester of 2008 included private placements.

Piraeus Bank undertook its first Residential Mortgage Backed Securitisation (RMBS) transaction called ESTIA I in 2005. ESTIA I had an outstanding value of € 750 million at issue and was undertaken through the UK-based special purpose vehicle Estia Mortgage Finance PLC. The bonds are callable by the issuer after 9 years and have an average cost of 3 month Euribor plus 18 basis points.

The second RMBS transaction called ESTIA II was completed through the UK-based special purpose vehicle Estia Mortgage Finance II PLC on July, 2007. The € 1.25 billion bonds are callable by the issuer after 7 years and have an average cost of 3 month Euribor plus 18 basis points.

The third RMBS transaction called ESTIA III was completed through the UK-based special purpose vehicle Estia Mortgage Finance III PLC on April, 2008. The € 800 million bonds are callable by the issuer after 7 years and have an average cost of 3 month Euribor plus by 45 basis points. This issue as at 30/6/2008 has been retained by Piraeus Bank.

15 Hybrid capital and other borrowed funds

	Interest rate (%)	30 June 2008	31 December 2007
Hybrid Capital (TIER I)			
€ 200 m. floating rate notes	Euribor + 1.25%	178,712	191,632
Accrued interest and other expenses		1,907	1,774
		180,619	193,406
Subordinated debt (TIER II)			
€ 400 m. floating rate notes due 2014	Euribor + 0.60%	386,028	393,159
€ 400 m. floating rate notes due 2016	Euribor + 0.55%	390,844	395,651
Accrued interest and other expenses		4,201	2,925
		781,073	791,735
		961,692	985,141

Total hybrid capital and other borrowed funds

TIER I hybrid capital has been issued by Piraeus Group Capital LTD in October 2004. These securities are callable by the issuer after 10 years and bear a nominal coupon of 3 month Euribor plus 125 basis points.

Lower Tier II subordinated debt has been issued by Piraeus Group Finance PLC via the EMTN program. Initially, on 29/9/2004, an amount of € 400 million was issued, with a 10 year maturity, which is callable by the issuer after 5 years and bears a 3 month Euribor nominal coupon increased by 60 basis points. Subsequently, on 20/7/2006, an amount of € 400 million was issued, with a 10 year maturity, which is callable after 5 years and bears a 3 month Euribor nominal coupon increased by 55 basis points.

Accrued interest on hybrid capital and other borrowed funds is included in the respective amounts of hybrid capital and other borrowed funds. The Bank is not in default of any payments of principal, interest or redemption amounts of the aforementioned hybrid capital and other borrowed funds. The balance of hybrid capital and other borrowed funds on 30/6/2008 (€ 961.7 million) is non current.

16 Contingent liabilities and commitments

A) Legal procedures

The legal proceedings outstanding against the Bank as at 30/06/2008, are not expected to have any significant impact on the financial statements of the Bank, according to the opinion of the legal affairs division of the Bank.

B) Credit commitments

As at 30/06/2008 the Bank had the following capital commitments:

	30 June 2008	31 December 2007
Letters of guarantee	2,761,586	2,317,635
Letters of credit	146,735	171,176
Commitments to extend credit	12,767,651	12,365,397
	15,675,972	14,854,208

C) Assets pledged

	30 June 2008	31 December 2007
Trading securities	1,142,733	3,056,772

D) Operating lease commitments

The future minimum lease payments under non-cancellable operating leases are analysed as follows:

	30 June 2008	31 December 2007
Up to 1 year	49,436	46,852
From 1 to 5 years	207,755	197,710
More than 5 years	422,150	411,580
	679,341	656,142

17 Share capital

	Ordinary shares	Share premium	Treasury shares	Total
Opening balance at 1st January 2007	1,288,830	88,146	(97,300)	1,279,676
Issue of share capital by cash contribution	322,208	994,481	-	1,316,689
Share capital issue from the exercise of share options of the 2nd and 3rd share option plans	6,939	17,276	-	24,215
Purchases of treasury shares	-	-	(188,639)	(188,639)
Sales of treasury shares	-	-	24,417	24,417
Sale of pre-emption rights from treasury shares	-	-	10,662	10,662
Balance at 31st December 2007	1,617,977	1,099,903	(250,860)	2,467,020

Piraeus Bank - 30 June 2008
Amounts in thousand euros (Unless otherwise stated)

	Ordinary shares	Share premium	Treasury shares	Total
Opening balance at 1st January 2008	1,617,977	1,099,903	(250,860)	2,467,020
Cancellation of treasury shares	(49,644)	(184,526)	234,170	0
Share capital increase due to reinvestment of dividends	3,589	12,398	-	15,987
Purchases of treasury shares	-	-	(72,925)	(72,925)
Balance at 30 June 2008	1,571,923	927,775	(89,615)	2,410,083

Changes to the number of Bank's shares are analysed to the table below:

	Number of shares		Net number of shares
	Issued shares	Treasury shares	
Opening balance at 1st January 2007	270,195,031	(4,758,077)	265,436,954
Issue of share capital	67,548,758	-	67,548,758
Issue of shares due to the exercise of share options	1,454,798	-	1,454,798
Purchases of treasury shares	-	(7,323,853)	(7,323,853)
Sales of treasury shares	-	1,000,000	1,000,000
Sale of pre-emption rights from treasury shares	-	-	-
Balance at 31st December 2007	339,198,587	(11,081,930)	328,116,657

	Number of shares		Net number of shares
	Issued shares	Treasury shares	
Opening balance at 1st January 2008	339,198,587	(11,081,930)	328,116,657
Cancellation of treasury shares	(10,407,537)	10,407,537	0
Share capital increase due to reinvestment of dividends	752,478	-	752,478
Purchases of treasury shares	-	(3,727,941)	(3,727,941)
Balance at 30 June 2008	329,543,528	(4,402,334)	325,141,194

Piraeus Bank's registered shares are at a nominal value of € 4.77 each. The share capital is fully paid-in.

During the Annual General Meeting of shareholders of the Bank at 3/4/2008 it was decided, according to the article 16 of codified Law 2190/1920, the purchase of treasury shares through the Athens Stock Exchange up to a maximum number of 33,000,000 treasury shares, which is less than 10% of the Bank's total number of issued shares, including the shares that have already been acquired and held by the Bank or by any person executing on his account but for the Bank's interest. The minimum and maximum purchase price for the shares is between € 4 and € 40. The purchases of the treasury shares must be completed within twenty four months from the General Meeting resolution, that is the latest by 3/4/2010 and the treasury shares acquired may be distributed to the staff of the Bank or the staff of any affiliated company.

The 2nd Iterative Ordinary General Meeting of Piraeus Bank's shareholders, held on the 7/5/2008, resolved on the decrease of the Bank's share capital by € 49,643,951.49 by cancellation of 10,407,537 treasury shares, in order to fulfill the obligation undertaken in the Prospectus for the Bank's share capital increase dated 6/7/2007. Following the decrease, the share capital of the Bank amounted to € 1,568,333,308.50, divided into 328,791,050 shares of nominal value € 4.77 each.

In addition, the same General Meeting resolved on the increase of the Bank's share capital up to the amount of € 26,378,367.12 by issuing up to 5,530,056 new ordinary registered shares. The share capital increase was effected by cash contribution and provided the shareholders the option of reinvesting the dividend of the fiscal year 2007 (that remains following the deduction of the already paid interim dividend) that is € 0.36 per share. The new shares were issued at € 21.36 per share. The total reinvested dividend amounted to € 16,072,930.08. Consequently, the Bank's share capital increased by € 3,589,320.06, by issuing 752,478 new shares of nominal value of € 4.77 per share. The additional paid-in value of the shares amounting to € 12,483,610.02 minus the relevant share capital increase expenses, was credited to the share premium account.

Following all the above corporate acts, the Bank's share capital currently amounts to € 1,571,922,628.56, divided into 329,543,528 ordinary registered shares.

Share option plans

The terms of the two existing share option plans are described in the annual financial statements of the year 2007. The 2nd Iterative Ordinary General Meeting at 7/5/2008 decided on the authorization of the Board of Directors, according to the article 13 par. 14 of codified Law 2190/1920, valid for a year, to establish a five-year stock option plan for the management and personnel of the Bank and its affiliated companies (as they are defined in article 42e of codified Law 2190/1920). The stock option plan enables the issue of new shares up to a total number of 5,000,000 shares (from which 1/5 will be vested each year). The stock option plan enables, additionally or alternatively, the allocation of existing treasury shares or shares acquired to that end. The minimum offering price of these shares shall be € 21.36 per share.

18 Other reserves and retained earnings

	30 June 2008	31 December 2007
Legal reserve	51,263	51,263
Available for sale reserve	(52,749)	14,145
Other reserves	7,461	5,800
Retained earnings	466,343	406,057
Total other reserves and retained earnings	472,318	477,265

Movements in reserves for the period were as follows:

	30 June 2008	31 December 2007
Legal reserve		
Opening balance for the period	51,263	30,103
Transfer from retained earnings	-	21,160
Closing balance for the period	51,263	51,263
Available for sale reserve		
Opening balance for the period	14,145	111,029
Gains/ (losses) from the valuation of available for sale bonds	(1,496)	(8,162)
Gains/ (losses) from the valuation of available for sale shares and mutual funds	(69,784)	41,627
Deferred income tax	22,347	29,544
Recycling of the accumulated fair value adjustment of disposed available for sale securities	(17,440)	(161,805)
Foreign exchange differences and other adjustments	(521)	1,912
Closing balance for the period	(52,749)	14,145
Other reserves		
Opening balance for the period	5,800	3,133
Reserve for stock option plans	1,661	6,791
Issue of share capital due to the exercise of share options	-	(4,571)
Other movements	-	447
Closing balance for the period	7,461	5,800
Retained earnings		
Opening balance for the period	406,057	204,154
Profit after tax for the period/ year	178,253	423,191
Transfer to legal reserve	-	(21,160)
Dividend for prior year	(118,122)	(86,462)
Interim dividend for the year 2007	-	(117,598)
Profit/ (losses) from sales of treasury shares	-	2,973
Other movements	155	958
Closing balance for the period	466,343	406,057

During the Annual General Meeting of shareholders of Piraeus Bank which was held on April 3, 2008, it was decided among other € 0.72 dividend per share for the year 2007 (the interim dividend mentioned below is included). Out of the total amount of dividend per share (€ 0.72), an interim dividend of € 0.36 per share was paid in December 2007 in accordance with the decision of the Board of Directors of 31/10/2007. The interim dividend (€ 0.36 per share) was recognised as a deduction in the Bank's equity during 2007.

19 Related parties transactions

Related parties include a) Members of the Bank Board of Directors and key management personnel of the Bank b) close family and financially dependants (husbands, wives, children etc) of Board of Directors members and key management personnel c) companies having transactions with Piraeus Bank, when the total cumulative participating interest in them (of members of Board of Directors, key management personnel and their dependants/ close family) exceeds 20%.

	Board of Directors members and key management personnel	
	30 June 2008	31 December 2007
Loans	246,859	173,664
Deposits	120,615	28,169

Letters of guarantees and letters of credits to the members of the board of directors and to the key management personnel as at 30/06/2008 are € 2.1 million (31/12/2007: € 11 million). Letters of guarantees to subsidiaries as at 30/06/2008 are € 98.2 million (31/12/2007: € 93.9 million). The total income on loans to members of the board of directors and the key management personnel for the period 1/1 - 30/06/2008 is € 5.1 million (1st semester 2007: € 1.8 million). The total expense on deposits of the prementioned related parties for the period 1/1 - 30/06/2008 is € 0.8 million (1st semester 2007: € 0.5 million)

Loans and letters of guarantees issued to related parties represent an insignificant part of total loans and letters of guarantees issued by the Bank, respectively. Loans and letters of guarantees have been issued to related parties in the normal course of business, within the approved credit policies and Bank procedures, adequately collateralised.

	30 June 2008	30 June 2007
Director's remuneration		
Salaries and other remuneration	5,558	4,866
Termination benefits	3,464	1,804
	9,022	6,670

The total cost for the share options granted to Board of Directors members and key management personnel is € 0.8 million (1st semester 2007: € 1.6 million). The total amount of provisions for Board of Directors members and key management personnel is € 31.6 million as at 30/06/2008 (31/12/2007: € 32.7 million). This amount has been included in the retirement benefit obligation.

Bank's balances from transactions to subsidiaries and associates and the relevant results are as follows:

	30 June 2008	31 December 2007
I. Subsidiaries		
Assets		
Cash and balances with Central Bank	57,186	1,012
Loans and advances to credit institutions	2,548,138	1,903,584
Loans and advances to customers	2,678,213	2,357,742
Other assets	34,721	41,587
Total	5,318,258	4,303,924
Liabilities		
Due to credit institutions	789,066	313,772
Due to customers	284,429	312,668
Debt securities in issue	6,663,461	6,915,125
Hybrid capital and other borrowed funds	961,692	990,548
Other liabilities	22,590	29,292
Total	8,721,238	8,561,405
Revenues		
Interest and similar income	112,433	60,693
Fee and commission income	7,195	14,335
Other operating income	1,103	716
Total	120,731	75,744
Expenses		
Interest expense and similar charges	(210,246)	(141,582)
Fee and commission expense	(13,540)	(9,984)
Administrative expenses	(23,843)	(20,878)
Total	(247,629)	(172,444)
II. Associates		
Deposits	67,870	41,947
Loans	25,588	301
Interest/ expense	(1,252)	(295)
Interest/ income	101	8

20 Post Balance Sheet events

On July 30, 2008 the international rating agency Fitch upgraded the credit rating of Piraeus Bank to 'A-' from 'BBB+'.

Athens, July 31st, 2008

CHAIRMAN
OF THE BOARD OF DIRECTORS

VICE-CHAIRMAN
OF THE BOARD OF DIRECTORS
AND MANAGING DIRECTOR

DEPUTY GENERAL MANAGER

MICHALIS G. SALLAS

THEODOROS N. PANTALAKIS

CONSTANTINOS I. LIAPIS

Report on review of interim financial information

To the Shareholders of PIRAEUS BANK SA

Introduction

We have reviewed the accompanying balance sheet of PIRAEUS BANK SA (the "Bank") as of 30 June 2008, the related condensed 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 Bank'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.



Athens, 31 July 2008
THE CERTIFIED AUDITOR

PricewaterhouseCoopers S.A.
268 Kifissias Avenue
152 32 Halandri
SOEL Reg. No. 113

Vassilios Goutis
SOEL Reg. No. 10411

