



PIRAEUS BANK S.A.

**Interim Condensed Financial
Information**

30 September 2007

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 October 31st, 2007 and it is available in the web site of Piraeus Bank at www.piraeusbank.gr

Index to the Interim Condensed Financial Information

Note		Page
	Interim Income Statement	2
	Interim Balance Sheet	3
	Interim Statement of Changes in equity	4
	Interim Cash Flow Statement	5
	Notes to the Interim Condensed Financial Information	
1	General information about the Bank	6
2	General accounting policies of the Bank	6
3	Basis of presentation of the Bank's Interim condensed financial information	6
4	Critical accounting estimates and judgements	6
5	Business Segments	7
6	Gains less losses from investment securities	8
7	Income tax expense	8
8	Earnings per share	8
9	Loans and advances to customers	9
10	Investment securities	10
11	Due to customers	10
12	Debt securities in issue	10
13	Hybrid capital and other borrowed funds	11
14	Contingent liabilities and commitments	12
15	Share capital	12
16	Other reserves and retained earnings	13
17	Related parties transactions	13
18	Post balance sheet events	15

INTERIM INCOME STATEMENT

	Note	Period from 1 January to		Period from 1 July to	
		30 September 2007	30 September 2006	30 September 2007	30 September 2006
Interest and similar income		1,657,261	1,009,332	612,976	372,396
Interest expense and similar charges		<u>(1,164,719)</u>	<u>(585,562)</u>	<u>(443,685)</u>	<u>(226,769)</u>
NET INTEREST INCOME		492,542	423,770	169,291	145,627
Fee and commission income		109,574	94,349	40,843	30,825
Fee and commission expense		<u>(28,907)</u>	<u>(22,521)</u>	<u>(13,755)</u>	<u>(8,768)</u>
NET FEE AND COMMISSION INCOME		80,667	71,828	27,088	22,057
Dividend income		27,346	27,894	8,213	3,305
Net trading income		12,194	18,228	12,991	1,494
Net income from financial instruments designated at fair value through profit or loss		11,707	(7,324)	667	(988)
Gains/ (losses) from investment securities	6	176,218	132,402	14,589	(329)
Other operating income		<u>13,543</u>	<u>13,127</u>	<u>8,002</u>	<u>1,466</u>
TOTAL NET INCOME		814,217	679,925	240,841	172,632
Staff costs		(178,053)	(159,205)	(59,892)	(54,684)
Administrative expenses		(141,104)	(125,830)	(46,663)	(40,153)
Depreciation and amortisation		(23,816)	(22,108)	(8,764)	(7,356)
Gains/ (losses) from sale of property, plant and equipment		(467)	(2,054)	(543)	59
Impairment losses on loans and receivables		<u>(53,396)</u>	<u>(43,022)</u>	<u>(21,167)</u>	<u>(10,645)</u>
TOTAL OPERATING EXPENSES		(396,836)	(352,219)	(137,029)	(112,779)
PROFIT BEFORE INCOME TAX		417,381	327,706	103,812	59,853
Income tax expense	7	<u>(39,539)</u>	<u>(47,119)</u>	<u>(14,401)</u>	<u>(12,072)</u>
PROFIT FOR THE PERIOD		377,842	280,587	89,411	47,781
Earnings per share (in euros):					
- Basic	8	1.35	1.01	0.32	0.17
- Diluted	8	1.34	1.01	0.31	0.17

INTERIM BALANCE SHEET

	Note	30 September 2007	31 December 2006
ASSETS			
Cash and balances with Central Banks		743,209	1,361,547
Loans and advances to credit institutions		5,920,746	2,938,923
Derivative financial instruments - assets		76,681	52,978
Trading securities		1,809,701	1,896,451
Financial instruments at fair value through profit or loss		411,636	56,449
Loans and advances to customers (net of provisions)	9	24,571,121	18,728,736
Investment securities			
-Available for sale securities	10	467,042	1,111,713
Investments in subsidiaries		1,589,068	1,027,930
Investments in associated undertakings		38,026	13,976
Intangible assets		15,064	14,498
Property, plant and equipment		209,948	201,206
Investment property		21,298	17,384
Deferred tax assets		84,094	80,013
Inventories - property		50,885	45,733
Other assets		629,226	394,072
TOTAL ASSETS		36,637,745	27,941,609
LIABILITIES			
Due to banks		7,473,089	4,709,542
Derivative financial instruments - liabilities		89,704	61,069
Due to customers	11	17,378,962	14,606,019
Debt securities in issue	12	6,964,357	5,221,365
Hybrid capital and other borrowed funds	13	999,920	1,000,884
Retirement benefit obligations		163,594	148,724
Other provisions		16,482	16,481
Current income tax liabilities		28,979	32,944
Deferred tax liabilities		33,325	42,347
Other liabilities		485,496	474,139
TOTAL LIABILITIES		33,633,908	26,313,514
EQUITY			
Ordinary shares	15	1,611,038	1,288,830
Share premium	15	1,082,920	88,146
Less: Treasury shares	15	(245,545)	(97,300)
Other reserves	16	55,972	144,265
Retained earnings	16	499,452	204,154
TOTAL EQUITY		3,003,837	1,628,095
TOTAL EQUITY AND LIABILITIES		36,637,745	27,941,609

INTERIM STATEMENT OF CHANGES IN EQUITY

	Note	Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings	TOTAL
Opening balance as at 1 January 2006		1,024,932	330,643	(17,590)	75,886	45,127	1,458,998
Capitalization of share premium reserve	15	256,233	(259,200)				(2,967)
Purchases of treasury shares	15			(205,574)			(205,574)
Sales of treasury shares	15			74,792		7,199	81,991
Available for sale reserve	16				(43,269)		(43,269)
Prior year dividends	16					(107,435)	(107,435)
Reserve for stock option plan					3,960		3,960
Profit after tax 1/1/2006 - 30/9/2006	16					280,587	280,587
Absorption of companies					(572)	211	(361)
Balance as at 30 September 2006		1,281,165	71,443	(148,372)	36,005	225,689	1,465,930
Opening balance as at 1 October 2006		1,281,165	71,443	(148,372)	36,005	225,689	1,465,930
Issue of share capital due to the exercise of share options	15	7,665	16,703		(4,981)		19,387
Purchases of treasury shares	15			(147,794)			(147,794)
Sales of treasury shares	15			198,866		21,920	220,786
Available for sale reserve	16				92,025		92,025
Interim dividend for year 2006						(85,948)	(85,948)
Reserve for stock option plan					4,400		4,400
Profit after tax 1/10/2006 - 31/12/2006	16				17,004	42,493	59,497
Absorption of companies and other movements					(188)		(188)
Balance as at 31 December 2006		1,288,830	88,146	(97,300)	144,265	204,154	1,628,095
Opening balance as at 1 January 2007		1,288,830	88,146	(97,300)	144,265	204,154	1,628,095
Issue of share capital by cash contribution	15	322,208	994,774				1,316,982
Purchases of treasury shares	15			(183,324)			(183,324)
Sales of treasury shares	15			35,079		2,973	38,052
Available for sale reserve	16				(93,833)		(93,833)
Prior year dividends	16					(86,462)	(86,462)
Reserve for stock option plan					5,093		5,093
Profit after tax 1/1/2007 - 30/9/2007	16					377,842	377,842
Other movements					447	945	1,392
Balance as at 30 September 2007		1,611,038	1,082,920	(245,545)	55,972	499,452	3,003,837

INTERIM CASH FLOW STATEMENT

	Note	From January 1st to	
		30 September 2007	30 September 2006
<i>Cash flows from operating activities</i>			
Profit before tax		417,381	327,706
Adjustments to profit before tax:			
Add: impairment for loans and advances	9	53,396	43,022
Add: depreciation and amortisation		23,816	22,108
Add: retirement benefits		23,850	17,239
(Gains)/ losses from valuation of trading securities and financial instruments at fair value through profit or loss		(8,822)	(11,766)
(Gains)/ losses from investing activities		(205,040)	(158,242)
Interest on debt securities in issue and other borrowed funds		-	129,284
		304,581	369,351
<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		1,740	(1,295)
Net (increase)/ decrease in trading securities and financial instruments at fair value through profit or loss		229,891	772,097
Net (increase)/ decrease in loans and advances to credit Institutions		(665,577)	57,479
Net (increase)/ decrease in loans and advances to customers		(5,863,851)	(3,531,788)
Net (increase)/ decrease in other assets		(270,706)	(132,359)
Net increase/ (decrease) in due to banks		2,763,547	1,293,108
Net increase/ (decrease) in amounts due to customers		2,772,943	1,706,808
Net increase/ (decrease) in other liabilities		50,476	100,915
<i>Net cash flow from operating activities before income tax payment</i>		(676,956)	634,316
Income tax paid		(14,780)	-
Net cash inflow/ (outflow) from operating activities		(691,736)	634,316
<i>Cash flows from investing activities</i>			
Purchases of property, plant and equipment		(41,398)	(63,521)
Sales of property, plant and equipment		11,918	10,961
Purchases of intangible assets		(6,338)	(6,589)
Purchases of available for sale securities	10	(129,572)	(682,496)
Disposal of available for sale securities	10	774,256	316,282
Acquisition of subsidiaries, net of cash acquired and participation in share capital increases		(576,556)	(63,089)
Disposals of subsidiaries, net of cash disposed		1,939	-
Acquisition of associates		(25,905)	(500)
Disposal of associates		20,003	8,529
Dividends from subsidiaries		14,081	17,725
Dividends from associates		8	1,093
Dividends from available for sale securities		4,725	6,369
Dividends from trading securities		2,681	589
Net cash inflow/ (outflow) from investing activities		49,842	(454,647)
<i>Cash flows from financing activities</i>			
Net proceeds from issue/ (repayment) of debt securities and other borrowed funds		1,742,028	1,758,308
Net proceeds from issue of share capital	15	1,316,982	-
Prior year dividends paid	16	(86,462)	(107,435)
Purchases of treasury shares	15	(183,324)	(205,574)
Sales of treasury shares	15	38,052	74,792
Other cash flows from financing activities		-	4,231
Net cash inflow/ (outflow) from financing activities		2,827,276	1,524,322
Effect of exchange rate changes on cash and cash equivalents		(1,532)	(202)
Net increase/ (decrease) in cash and cash equivalents		2,183,850	1,703,789
Cash and cash equivalents at beginning of period		4,265,201	3,189,817
Adjustment of opening balances of branch network in Bulgaria		-	166,156
Cash and cash equivalents at beginning of period after adjustments		4,265,201	3,355,972
Cash and cash equivalents at end of period		6,449,051	5,059,761

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 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 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 4,781 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 (10.7% weight), MSCI EAFE, MSCI Pan-Euro, MSCI Euro, DJ Euro Stoxx, DJ Euro Stoxx Banks, FTSE4Good Index and Kempen SNS Smaller Europe SRI 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 2006 have been followed. Piraeus Bank applies IFRS 7 from 1/1/2007 in the interim condensed financial information as well, where this is required by IAS 34. The full disclosures required by IFRS 7 will be reported in the annual financial statements of the year 2007.

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 2006.

Piraeus Bank prepares, except for the attached interim condensed stand alone financial information, consolidated interim condensed financial information which includes 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 in order 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 investments are 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:

<u>1/1-30/9/2007</u>	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Total
Revenues	791,156	219,953	24,986	747,351	224,397	2,007,843
Net revenues	469,428	69,107	24,922	40,960	209,800	814,217
Segment results	174,260	15,987	23,968	26,433	176,733	417,381
Profit before tax						417,381
Income tax expense						(39,539)
Profit after tax						377,842
Other segment items						
Capital expenditure	15,748	227	11	405	31,345	47,736
Depreciation	11,166	176	3	517	11,954	23,816
Impairment charge - loans	38,319	14,398	-	-	679	53,396

<u>1/1-30/9/2006</u>	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Total
Revenues	641,532	179,160	10,552	283,009	173,755	1,288,008
Net revenues	435,094	69,999	9,959	28,810	136,063	679,925
Segment results	157,461	19,983	9,550	11,412	129,300	327,706
Profit before tax						327,706
Income tax expense						(47,119)
Profit after tax						280,587
Other segment items						
Capital expenditure	29,576	65	23	329	40,117	70,110
Depreciation	9,236	207	2	532	12,131	22,108
Impairment charge - loans	31,600	11,169	-	-	253	43,022

Other business segments results for the period 1/1-30/09/2007 include amount of € 159.3 million which relates to the sale of the Bank's participation in Bank of Cyprus. Similarly, other business segments results for the period 1/1-30/09/2006 include amount of € 129.8 million which relates to the sale of ING GROEP N.V. Relevant note to the sale of the participation in Bank of Cyprus and of ING GROEP N.V. is note 6.

At 30 September 2007						
Segment assets	18,543,978	7,172,541	13	8,607,838	2,313,375	36,637,745
Segment liabilities	16,800,704	773,222	-	15,444,797	615,185	33,633,908
At 31 December 2006						
Segment assets	13,157,489	5,214,103	-	6,209,986	3,360,031	27,941,609
Segment liabilities	14,261,838	534,826	-	10,984,566	532,284	26,313,514

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

	1/1-30/9/2007	1/1-30/9/2006
Gains less losses on AFS - shares and mutual funds (note 16)	159,499	132,410
Gains less losses on AFS - bonds (note 16)	33	(8)
Gains less losses from sales of subsidiaries and associates	17,239	-
Impairment of shares and mutual funds (available for sale portfolio) (note 10)	(553)	-
	176,218	132,402

During the period 1/1-30/09/2007, Piraeus Bank sold its participation in Bank of Cyprus (8.08%). The profit before tax from the above transaction was € 159.3 million. In addition, an once off deferred tax expense of € 6 million was recognised on this sale and therefore the profit after tax was € 153.3 million.

During the period 1/1-30/09/2006, Piraeus Bank's participation in ING Groep N.V. was liquidated through a series of moderated sales. The profit before tax from the above transaction was € 129.8 million.

7 Income tax expense

	1/1-30/9/2007	1/1-30/9/2006
Current Tax	(22,878)	(19,928)
Deferred Tax	(16,661)	(27,191)
	(39,539)	(47,119)

Tax authorities have audited Piraeus Bank's tax position for the years up to and including 2003. 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 2238/94, amounts to 29% for the year 2006 and 25% for the year 2007. However, upon completion of the merger with the Hellenic Investment Company within 2005, in accordance with the provisions of article 9, par. 2 and 3 of Law 2992/2002, for the year 2006, income tax was defined according to a tax rate, on the Bank's taxable profits, reduced by five percentage points, namely 24% (29% minus 5%).

8 Earnings per share

Basic earnings per share is calculated by dividing the profit after tax 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 is the only case of dilutive potential ordinary shares for the Bank. Specifically, on the weighted average number of ordinary shares used for the calculation of the basic earnings per share is added the difference in the number of shares that arises from the comparison of a) the number of shares that would have been issued at fair value based on the 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 - 30/9/2007	1/1 - 30/9/2006	1/7 - 30/9/2007	1/7 - 30/9/2006
Basic earnings per share				
Profit after tax	377,842	280,587	89,411	47,781
Weighted average number of shares in issue	279,073,675	277,799,103	282,383,429	273,141,681
Basic earnings per share (in euros)	1.35	1.01	0.32	0.17
Diluted earnings per share				
Profit after tax	377,842	280,587	89,411	47,781
Weighted average number of shares in issue	279,073,675	277,799,103	282,383,429	273,141,681
Adjustment for share options	1,976,425	1,221,554	1,925,252	1,617,988
Weighted average number of shares in issue for the diluted earnings per share calculation	281,050,100	279,020,657	284,308,681	274,759,669
Diluted earnings per share (in euros)	1.34	1.01	0.31	0.17

According to the requirements of IAS 33, the weighted average number of shares has been adjusted for all periods by a 1.0552 factor, in order to adjust earnings per share (basic and diluted) for the discount price of the rights issue share capital increase (note 15).

9 Loans and advances to customers

	30 September 2007	31 December 2006
Loans to individuals		
Mortgages	5,006,913	4,214,628
Consumer/ personal and other loans	2,241,364	1,907,758
Credit cards	536,208	405,831
	7,784,485	6,528,217
Loans to corporate entities	17,098,476	12,513,409
Total loans and advances to customers	24,882,961	19,041,626
Less: Allowance for losses (impairment) on loans and advances to customers	(311,840)	(312,890)
Total loans and advances to customers (after allowance for losses)	24,571,121	18,728,736

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

a) Loans to individuals

	Mortgages	Consumer/ personal loans	Credit cards	Total
Balance at 1 January 2006	15,207	68,549	33,245	117,001
Less: opening balance of branch network in Bulgaria	-	(448)	-	(448)
Charge for the period	2,064	7,057	1,414	10,535
Loans written-off	(9,020)	(3,969)	(25,686)	(38,675)
Balance at end of period 30/9/2006	8,251	71,189	8,973	88,413
Balance at 1 October 2006	8,251	71,189	8,973	88,413
Charge for the period	340	4,018	3,842	8,200
Balance at end of year 31/12/2006	8,591	75,207	12,815	96,613
Balance at 1 January 2007	8,591	75,207	12,815	96,613
Charge for the period	455	22,418	8,207	31,080
Loans written-off	-	(20,707)	(407)	(21,114)
Balance at end of period 30/9/2007	9,046	76,918	20,615	106,579

b) Loans to corporate entities

Balance at 1 January 2006	244,467
Less: opening balance of branch network in Bulgaria	(548)
Charge for the period	32,487
Loans written-off	(67,848)
Foreign exchange differences	(529)
Balance at end of period 30/9/2006	208,029
Balance at 1 October 2006	208,029
Charge for the period	8,409
Loans written-off	(168)
Foreign exchange differences	7
Balance at end of year 31/12/2006	216,277
Balance at 1 January 2007	216,277
Charge for the period	22,316
Loans written-off	(32,702)
Foreign exchange differences	(630)
Balance at end of period 30/9/2007	205,261

Piraeus Bank branch network in Bulgaria was absorbed on 24/3/2006 by Piraeus Bank's subsidiary, Piraeus Bank Bulgaria A.D.

10 Investment securities

	30 September 2007	31 December 2006
Available for sale securities		
Bonds and other fixed income securities		
Greek Government bonds	143,074	355,826
Corporate entities bonds	138,683	121,976
Bank bonds	52,585	37,295
	334,342	515,097
Shares and other variable income securities		
Listed shares	19,147	472,457
Unlisted shares	113,553	124,159
	132,700	596,616
Total available for sale securities	467,042	1,111,713

The movement for the available for sale portfolio is as follows:

Balance at 1 January (1/1/2007 and 1/1/2006 respectively)	1,111,713	415,790
Additions	129,572	863,649
Transfers from subsidiaries	-	4,915
Transfers from associates	7,255	-
Disposals	(774,256)	(364,626)
Transfers to associates	(14,358)	-
Recognition of loans according to IAS 39	(25,000)	-
Changes in fair value (note 16)	36,335	197,325
Impairment charge (note 6)	(553)	-
Foreign exchange differences	(3,666)	(5,340)
Balance at end of period (30/9/2007 and 31/12/2006 respectively)	467,042	1,111,713

Note 6 is related to the sale of Bank of Cyprus and ING GROEP N.V. shares.

11 Due to customers

	30 September 2007	31 December 2006
Corporate customers		
Sight deposits	2,219,948	2,050,788
Term deposits	3,728,325	2,951,476
Other deposits	50,912	35,525
Retail		
Savings account	3,401,849	3,440,952
Sight deposits	1,316,034	1,209,874
Term deposits	6,390,447	4,679,263
Other deposits	22,208	16,702
Repurchase agreements		
Corporate	141,094	99,387
Retail	4,310	6,112
Cheques payable and remittances	103,835	115,940
	17,378,962	14,606,019

12 Debt securities in issue

	Currency	Average interest rate (%)		30 September 2007	31 December 2006
		1/1-30/9/2007	2006		
ETBA bonds	EUR	3.54%	2.87%	816,992	791,606
Euro Commercial Paper (short term securities)	EUR	4.01%	3.00%	1,766,963	1,558,883
	USD	5.42%	5.13%	98,910	227,783
	GBP	5.58%	4.75%	57,020	89,061
	CHF	2.54%	-	41,977	-
	JPY	0.76%	0.39%	43,313	10,193
				2,008,183	1,885,920
Euro Medium Term Note (medium/longterm securities)			Interest rate (%)		
€ 18 m. floating rate notes due 2007			Euribor + 0.10	-	17,961
€ 350 m. floating rate notes due 2007			Euribor + 0.30	-	270,827
€ 32.5 m. floating rate notes due 2010			Variable	705	705
€ 21.65 m. floating rate notes due 2010			Variable	1,350	1,350
€ 18 m. floating rate notes due 2007			Euribor + 0.10	15,910	17,982
€ 2.45 m. floating rate notes due 2007			Variable	2,450	2,450
€ 500 m. floating rate notes due 2010			Euribor + 0.30	487,103	497,895
€ 2.15 m. floating rate notes due 2008			Variable	2,150	2,150
€ 3.43 m. floating rate notes due 2009			Variable	3,425	3,425

Piraeus Bank - 30 September 2007
Amounts in thousand euros (Unless otherwise stated)

	Interest rate (%)	30 September 2007	31 December 2006
Euro Medium Term Note (medium/longterm securities)			
USD 15 m. floating rate notes due 2009	Libor + 0.10	7,975	8,928
USD 20 m. floating rate notes due 2009	Libor + 0.20	10,168	8,334
USD 15 m. floating rate notes due 2008	Libor + 0.05	9,280	10,092
€ 500 m. floating rate notes due 2009	Euribor + 0.20	495,210	491,639
€ 25 m. floating rate notes due 2008	Euribor + 0.15	24,995	24,995
€ 60 m. floating rate notes due 2014	Variable	60,000	60,000
€ 20 m. floating rate notes due 2008	Euribor + 0.10	13,982	19,069
€ 10 m. floating rate notes due 2013	Euribor + 0.30	9,987	9,987
€ 500 m. floating rate notes due 2011	Euribor + 0.25	455,817	484,549
€ 10 m. floating rate notes due 2013	Euribor + 0.15	10,000	10,000
€ 20 m. floating rate notes due 2008	Euribor + 0.05	11,463	13,115
€ 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	-
€ 750 m. floating rate notes due 2010	Euribor + 0.20	728,153	-
€ 53 m. floating rate notes due 2008	Euribor + 0.08	53,000	-
€ 60 m. floating rate notes due 2008	Euribor + 0.05	59,965	-
€ 20 m. floating rate notes due 2012	Euribor + 0.20	19,964	-
€ 30 m. floating rate notes due 2008	Euribor + 0.05	29,979	-
€ 20 m. floating rate notes due 2008	Euribor + 0.05	19,982	-
Accrued interest and other expenses		10,149	7,402
		2,598,212	1,967,905
Securitisation of mortgage loans			
€ 750 m. floating rate notes due 2040	Euribor + 0.18	452,280	575,934
€ 1,250 m. floating rate notes due 2054	Euribor + 0.18	1,088,690	-
		1,540,970	575,934
		6,964,357	5,221,365

Total debt securities in issue

Issues under Euro Commercial Paper and Euro Medium Term Note programs are undertaken through the subsidiary Piraeus Group Finance PLC.

The Euro Commercial Paper (ECP) short term securities in issue, during the period 1/1 - 30/9/2007, amounted to € 2.1 billion without significant change in the level of average maturity and with a minor increase in the interest spread.

Securities issuance activity through the Euro Medium Term Note Program (EMTN), from the beginning of 2007, included investors through private placements.

The issue of the new 3 year senior bond of € 750 million was concluded in March 2007. The bond was issued under Piraeus Bank's Euro Medium Term Note (EMTN) programme. The new 3 year bond is a floating rate note (FRN) with a coupon of 3 month Euribor plus 20 basis points.

In 2005, the issue of bonds for the Residential Mortgage Backed Securitisation (RMBS) of € 750 million was undertaken through UK based 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 new issue of bonds by securitization of part of Piraeus Bank residential mortgage portfolio was concluded in July 2007. The issuer of the bonds is Estia Mortgage Finance II PLC, a special purpose entity established in the United Kingdom. The bonds (€ 1.25 billion) are callable by the issuer after 7 years and have an average cost of 3 month Euribor plus 18 basis points.

13 Hybrid capital and other borrowed funds

	Interest rate (%)	30 September 2007	31 December 2006
Hybrid Capital (TIER I)			
€ 200 m. floating rate notes	Euribor + 1.25	199,590	199,958
Accrued interest and other expenses		1,613	1,205
		201,203	201,163
Subordinated debt (TIER II)			
€ 400 m. floating rate notes due 2014	Euribor + 0.60	397,565	398,149
€ 400 m. floating rate notes due 2016	Euribor + 0.55	398,476	399,080
Accrued interest and other expenses		2,676	2,492
		798,717	799,721
		999,920	1,000,884

Total hybrid capital and other borrowed funds

Hybrid capital (TIER I) has been issued by Piraeus Group Capital LTD on 27/10/2004. Tier I has a call option within 10 years. The nominal coupon is 3 month Euribor increased by 125 basis points.

Subordinated debt (TIER II) has been issued by Piraeus Group Finance PLC. 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 of hybrid capital and other borrowed funds is included in the related borrowed funds. The Bank has not any defaults of principal, interest or redemption amounts of hybrid capital and other borrowed funds during the period.

14 Contingent liabilities and commitments

A) Legal procedures

For the legal proceedings outstanding against the Bank as at 30/09/2007, no provision has been made, as according to the opinion of the Bank's legal affairs division, no significant loss will arise.

B) Credit commitments

As at 30/09/2007 the Bank had the following capital commitments:

	30 September 2007	31 December 2006
Letters of guarantee	2,068,836	1,839,005
Letters of credit	142,185	116,457
Commitments to extend credit	10,133,140	8,311,270
	12,344,161	10,266,732

C) Assets pledged

	30 September 2007	31 December 2006
Trading securities	452,016	188,016

D) Operating lease commitments

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

	30 September 2007	31 December 2006
Up to 1 year	45,322	38,595
From 1 to 5 years	194,231	165,829
More than 5 years	405,594	344,394
	645,147	548,818

15 Share capital

	Ordinary shares	Share premium	Treasury shares	Total
Opening balance at 1st January 2006	1,024,932	330,643	(17,590)	1,337,985
Capitalization of share premium	256,233	(259,200)	-	(2,967)
Issue of share capital from the exercise of share options of the 2nd and 3rd share option plans	7,665	16,703	-	24,368
Purchases of treasury shares	-	-	(353,368)	(353,368)
Sales of treasury shares	-	-	273,658	273,658
Balance at 31st December 2006	1,288,830	88,146	(97,300)	1,279,676
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	994,774	-	1,316,982
Purchases of treasury shares	-	-	(183,324)	(183,324)
Sales of treasury shares	-	-	35,079	35,079
Balance at 30 September 2007	1,611,038	1,082,920	(245,545)	2,448,413

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

	Number of shares		
	Issued shares	Treasury shares	Net number of shares
	Opening balance at 1st January 2006	214,870,434	(1,021,461)
Issue of shares due to distribution of free shares	53,717,609	(1,158,257)	52,559,352
Issue of shares due to the exercise of share options	1,606,988	-	1,606,988
Purchases of treasury shares	-	(16,578,359)	(16,578,359)
Sales of treasury shares	-	14,000,000	14,000,000
Balance at 31st December 2006	270,195,031	(4,758,077)	265,436,954

	Number of shares		
	Issued shares	Treasury shares	Net number of shares
	Opening balance at 1st January 2007	270,195,031	(4,758,077)
Purchases of treasury shares	-	(7,112,032)	(7,112,032)
Sales of treasury shares	-	1,000,000	1,000,000
Issue of new shares	67,548,758	-	67,548,758
Balance at 30 September 2007	337,743,789	(10,870,109)	326,873,680

The share capital is fully paid-in. During the Annual General Meeting of shareholders of the Bank at 3/4/2007 it was decided, according to the article 16 par. 5 -14 of codified Law 2190/1920, the purchase of treasury shares in order to support the Bank's share price at the stock exchange, up to a total number of 27,019,503 shares, which was 10% of the total number of the Bank's issued shares at the time the decision was taken. The minimum and maximum purchase price for the shares is between € 5 and € 40, while the purchase must take place the latest by 3/4/2008. If these shares are not sold within the period of three years or not distributed to staff, they must be cancelled according to the special procedure provided by Law 2190 and the decisions made by the Athens Stock Exchange.

Powered by the decision taken by the Board of Directors' meeting held on 6/7/2007, the share capital increase of the Bank by € 322,207,575.66 by cash payment was concluded in September 2007. A total of 67,548,758 new ordinary registered shares were issued with a nominal value of € 4.77 and subscription price of € 20.00 each. The share premium reserve increased by € 1,028,767,584.34 and reduced by the expenses for the share capital increase of € 33,993,824.90 (net increase of € 994,773,759.44). Consequently, the Bank's share capital amounts to € 1,611,037,873.53 divided in 337,743,789 ordinary registered voting shares of a nominal value € 4.77 per share.

Share option plans

The terms of the two existing share option plans are described in the annual financial statements of the year 2006.

16 Other reserves and retained earnings

	30 September 2007	31 December 2006
Legal reserve	30,103	30,103
Available for sale reserve	17,196	111,029
Other reserves	8,673	3,133
Retained earnings	499,452	204,154
Total other reserves and retained earnings	555,424	348,419

Movements in reserves for the period were as follows:

	30 September 2007	31 December 2006
Legal reserve		
Opening balance	30,103	13,080
Transfer from retained earnings	-	17,004
Absorption of companies and other movements	-	19
Closing balance	30,103	30,103

	30 September 2007	31 December 2006
Available for sale reserve		
Opening Balance	111,029	62,273
Gains/ (losses) from the valuation of AFS bonds (note 10)	(3,876)	(438)
Gains/ (losses) from the valuation of AFS shares (note 10)	40,211	197,763
Deferred income tax	29,764	(15,097)
Recycling of the accumulated fair value adjustment of disposed AFS securities (note 6)	(159,532)	(133,971)
Foreign exchange differences and other adjustments	(400)	499
Closing balance	17,196	111,029

	30 September 2007	31 December 2006
Retained earnings		
Opening balance	204,154	45,128
Mergers - cancellation of treasury shares	0	211
Profit after tax for the period/ year	377,842	340,084
Transfer to legal reserve	0	(17,004)
Dividend for prior year	(86,462)	(107,435)
Interim dividend for year 2006	0	(85,948)
Gains/ (losses) from sales of treasury shares	2,973	29,118
Other movements	945	0
Closing balance	499,452	204,154

During the Annual General Meeting of shareholders of Piraeus Bank which was held on April 3, 2007, it was decided among other € 0.64 dividend per share for the year 2006 (the interim dividend mentioned below included). Out of the total amount of dividend per share (€ 0.64), an interim dividend of € 0.32 per share was paid in December 2006 in accordance with the decision of the Board of Directors of 8/11/2006. The interim dividend (€ 0.32 per share) was recognised as a deduction in the Bank's equity during 2006. The remaining dividend for distribution (€ 0.32 per share) was paid in April 2007.

17 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 September 2007	31 December 2006
Loans	180,284	82,536
Deposits	29,769	56,048

Piraeus Bank - 30 September 2007
Amounts in thousand euros (Unless otherwise stated)

Letters of guarantees and letters of credits to the members of the board of directors and to the key management personnel as at 30/09/2007 are € 12.6 million (2006: € 9.5 million). Letters of guarantees to subsidiaries as at 30/09/2007 are € 103.4 million (2006: € 121.2 million). The total income and expense on loans and deposits to/ from members of the board of directors and the key management personnel for the period 1/1 - 30/09/2007 is € 3.1 million and € 0.8 million respectively.

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.

Director's remuneration

	30 September 2007	31 December 2006
Salaries and other remuneration	8,268	11,310
Termination benefits	4,354	-
	12,622	11,310

The total cost for the share options granted to Board of Directors members and key management personnel is € 2.4 million (2006: € 3.3 million). The total amount of provisions for Board of Directors members and key management personnel is € 36.5 million as at 30/09/2007 (2006: € 31.5 million). This amount has been included in retirement benefit obligation.

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

	30 September 2007	31 December 2006
I. Subsidiaries		
Assets		
Cash and Balances with Central Bank	2,160	1,728
Loans and advances to credit institutions	1,374,469	489,982
Loans and advances to customers	2,207,120	1,758,666
Other assets	47,815	41,187
Total	3,631,564	2,291,563
Liabilities		
Due to banks	203,898	144,713
Due to customers	221,978	195,651
Debt securities in issue	6,149,455	4,432,996
Other borrowed funds	1,002,333	1,002,412
Other liabilities	27,444	23,271
Total	7,605,108	5,799,043
Revenues		
	1/1-30/9/2007	1/1-30/9/2006
Interest and similar income	99,385	65,884
Fee and commission income	19,385	14,277
Other operating income	1,107	1,907
Total	119,877	82,068
Expenses		
	1/1-30/9/2007	1/1-30/9/2006
Interest expense and similar charges	(233,616)	(124,592)
Fee and commission expense	(17,994)	(12,385)
Operating expenses	(32,168)	(30,939)
Total	(283,778)	(167,916)
II. Associates		
	30 September 2007	31 December 2006
Deposits	38,716	21,624
Loans	302	4,252
	1/1-30/9/2007	1/1-30/9/2006
Interest/ expense	(546)	(58)
Interest/ income	10	1,036

18 Post Balance Sheet events

On October 1st, 2007 Piraeus Bank announced that it has signed a Bancassurance Agreement with ING Group for a 10-year exclusive bancassurance distribution partnership in Greece. The new distribution partnership will cover exclusive distribution of ING life, employee benefits and pension insurance products through the Piraeus branch network in Greece and, respectively, the promotion of Piraeus Bank retail banking products from ING agent network in Greece.

Piraeus Bank's Board of Directors, on October 31st 2007 meeting, has resolved to distribute an interim dividend of €0.36 per share for the financial year 2007. It is reminded that the adjusted dividend per share for the financial year 2006 was € 0.51. On 3 December 2007, the share will be traded ex-interim dividend, and its payment will commence on 11 December, 2007.

Athens, October 31st, 2007

CHAIRMAN
OF THE BOARD OF DIRECTORS

VICE-CHAIRMAN
OF THE BOARD OF DIRECTORS
AND MANAGING DIRECTOR

DEPUTY GENERAL MANAGER

MICHALIS G. SALLAS

GEORGIOS A. PROVOPOULOS

CONSTANTINOS I. LIAPIS