



**FINANCIAL STATEMENTS INFORMATION FOR THE YEAR ended as at DECEMBER 31st, 2006**  
(published according to Law 2190, art. 135 for companies preparing annual financial statements, consolidated or not, according to the IFRS)

The figures presented below provide general information about the financial position and results of Piraeus Bank and Piraeus Bank Group. The reader, who aims to form a full opinion on the Bank's financial position and results, must access the annual financial statements prepared according to the International Financial Reporting Standards and the Auditor's Report. Indicatively, the reader can visit the Bank's web site, where the above financial statements are posted. The Financial Statements of the Bank and its Group can be found in the web site of Piraeus Bank at [www.piraeusbank.gr](http://www.piraeusbank.gr).

**COMPANY'S PROFILE**

Head office: 4, Amerikis st., 105 64, Athens, Greece  
 Companies Registration Number : 6065/06/B/86/04  
 Responsible prefecture: Prefecture of Athens  
 Date of Approval of Financial Statements: January 30th, 2007  
 The Certified Auditor: Vassilios C. Gouts  
 Auditing Company: PricewaterhouseCoopers S.A.  
 Type of Review Report: Non qualified  
 Company's web site : [www.piraeusbank.gr](http://www.piraeusbank.gr)

**BOARD OF DIRECTORS COMPOSITION:**

Michalis G. Sallas	Chairman and Managing Director
Michalis I. Colakides	Vice-Chairman and Deputy Managing Director
Theodore N. Pantalakis	Vice-Chairman and Deputy Managing Director
Georgios A. Protopoulos	Vice-Chairman and Executive Director
Stavros M. Lekakos	Executive Member
Konstantinos P. Angelopoulos	Non-Executive Vice-Chairman
Ioannis V. Vardinoyannis	Non-Executive Vice-Chairman
Georgios P. Alexandridis	Independent Non-Executive Member
Hariklia A. Apalagaki	Non-Executive Member
Etichios Th. Vassiliakis	Non-Executive Member
Iakovos G. Georganas	Non-Executive Member
Michalis D. Giginis	Non-Executive Member
Silanos D. Golemis	Non-Executive Member
Nikolaos I. Zografos	Independent Non-Executive Member
Fotini A. Karamanli	Independent Non-Executive Member
Lambros E. Kotsaris	Non-Executive Member
Vassilios S. Fourlis	Non-Executive Member

**STATEMENT OF CHANGES IN EQUITY INFORMATION**  
Amounts in thousand euros

	GROUP		BANK	
	1 Jan - 31 Dec 2006	1 Jan - 31 Dec 2005	1 Jan - 31 Dec 2006	1 Jan - 31 Dec 2005
Equity at the beginning of the year	1,607,659	1,269,444	1,458,998	972,879
Mergers - cancellation of treasury shares	0	(17,391)	0	235,334
Capitalization of share premium reserve	(2,967)	0	(2,967)	0
Issue of share capital due to the exercise of share options	19,367	0	19,367	0
(Purchases)/disposals of treasury shares	(50,589)	20,415	(50,591)	9,898
Available for sale reserve	47,133	59,506	48,756	59,193
Profit after tax for the year	456,449	282,728	340,084	261,597
Prior year dividends	(115,863)	(99,470)	(107,435)	(80,103)
Interim dividend for year 2006	(85,948)	0	(85,948)	0
Acquisitions, absorptions and movement in subsidiaries holding	(43,161)	97,671	0	0
Reserve for stock option plans	8,360	200	8,360	200
Distribution of reserves	0	(11,166)	0	0
Currency translation differences and other adjustments	(8,040)	5,722	(549)	0
Equity at the end of the year	1,832,420	1,607,659	1,628,095	1,458,998

**BALANCE SHEET INFORMATION**  
Amounts in thousand euros

	GROUP		BANK	
	31 December 2006	31 December 2005	31 December 2006	31 December 2005
<b>ASSETS</b>				
Cash and balances with central banks	1,885,146	1,570,219	1,361,547	1,218,081
Treasury bills and other eligible bills	165,226	221,977	29,749	40,103
Loans and advances to credit institutions	2,626,853	2,220,330	2,938,923	2,138,356
Derivative financial instruments - assets	56,435	22,741	52,979	18,979
Financial instruments at fair value through profit and loss	2,021,348	1,180,120	1,923,151	1,092,197
Loans and advances to customers (net of provisions)				
Loans and advances to customers	20,804,448	15,884,148	19,041,626	14,948,637
Less: Provisions for losses on loans and advances	(377,833)	(433,029)	(312,890)	(361,465)
Investment securities				
Available for sale securities	1,300,126	685,584	1,111,713	415,790
Held to maturity	99,880	95,555	0	0
Investments in associated undertakings	29,737	65,641	13,976	99,450
Investments in subsidiaries	0	0	1,027,930	0
Intangible fixed assets				
Goodwill	139,162	141,306	0	0
Other intangible	53,129	60,932	14,498	10,174
Property, plant and equipment	1,143,835	202,238	1,498,000	192,915
Held for sale	12,844	11,958	0	0
Other assets				
Deferred tax assets	100,253	137,218	80,013	115,872
Inventories - property	181,358	165,838	45,733	28,403
Other assets	689,268	541,336	394,071	290,186
<b>TOTAL ASSETS</b>	<b>30,931,215</b>	<b>23,545,480</b>	<b>27,941,609</b>	<b>21,154,101</b>
<b>LIABILITIES</b>				
Due to credit institutions	4,882,851	3,535,764	4,709,542	3,422,407
Derivative financial instruments - liabilities	59,704	37,591	61,069	35,515
Due to customers	16,734,589	13,196,528	14,606,019	11,451,453
Debt securities in issue	5,261,513	3,745,688	5,221,345	3,725,139
Hybrid capital and other borrowed funds				
Hybrid capital (Tier I)	201,206	201,178	201,163	201,260
Subordinated debt capital (Tier II)	803,864	402,362	799,721	398,597
Other Liabilities				
Retirement benefit obligations	153,232	154,699	148,724	151,447
Deferred tax liabilities	72,059	60,223	42,347	33,280
Other provisions	11,744	20,652	16,482	24,087
Current income tax liabilities	47,017	29,018	32,944	20,168
Other liabilities	871,016	554,118	474,138	231,750
<b>Total Liabilities</b>	<b>29,098,795</b>	<b>21,937,821</b>	<b>26,313,514</b>	<b>19,695,103</b>
<b>EQUITY</b>				
Share capital	1,288,830	1,024,932	1,288,830	1,024,932
Share premium	88,146	330,643	88,146	330,643
Less: Treasury shares	(97,302)	(17,594)	(97,300)	(17,590)
Other reserves and retained earnings	336,527	348,419	348,419	121,013
Piraeus Bank shareholders' equity	1,616,201	1,378,424	1,628,095	1,458,998
Minority interest in equity	216,219	229,233	-	-
<b>Total Equity</b>	<b>1,832,420</b>	<b>1,607,659</b>	<b>1,628,095</b>	<b>1,458,998</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>30,931,215</b>	<b>23,545,480</b>	<b>27,941,609</b>	<b>21,154,101</b>

**CASH FLOW STATEMENT INFORMATION**  
Amounts in thousand euros

	GROUP		BANK	
	1 Jan - 31 Dec 2006	1 Jan - 31 Dec 2005	1 Jan - 31 Dec 2006	1 Jan - 31 Dec 2005
Total inflows/ (outflows) from operating activities	(200,954)	534,919	(144,755)	156,281
Total inflows/ (outflows) from investing activities	(672,921)	(647,666)	(617,089)	(217,682)
Total inflows/ (outflows) from financing activities	1,741,103	2,117,551	1,670,468	1,980,952
Net increase in cash and cash equivalents of the year	867,228	2,204,804	908,624	1,919,551
Effect of exchange rate changes on cash and cash equivalents	(1,003)	3,227	604	2,327
Total inflows/ (outflows) for the year	866,225	2,208,031	909,228	1,921,878
Cash and cash equivalents at the beginning of the year after adjustments	3,515,064	1,307,033	3,355,973	1,267,938
Cash and cash equivalents at the end of the year	4,381,289	3,515,064	4,265,201	3,189,816

**COMPANIES CONSOLIDATED BY THE FULL METHOD OF CONSOLIDATION**

Apart from the parent company Piraeus Bank S.A., the companies which have been fully consolidated on December 31st, 2006 are listed below:

	% holding	Unaudited tax years		% holding	Unaudited tax years
1. Marathon Banking Corporation (U.S.A.)	82.52%	2006	38. Piraeus Mutual Funds S.A. (Greece)	100.00%	2005-2006
2. Tirana Bank I.B.C. (Albania)	90.72%	2003-2006	39. Piraeus Buildings S.A. (Greece)	100.00%	2005-2006
3. Piraeus Bank Romania S.A. (Romania)	100.00%	2003-2006	40. Piraeus Developer S.A. (Greece)	100.00%	2005-2006
4. Piraeus Bank Beograd A.D. (Serbia)	100.00%	2002-2006	41. P - Parking S.A. (Greece)	100.00%	2005-2006
5. Piraeus Bank Bulgaria A.D. (Bulgaria)	99.92%	2003-2006	42. Estia Mortgage Finance P.L.C. (United Kingdom)	100.00%	2005-2006
6. Piraeus Bank Egypt S.A.E. (Egypt)	95.34%	1999-2006	43. Euroinvestments & Finance Public LTD (Cyprus)	85.10%	1999-2006
7. Piraeus Asset Management Europe S.A. (Luxembourg)	99.94%	2003-2006	44. Lakios Mikeli Real Estate LTD (Cyprus)	50.00%	2005-2006
8. Piraeus Leasing S.A. (Greece)	86.76%	2005-2006	45. Philoklimati Public LTD (Cyprus)	50.32%	2005-2006
9. Piraeus Leasing Romania S.R.L. (Romania)	100.00%	2003-2006	46. Philoklimati Ergoliptiki LTD (Cyprus)	50.32%	2004-2006
10. Piraeus Insurance and Reinsurance Brokerage S.A. (Greece)	100.00%	2006	47. Aggressive Investments S.A. (Greece)	100.00%	2005-2006
11. Tirana Leasing S.A. (Albania)	100.00%	2006	48. New Evolution S.A. (Greece)	100.00%	2005-2006
12. Piraeus Securities S.A. (Greece)	80.00%	2003-2006	49. Imperial Stockbrokers Limited (Cyprus)	85.10%	2001-2006
13. Piraeus Group Capital LTD (United Kingdom)	100.00%	2006	50. Imperial Eurobrokers Limited (Cyprus)	85.10%	2001-2006
14. Piraeus Leasing Bulgaria (Bulgaria)	100.00%	2006	51. EMF Investors Limited (Cyprus)	85.10%	2001-2006
15. Auto Leasing Bulgaria (Bulgaria)	100.00%	2006	52. Euroinvestments Mutual Funds Limited (Cyprus)	85.10%	2000-2006
16. Piraeus Enterprises 4 LTD (Cyprus)	100.00%	-	53. Bull Fund Limited (Cyprus)	37.74%	1999-2006
17. Piraeus Group Finance P.L.C. (United Kingdom)	100.00%	2005-2006	54. Good Works Real Estate Tourist and Development S.A. (Greece)	100.00%	2005-2006
18. Multicollection S.A. (Greece)	51.00%	2005-2006	55. New Flexible Tourist and Development S.A. (Greece)	100.00%	2005-2006
19. Piraeus Factories S.A. (Greece)	80.00%	2005-2006	56. New Up Dating Development Real Estate and Tourist S.A. (Greece)	100.00%	2005-2006
20. Piraeus Muffin S.A. (Greece)	100.00%	2005-2006	57. Sunholdings Properties Company LTD (Cyprus)	25.16%	2005-2006
21. ETBA Finance S.A. (Greece)	100.00%	2003-2006	58. Piraeus Cards S.A. (Greece)	100.00%	2005-2006
22. Piraeus Botlin S.A. (Greece)	100.00%	2001-2006	59. Protopon Properties Limited (Cyprus)	37.74%	-
23. Picar S.A. (Greece)	100.00%	2005-2006	60. Shinefocus Limited (Cyprus)	37.74%	1999-2006
24. Piraeus Real Estate Investment Property S.A. (Greece)	38.17%	2004-2006	61. Capital Investments & Finance S.A. (Liberia)	100.00%	-
25. Bullina S.A. (Bulgaria)	100.00%	2003-2006	62. Maples Invest & Holding S.A. (British Virgin Islands)	100.00%	-
26. Piraeus ATFS S.A. (Greece)	100.00%	2004-2006	63. Margeon Invest & Finance S.A. (British Virgin Islands)	100.00%	-
27. General Construction and Development Co. S.A. (Greece)	66.67%	2005-2006	64. Viria Investments S.A. (Panama)	100.00%	-
28. Piraeus Best Leasing S.A. (Greece)	41.72%	2003-2006	65. Piraeus Insurance Brokerage EOOD (Bulgaria)	99.92%	-
29. Piraeus Direct Services S.A. (Greece)	100.00%	2005-2006	66. SSIE Piraeus Securities Romania S.A. (Romania)	93.90%	1997-2006
30. Exodus S.A. (Greece)	50.10%	2004-2006	67. Trieris Real Estate Management LTD (British Virgin Islands)	100.00%	-
31. Komotini Real Estate Development S.A. (Greece)	100.00%	2006	68. Piraeus Egypt Asset Management S.A.E. (Egypt)	85.69%	2003-2006
32. Piraeus Real Estate S.A. (Greece)	100.00%	2005-2006	69. Piraeus Egypt Leasing Co. (Egypt)	94.98%	-
33. ND Development S.A. (Greece)	100.00%	2002-2006	70. Piraeus Egypt Brokerage Co. (Egypt)	94.98%	-
34. Property Horizon S.A. (Greece)	100.00%	2003-2006	71. Piraeus Insurance - Reinsurance Broker Romania S.R.L. (Romania)	100.00%	-
35. ETBA Industrial Estates S.A. (Greece)	65.00%	2003-2006	72. Piraeus Real Estate Consultants S.R.L. (Romania)	100.00%	-
36. Piraeus Property S.A. (Greece)	100.00%	2005-2006	73. Piraeus Coastal Transportation Services S.A. (Greece)	86.76%	2000-2006
37. Piraeus Development S.A. (Greece)	100.00%	2005-2006			

The companies numbered 59-73 have been consolidated as at 31/12/2006 and they had not been included in the consolidation as at 31/12/2005. More specifically, the companies numbered 59-64, 66 and 68 relate to new acquisitions, the companies numbered 65-67 and 69-72 are newly established, whereas the company numbered 73 has been consolidated by the full method of consolidation, since it will obtain operation following its transfer to Piraeus Bank subsidiary, Piraeus Leasing S.A. Of the companies consolidated as at 31/12/2005, the following have not been included in the consolidation on 31/12/2006: a) E-Vison S.A., b) Electra S.A., c) Kimatopenditiki Tourist and Development S.A. and d) Sudanese Egyptian Bank. Of these companies, company numbered (a) was absorbed by the Bank, company numbered (b) was transferred to the available for sale portfolio and companies numbered (c) and (d) were disposed of. Estia Mortgage Finance PLC is consolidated as a special-purpose entity. The most important corporate events during 2006 were: a) the increase of shareholding in Euroinvestments & Finance Public LTD upon the completion of the public offering through the Cyprus Stock Exchange on 14/04/2006, b) the transfer of Piraeus Direct Services S.A. credit cards segment and its absorption by Piraeus Cards S.A. on 31/5/2006, c) the change of activity of Piraeus Constructions S.A. to the mutual funds management company and its renaming to Piraeus Mutual Funds Management on 31/5/2006, d) the completion of the absorption of E-Vison S.A. by the Bank on 14/7/2006, e) the acquisition of SSIE Piraeus Securities Romania S.A. on 12/9/2006 and f) the incorporation of Trieris Real Estate Management LTD on 7/4/2006. The corporate events mentioned above did not have an effect of more than 25% on the turnover or/and the profit after tax or/and the Group shareholders' equity for the current year.

**COMPANIES CONSOLIDATED BY THE EQUITY METHOD OF ACCOUNTING**

The companies listed below have been consolidated using the method of equity accounting on December 31st, 2006:

	% holding		% holding
1. ING Piraeus Life Insurance Co. (Greece)	49.90%	11. Nile Shoes Company (Egypt)	37.50%
2. "Votiki" Regional Development & Investment Co. S.A. (Greece)	37.00%	12. Piraeus Insurance Consultant (Egypt)	38.14%
3. Crete Scientific & Techn. Park Manag. & Develop. Co. S.A. (Greece)	30.45%	13. Egyptian Commercial Storage Co. (Egypt)	38.14%
4. "Evros" Development Company S.A. (Greece)	30.00%	14. Rebital (Greece)	16.67%
5. Etanol S.A. (Greece)	25.00%	15. Abtes (Greece)	16.67%
6. Stalco S.A. (Greece)	25.00%	16. Euroterra (Greece)	15.89%
7. Delphi Advanced Research Technologies LTD (Cyprus)	21.28%	17. APE Comm. Property Real Estate Tourist & Develop.S.A. (Greece)	27.80%
8. Project on Line S.A. (Greece)	40.00%	18. APE Fixed Assets Real Estate Tourist & Development S.A. (Greece)	27.80%
9. Monastriou Technical Develop. Co. S.A. (Greece)	33.33%	19. Borg El Arab Company (Egypt)	26.19%
10. Alexandria for Development and Investment (Egypt)	20.98%	20. Trieris Real Estate LTD (British Virgin Islands)	24.13%

The companies numbered 19-20 have been consolidated as at 31/12/2006 and they had not been included in the consolidation as at 31/12/2005. The company numbered 19 was transferred from the available for sale portfolio, whereas the company numbered 20 is newly established. Of the companies consolidated as at 31/12/2005, the following have not been included in the consolidation on 31/12/2006: a) ING Piraeus Mutual Funds S.A., b) El-Ejwon Hospital and c) Sciens International Investments and Holdings S.A. Of these companies, companies numbered (a) and (b) were disposed of and company numbered (c) was transferred to the trading portfolio. The most important corporate events of 2006 relating to associate companies are: (a) the completion of the sale procedure for the company ING Piraeus Mutual Funds S.A. on 30/5/2006 and b) the incorporation of Trieris Real Estate LTD on 7/4/2006.

Notes:  
 1) The accounting policies, adopted by the Group according to the International Financial Reporting Standards (IFRS), have been applied.  
 2) During 2006, the following share capital increases were concluded: a) the increase of share capital by euro 256,233 thousand by capitalization of part of the share premium reserve account and issue of 53,717,609 new common registered shares to be distributed to shareholders - one (1) free new share for every four (4) old shares and b) the increase of Piraeus Bank share capital by euro 7,665 thousand by issuing 1,606,988 new common registered shares at a par value of euro 4.77 each. Following the above increases, the Bank's total share capital rises to euro 1,288,830 thousand divided into 270,195,031 registered voting shares, each at a par value of euro 4.77.  
 3) Tax authorities have audited Piraeus Bank's tax position for the years up to and including 2003. For the unaudited tax years of Piraeus Bank and its subsidiaries, a provision has been raised according to International Financial Reporting Standards (IFRS).  
 4) Property, plant and equipment are free of any liens or encumbrances.  
 5) All disputes under litigation or arbitration, as well as the pending court decisions are not expected to have significant effect on the financial position of the Group.  
 6) The Group balances with related parties are as follows: assets euro 107.9 million, liabilities euro 77.7 million, letters of guarantees euro