



EFG EUROBANK ERGASIAS S.A.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

31 MARCH 2007

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	Note	Three months ended	
		31 March	
		2007	2006
		€ million	€ million
Net interest income		343	303
Net banking fee and commission income		58	52
Income from non banking services		1	1
Dividend income		7	0
Net trading income/(loss)		14	8
Gains less losses from investment securities		34	13
Other operating income		1	10
Operating income		458	387
Operating expenses		(186)	(163)
Impairment losses on loans and advances		(82)	(81)
Profit before tax		190	143
Income tax expense	6	(39)	(36)
Net profit for the period attributable to shareholders		151	107

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

	Note	31 March 2007 €million	31 December 2006 € million
ASSETS			
Cash and balances with central bank		1,063	1,641
Loans and advances to banks		6,880	5,196
Financial instruments at fair-value-through-profit-or-loss		519	574
Derivative financial instruments		539	574
Loans and advances to customers		31,251	30,183
Available-for-sale investment securities		9,881	10,019
Investments in subsidiary undertakings	5	1,093	1,091
Investments in associated undertakings		37	37
Intangible assets		32	11
Property, plant and equipment		441	452
Other assets		295	279
Total assets		52,031	50,057
LIABILITIES			
Due to other banks		10,774	11,550
Derivative financial instruments		694	734
Due to customers		33,298	30,363
Other borrowed funds	7	3,235	3,515
Other liabilities		558	733
Total liabilities		48,559	46,895
EQUITY			
Share capital	8	1,262	1,243
Share premium	8	297	183
Other reserves		1,128	950
Ordinary shareholders' equity		2,687	2,376
Hybrid capital	10	785	786
Total		3,472	3,162
Total equity and liabilities		52,031	50,057

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

	Attributable to ordinary shareholders of the Bank					Hybrid capital €million	Total €million
	Share capital €million	Share premium €million	Special reserves €million	Retained earnings €million	Total €million		
	Balance at 1 January 2006	1,047	482	896	(71)		
Cash flow hedges							
- net changes in fair value, net of tax	-	-	3	-	3	-	3
- transfer to net profit, net of tax	-	-	2	-	2	-	2
Available-for-sale securities							
- net changes in fair value, net of tax	-	-	(133)	-	(133)	-	(133)
- transfer to net profit, net of tax	-	-	116	-	116	-	116
Net income/(expense) recognised directly in equity	-	-	(12)	-	(12)	-	(12)
Profit for the period	-	-	-	107	107	-	107
Total recognised income for the three months ended 31 March 2006	-	-	(12)	107	95	-	95
Sale of hybrid capital	-	-	-	(2)	(2)	22	20
Hybrid capital's dividend paid	-	-	-	(12)	(12)	-	(12)
Employee share option scheme:							
- Value of employee services	-	-	1	-	1	-	1
Purchase of treasury shares	(0)	(2)	-	-	(2)	-	(2)
	(0)	(2)	1	(14)	(15)	22	7
Balance at 31 March 2006	1,047	480	885	22	2,434	784	3,218
Balance at 1 January 2007	1,243	183	771	179	2,376	786	3,162
Cash flow hedges							
- net changes in fair value, net of tax	-	-	0	-	0	-	0
- transfer to net profit, net of tax	-	-	(0)	-	(0)	-	(0)
Available-for-sale securities							
- net changes in fair value, net of tax	-	-	27	-	27	-	27
- transfer to net profit, net of tax	-	-	(19)	-	(19)	-	(19)
Net income/(expense) recognised directly in equity	-	-	8	-	8	-	8
Profit for the period	-	-	-	151	151	-	151
Total recognised income for the three months ended 31 March 2007	-	-	8	151	159	-	159
Purchase of hybrid capital	-	-	-	-	-	(4)	(4)
Sale of hybrid capital	-	-	-	-	-	3	3
Hybrid capital's dividend paid	-	-	-	(16)	(16)	-	(16)
Employee share option scheme:							
- Value of employee services	-	-	2	-	2	-	2
Purchase of treasury shares	(6)	(45)	-	-	(51)	-	(51)
Sale of treasury shares	25	159	33	-	217	-	217
	19	114	35	(16)	152	(1)	151
Balance at 31 March 2007	1,262	297	814	314	2,687	785	3,472
	Note 8	Note 8				Note 10	

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

	Note	Three months ended 31 March	
		2007 €million	2006 € million
Cash flows from operating activities			
Interest received and net trading receipts		775	461
Interest paid		(498)	(239)
Fees and commissions received		64	53
Fees and commissions paid		(17)	(16)
Other income received		2	2
Cash payments to employees and suppliers		(137)	(116)
Cash flows from operating profits before changes in operating assets and liabilities		189	145
Changes in operating assets and liabilities			
Net (increase)/decrease in cash and balances with central bank		(4)	(7)
Net (increase)/decrease in financial instruments at fair-value-through-profit-or-loss		39	(396)
Net (increase)/decrease in loans and advances to banks		(596)	(82)
Net (increase)/decrease in loans and advances to customers		(965)	(1,210)
Net (increase)/decrease in other assets		298	290
Net increase/(decrease) in due to other banks		(754)	1,374
Net increase/(decrease) in due to customers		2,817	898
Net increase/(decrease) in other liabilities		(539)	(281)
Net cash from operating activities		485	731
Cash flows from investing activities			
Purchases of property, plant and equipment		(20)	(19)
Proceeds from sale of property, plant and equipment		1	1
Purchases of available-for-sale investment securities		(1,815)	(1,776)
Proceeds from sale of available-for-sale investment securities		1,951	1,482
Acquisition of subsidiary undertakings		(2)	(102)
Acquisition of associated undertakings		-	(0)
Proceeds from sale of subsidiary undertakings		-	8
Dividends from investment securities and associated undertakings		1	0
Net cash from investing activities		116	(406)
Cash flows from financing activities			
Repayments of other borrowed funds	7	(278)	(50)
Purchases of hybrid capital	10	(4)	-
Proceeds from sale of hybrid capital	10	3	22
Hybrid capital's dividend paid		(16)	(12)
Purchases of treasury shares		(51)	(2)
Proceeds from sale of treasury shares		217	-
Net cash from financing activities		(129)	(42)
Net increase/(decrease) in cash and cash equivalents		472	283
Cash and cash equivalents at beginning of period		4,835	4,090
Cash and cash equivalents at end of period		5,307	4,373

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

1. General information

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

These condensed interim financial statements were approved by the Board of Directors on 8 May 2007.

2. Basis of preparation of condensed interim financial statements

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and they should be read in conjunction with the Bank's published annual financial statements for the year ended 31 December 2006. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period. Except as indicated, financial information presented in euro has been rounded to the nearest million.

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

3. Principal accounting policies

The same accounting policies and methods of computation are followed in these condensed interim financial statements as those in the published annual financial statements for the year ended 31 December 2006.

4. Critical accounting estimates and judgements in applying accounting policies

In preparing these condensed interim financial statements, the significant judgements made by Management in applying the Bank's accounting policies and the key sources of estimation uncertainty were the same as those applied to the published annual financial statements for the year ended 31 December 2006.

5. Investments in subsidiary undertakings**(a) S.C. EFG Eurolife Asigurari de Viata S.A., Bucharest**

In February 2007, the Bank in cooperation with EFG Eurolife General Insurance S.A., EFG Eurolife Life Insurance S.A., Eurobank Cards S.A. and EFG Business Services S.A. established S.C. EFG Eurolife Asigurari de Viata S.A., a life insurance company operating in Romania. The Bank's holding in the share capital of the company is 9.9%.

(b) S.C. EFG Eurolife Asigurari Generale S.A., Bucharest

In February 2007, the Bank in cooperation with EFG Eurolife General Insurance S.A., EFG Eurolife Life Insurance S.A., Eurobank Cards S.A. and EFG Business Services S.A. established S.C. EFG Eurolife Asigurari Generale S.A., a general insurance company operating in Romania. The Bank's holding in the share capital of the company is 9.9%.

(c) Cayne Management Group B.V., Amsterdam

In March 2007, the Bank acquired 100% of the share capital of Cayne Management Group B.V., a holding company operating in the Netherlands.

Post balance sheet events**(d) EFG Leasing A.D. Beograd**

In April 2007, the Bank participated in the company's share capital increase. The Bank's participation in the company decreased to 50.24 from 51.14%

6. Income tax expense

As of 1 January 2007, the nominal Greek corporate rate of tax is reduced to 25% from 29%.

7. Other borrowed funds

During the three months ended 31 March 2007, the repayments of securitised floating rate borrowed funds amounted to €278 million.

8. Ordinary share capital, share premium and treasury shares

The par value of the Bank's shares is €3.30 per share. All shares are fully paid. The movement of share capital, share premium and treasury shares is as follows:

	Ordinary share capital €million	Treasury shares €million	Net €million	Share premium €million	Treasury shares €million	Net €million
At 1 January 2007	1,264	(21)	1,243	313	(130)	183
Purchase of treasury shares	-	(6)	(6)	-	(45)	(45)
Sale of treasury shares	-	25	25	-	159	159
At 31 March 2007	1,264	(2)	1,262	313	(16)	297

	Number of shares		
	Issued	Treasury shares	Net
At 1 January 2007	383,188,108	(6,406,864)	376,781,244
Purchase of treasury shares	-	(1,729,663)	(1,729,663)
Sale of treasury shares	-	7,451,005	7,451,005
At 31 March 2007	383,188,108	(685,522)	382,502,586

Post balance sheet events

In April 2007, the Annual General Meeting approved the following:

- the renewal of the treasury shares special scheme for one year within the price range of €6 to €38 per share for a total of up to 5% of the Bank's shares.
- the distribution of 839,992 free shares to employees. These were distributed on 3 May 2007.
- the distribution of 2 new shares for every 10 to the shareholders, with the adjustment of the par value of the shares from €3.30 to €2.75. This is expected to be completed within May 2007, and includes the shares in (b) above.

9. Share options

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

Post balance sheet events

In April 2007, within the umbrella share options programme approved by the Annual General Meeting in April 2006, the Board of Directors granted 1,206,000 share options with a strike price of €17 per share to executive directors, management and employees. These may be exercised in December 2009, 2010, 2011 and 2012 if the holders are still employed by the Bank.

10. Hybrid capital

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

	Series A €million	Series B €million	Series C €million	Total €million
At 1 January 2007	194	396	196	786
Purchase of hybrid capital	(3)	-	(1)	(4)
Sale of hybrid capital	2	0	1	3
At 31 March 2007	193	396	196	785

The rate of hybrid capital for the Tier 1 Issue series A has been determined to 4.297% for the period March 18, 2007 to March 17, 2008.

As at 31 March 2007, the dividend attributable to hybrid capital holders amounts to €10.5 million.

11. Contingent liabilities and capital expenditure commitments

As at 31 March 2007 the Bank's contingent liabilities in terms of guarantees and standby letters of credit amounted to €15,473 million (31 December 2006: €15,322 million) and the Bank's documentary credits amounted to €75 million (31 December 2006: €84 million).

Bank's capital commitments in terms of property, plant and equipment amounted to €12 million (31 December 2006: €17 million).

12. Post balance sheet events

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

- Note 5 - Investments in subsidiary undertakings
- Note 8 - Ordinary share capital, share premium and treasury shares
- Note 9 - Share options
- Note 14 - Dividends

13. Related party transactions

The Bank is a member of the EFG Group, the ultimate parent company of which is EFG Bank European Financial Group, a bank incorporated in Switzerland. The EFG Group holds 41% of the ordinary shares. The remaining 59% of the shares are widely held. All the voting rights in EFG Bank European Financial Group are held by the Latsis family, the ultimate controlling party of the Bank.

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

	31 March 2007			
	Subsidiaries	EFG Group	Key management	
			personnel	Other
€ million	€ million	€ million	€ million	
Loans and advances to banks	3,664	-	-	-
Financial instruments at fair-value-through-profit-or-loss	150	-	-	-
Available-for-sale investment securities	224	63	-	41
Derivative financial instruments	87	-	-	-
Loans and advances to customers	1,552	-	9	5
Other assets	26	-	-	-
Due to other banks	1,118	43	-	-
Derivative financial instruments	56	-	2	-
Due to customers	12,607	299	42	80
Other liabilities	19	1	-	-
Letters of guarantee issued	13,084	377	-	2
Letters of guarantee received	-	407	-	-

	three months ended 31 March 2007			
	€ million	€ million	€ million	€ million
Net interest income/(expense)	(83)	(6)	(0)	(0)
Net banking fee and commission income/(expense)	9	0	0	0
Dividend income	5	-	-	-
Net trading income	(0)	-	-	-
Other operating income/(expense)	(3)	(1)	-	-
Impairment losses on loans and advances to customers	(2)	-	-	-

	31 December 2006			
	Subsidiaries	EFG Group	Key management	
			personnel	Other
€ million	€ million	€ million	€ million	
Loans and advances to banks	2,680	0	-	-
Financial instruments at fair-value-through-profit-or-loss	119	-	-	-
Available-for-sale investment securities	222	62	-	51
Derivative financial instruments	71	-	-	-
Loans and advances to customers	2,026	-	10	5
Other assets	34	-	-	-
Due to other banks	1,086	509	-	-
Derivative financial instruments	55	-	2	-
Due to customers	11,468	304	41	59
Other liabilities	33	1	-	-
Letters of guarantee issued	13,058	377	-	2
Letters of guarantee received	-	407	-	-

	three months ended 31 March 2006			
	€ million	€ million	€ million	€ million
Net interest income/(expense)	(42)	(2)	(0)	1
Net banking fee and commission income/(expense)	10	0	-	0
Other operating income/(expense)	(1)	-	-	-

13. Related party transactions (continued)

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

In relation to the letters of guarantee issued to the Bank's subsidiaries, the Bank had received cash collateral €10,119 million as at 31 March 2007 and €10,140 million as at 31 December 2006, which is included in due to customers.

No provisions have been recognised in respect of loans given to related parties (2006: Nil)

Key management compensation (including directors)

Key management personnel are entitled to compensation in the form of short-term employee benefits €3.2 million for the three months ended 31 March 2007 (31 March 2006: €2.8 million) and long-term employee benefits €0.7 million (31 March 2006: €0.4 million).

14. Dividends

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

The Annual General Meeting on 3 April 2007 approved a dividend in respect of 2006 of €0.92 per share representing a total dividend of €350 million. An interim dividend of €0.36 per share amounting to €136 million had been paid in December 2006 in accordance with the decision of the Board of Directors on 31 October 2006. The remaining final dividend of €0.56 per share amounting to €214 million was paid in April 2007 and will be accounted for in shareholders' equity as an appropriation of retained earnings during the period from 1 April 2007 to 30 June 2007.

Athens, 8 May 2007

CHAIRMAN OF THE BOARD OF DIRECTORS

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

HEAD OF GROUP FINANCIAL SERVICES

Xenophon C. Nickitas
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