



PIRAEUS BANK GROUP

Consolidated Interim Condensed Financial Statements

31 March 2007

According to the International Financial
Reporting Standards

The attached consolidated interim condensed financial statements have been approved by the Piraeus Bank S.A. Board of Directors on May 7th, 2007 and they are available on the web site of Piraeus Bank at www.piraeusbank.gr

These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

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Piraeus Bank Group - 31 March 2007
Amounts in thousand euros (Unless otherwise stated)

CONSOLIDATED INTERIM INCOME STATEMENT

	Note	Period from 1 January to	
		31 March 2007	31 March 2006
Interest and similar income		553,898	335,373
Interest expense and similar charges		(360,874)	(184,372)
NET INTEREST INCOME		193,024	151,001
Fee and commission income		60,438	52,568
Fee and commission expense		(8,333)	(7,890)
NET FEE AND COMMISSION INCOME		52,105	44,678
Dividend income		358	1,815
Net trading income		1,440	15,223
Net income from financial instruments designated at fair value		15,266	(3,148)
Gains/ (Losses) from investment securities	6	157,693	134,969
Other operating income		38,604	22,173
TOTAL NET INCOME		458,490	366,711
Staff costs		(81,935)	(69,742)
Administrative expenses		(58,109)	(48,885)
Depreciation and amortisation		(15,356)	(13,818)
Gains/ (Losses) from sale of assets		221	9,509
Impairment losses on loans and advances		(25,493)	(24,984)
Other provisions		(141)	-
TOTAL OPERATING EXPENSES		(180,813)	(147,920)
Share of profit of associates		(60)	(112)
PROFIT BEFORE INCOME TAX		277,617	218,679
Income tax expense	7	(25,299)	(27,079)
PROFIT FOR THE PERIOD		252,318	191,600
Profit for the period attributable to the equity holders of Piraeus Bank		248,171	186,007
Minority Interest		4,147	5,593
Earnings per share (in euros):			
-Basic	8	0.94	0.70
-Diluted	8	0.93	0.69

CONSOLIDATED INTERIM BALANCE SHEET

	Note	31 March 2007	31 December 2006
ASSETS			
Cash and balances with Central Banks		1,859,092	1,885,146
Treasury bills and other eligible bills		56,980	165,226
Loans and advances to credit institutions		4,004,715	2,626,853
Derivative financial instruments - assets		89,735	56,435
Trading securities		2,681,172	1,964,899
Financial instruments at fair value through Profit or Loss		55,898	56,449
Loans and advances to customers (net of provisions)	9	22,477,146	20,426,615
Investment securities			
-Available for sale securities	10	846,064	1,300,126
-Held to maturity	10	102,112	99,880
Investments in associated undertakings		24,753	29,737
Intangible assets		187,046	192,291
Property, plant and equipment		534,535	524,087
Investment property		600,448	619,748
Assets held for sale		12,707	12,844
Deferred tax assets		106,436	100,253
Inventories - property		185,550	181,357
Other assets		661,551	689,270
TOTAL ASSETS		34,485,940	30,931,216
LIABILITIES			
Due to banks		5,241,644	4,882,851
Derivative financial instruments - liabilities		102,693	59,704
Due to customers	11	18,503,711	16,734,589
Debt securities in issue	12	6,625,350	5,261,513
Other borrowed funds	13	798,020	803,864
Hybrid capital	13	199,047	201,206
Retirement benefit obligations		156,072	153,232
Other provisions		14,025	11,744
Current income tax liabilities		57,450	47,017
Deferred tax liabilities		57,261	72,059
Other liabilities		816,866	871,017
TOTAL LIABILITIES		32,572,139	29,098,796
EQUITY			
Ordinary shares	15	1,288,830	1,288,830
Share premium	15	88,146	88,146
Less: Treasury shares	15	(171,177)	(97,302)
Other reserves	16	67,243	163,650
Retained earnings	16	420,591	172,877
Capital and reserves attributable to Piraeus Bank equity holders		1,693,633	1,616,201
Minority Interest		220,168	216,219
TOTAL EQUITY		1,913,801	1,832,420
TOTAL LIABILITIES AND EQUITY		34,485,940	30,931,216

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 2006	1,024,932	330,643	(17,594)	96,202	(55,758)	229,234	1,607,659
Purchases of treasury shares			(21,292)				(21,292)
Sales of treasury shares			1,223				1,223
Available for sale reserve				(58,178)			(58,178)
Profit after tax for the first quarter of 2006					186,007	5,593	191,600
Transfers between other reserves and retained earnings				6,505	(6,505)		0
Reserve for stock option plan				1,320			1,320
Acquisitions and movement in subsidiaries holding during the period						(1,513)	(1,513)
Currency translation differences and other adjustments				4,958	(4,734)	(4,582)	(4,358)
Balance as at 31 March 2006	1,024,932	330,643	(37,663)	50,807	119,010	228,732	1,716,461
Note	Share Capital	Share Premium	Treasury shares	Other reserves	Retained earnings	Minority interests	TOTAL
Opening balance as at 1 April 2006	1,024,932	330,643	(37,663)	50,807	119,010	228,732	1,716,461
Capitalization of share premium reserve	15	256,233	(259,200)				(2,967)
Issue of share capital due to the exercise of share options	15, 16	7,665	16,703	(4,981)			19,387
Purchases of treasury shares	15		(334,860)				(334,860)
Sales of treasury shares	15		275,221		29,119		304,340
Available for sale reserve	16			105,311			105,311
Profit after tax for the period 1/4/2006 - 31/12/2006	16				248,642	16,207	264,849
Dividend relating to the previous year					(107,435)	(8,428)	(115,863)
Interim dividend for year 2006					(85,948)		(85,948)
Transfer between other reserves and retained earnings				16,125	(16,125)		0
Reserve for stock option plan				7,040			7,040
Acquisitions, disposals, absorptions and movement in subsidiaries holding				(2,891)	(17,980)	(20,777)	(41,648)
Currency translation differences and other adjustments				(7,761)	3,594	485	(3,682)
Balance as at 31 December 2006	1,288,830	88,146	(97,302)	163,650	172,877	216,219	1,832,420
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	15		(94,431)				(94,431)
Sales of treasury shares	15		20,556		2,973		23,529
Available for sale reserve	16			(97,890)			(97,890)
Profit after tax for the first quarter of 2007	16				248,171	4,147	252,318
Transfer between other reserves and retained earnings				876	(876)		0
Reserve for stock option plan				1,696			1,696
Acquisitions, disposals and movement in subsidiaries holding during the period				135	(584)	(611)	(1,060)
Currency translation differences and other adjustments				(1,224)	(1,970)	413	(2,781)
Balance as at 31 March 2007	1,288,830	88,146	(171,177)	67,243	420,591	220,168	1,913,801

CONSOLIDATED INTERIM CASH FLOW STATEMENT

	Note	From January 1st to	
		31 March 2007	31 March 2006
<i>Cash flows from operating activities</i>			
Profit before tax		277,617	218,679
Adjustments to profit before tax			
Add: impairment for loans and advances	9	25,493	24,984
Add: depreciation and amortisation charges		15,356	13,818
Add: retirement benefits		4,888	6,251
(Gains)/ losses from valuation of trading securities and financial instruments at fair value through profit or loss		10,705	(5,712)
(Gains)/ losses from investing activities		(178,178)	(153,996)
Interest on debt securities and other borrowed funds		-	36,674
<i>Cash flows from operating profits before changes in operating assets and liabilities</i>		155,881	140,698
<i>Changes in operating assets and liabilities:</i>			
Net (increase)/ decrease in cash and balances with Central Bank		(4,215)	8,763
Net (increase)/ decrease in treasury bills and other eligible bills		31,333	28,769
Net (increase)/ decrease in trading securities and financial instruments at fair value through profit or loss		(669,998)	734,873
Net (increase)/ decrease in loans and advances to Credit Institutions		(66,512)	29,320
Net (increase)/ decrease in loans and advances to customers		(2,075,517)	(1,189,731)
Net (increase)/ decrease in other assets		(15,514)	49,872
Net increase/ (decrease) in due to banks		358,792	73,005
Net increase/ (decrease) in amounts due to customers		1,769,121	968,194
Net increase/ (decrease) in other liabilities		(1,466)	51,414
<i>Cash from operating activities before income tax payment</i>		(518,095)	895,176
Income tax paid		(1,776)	-
Net cash inflow/ (outflow) from operating activities		(519,871)	895,176
<i>Cash flows from investing activities</i>			
Net proceeds from purchases of property, plant and equipment		(34,994)	(34,214)
Net proceeds from sale of property, plant and equipment		52,931	15,980
Net proceeds from purchases of intangible assets		(2,184)	(3,330)
Net proceeds from sale of intangible assets		-	46
Purchases of available-for-sale securities	10	(57,995)	(35,932)
Net proceeds from sale of available-for-sale securities	10	535,104	231,605
Purchase of held-to-maturity securities	10	(14,692)	(2,743)
Net proceeds from maturity of held-to-maturity securities	10	10,714	2,824
Acquisition of subsidiaries (net of cash acquired) and participation in share capital increases	18	(25,566)	(992)
Disposals of subsidiaries, net of cash disposed	18	2,004	-
Disposal of associates		4,853	5,175
Dividends from available for sale investments		237	-
Net cash inflow/ (outflow) from investing activities		470,412	178,419
<i>Cash flows from financing activities</i>			
Net proceeds from issue/ (repayment) of debt securities and other borrowed funds		1,355,834	404,818
Purchases of treasury shares	15	(94,431)	(21,292)
Sales of treasury shares		23,529	1,223
Other cashflows from financing activities		10,724	(773)
Net cash inflow/ (outflow) from financing activities		1,295,656	383,976
Effect of exchange rate changes on cash and cash equivalents		(1,123)	1,273
Net increase/ (decrease) in cash and cash equivalents		1,245,074	1,458,845
Cash and cash equivalents at beginning of period		4,381,289	3,515,064
Cash and cash equivalents at end of period		5,626,363	4,973,908

1 General Information about the Group

Piraeus Bank S.A. is a banking institute operating in accordance with the provisions of Law 2190/1920 on sociétés anonymes, Law 2076/1992 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 9,803 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 (8.8% 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 Group

The same accounting policies and methods of computation as those in the annual consolidated financial statements for the year ended 31 December 2006 have been followed. Piraeus Bank Group applies IFRS 7 from 1/1/2007 in the consolidated interim condensed financial statements 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 consolidated interim condensed financial statements attached are expressed in thousand euros.

3 Basis of presentation of the consolidated interim condensed financial statements

The consolidated interim condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and they should be read along with the Group's annual consolidated financial statements for the year ended 31 December 2006.

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 reviews its loan portfolios to assess impairment in every reporting period. In determining whether an impairment loss should be recorded in the income statement, the Group has set a methodology and uses various assumptions as to whether there is any indication of impairment of the loan portfolio. The 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. Changes of fair value are recorded in the AFS reserve. The Group determines that Available-for-sale portfolio is impaired when there has been a significant or prolonged decline in the fair value below its cost. When this occurs the AFS reserve is transferred to the income statement. This determination of what is significant or prolonged requires judgement. The determination of the fair value of the Available for sale portfolio, when quoted market prices are not available, is based on several valuation pricing models, which also requires judgement. In making these judgements, the Group evaluates among other factors, evidence of deterioration in the financial health of the investee, industry and sector performance.

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 ordinary course of business. 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 and 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:

	Retail Banking	Corporate Banking	Investment Banking	Asset Management & Treasury	Other business segments	Eliminations	Group
1st Quarter 2007							
Revenues	308,707	103,889	28,559	180,119	206,423	-	827,697
Revenues from other business segments	43,170	5,044	513	29	67,208	(115,964)	0
Total revenues	351,877	108,933	29,072	180,148	273,631	(115,964)	827,697
Net revenues	242,165	46,590	23,975	24,567	121,194	-	458,491
Net revenues from other business segments	(33,166)	(7,341)	(2,822)	(2,269)	58,955	(13,358)	(1)
Total net revenues	208,999	39,249	21,153	22,298	180,149	(13,358)	458,490
Segment results	71,653	11,427	20,666	13,825	160,106	-	277,677
Share of profit of associates							(60)
Profit before tax							277,617
Income tax expense							(25,299)
Profit after tax							252,318
Other segment items							
Capital expenditure	5,100	2,067	169	53	29,789	-	37,178
Depreciation and amortisation	7,951	1,456	292	210	5,447	-	15,356
Impairment charge - loans	18,139	6,049	-	-	1,305	-	25,493
1st Quarter 2006							
Revenues	221,464	68,906	17,106	93,387	158,110	-	558,973
Revenues from other business segments	33,581	3,149	92	-	40,270	(77,092)	0
Total revenues	255,045	72,055	17,198	93,387	198,380	(77,092)	558,973
Net revenues	191,940	34,680	12,952	11,389	115,750	-	366,711
Net revenues from other business segments	(10,386)	(3,651)	(2,669)	-	28,989	(12,283)	0
Total net revenues	181,554	31,029	10,283	11,389	144,739	(12,283)	366,711
Segment results	67,824	9,933	7,445	5,711	127,878	-	218,791
Share of profit of associates							(112)
Profit before tax							218,679
Income tax expense							(27,079)
Profit after tax							191,600
Other segment items							
Capital expenditure	4,264	1,710	206	-	31,364	-	37,544
Depreciation and amortisation	5,148	692	301	184	7,493	-	13,818
Impairment charge - loans	18,874	6,076	-	-	34	-	24,984

Other business segments results for the first quarter of 2006 include amount of € 129.8 million which relates to the sale of ING GROEP N.V. Other business segments results for the first quarter of 2007 include amount of € 159.3 million which relates to the sale of the Bank's participation in Bank of Cyprus. Relevant note to the sale of ING GROEP N.V. and the sale of the participation in Bank of Cyprus is note 6.

Piraeus Bank Group - 31 March 2007
Amounts in thousand euros (Unless otherwise stated)

At 31 March 2007

Segment assets	16,351,204	6,776,023	162,769	8,261,189	2,934,755	-	34,485,940
Segment liabilities	10,801,092	567,028	144,176	13,208,598	7,851,245	-	32,572,139

At 31 December 2006

Segment assets	14,675,733	6,284,682	164,053	6,212,550	3,594,198	-	30,931,216
Segment liabilities	11,040,754	647,745	125,737	10,985,252	6,299,308	-	29,098,796

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

	1st Quarter 2007	1st Quarter 2006
Gains less losses on AFS - shares and mutual funds	159,719	133,427
Gains less losses on AFS - bonds	(247)	320
Gains less losses on sale of subsidiaries and associates	(1,226)	1,221
Impairment of shares and mutual funds (available for sale portfolio)	(553)	-
	<u>157,693</u>	<u>134,968</u>

During the first quarter of 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 one off deferred tax expense of € 6 million was recognised on this sale and therefore the profit after tax was € 153.3 million.

During the first quarter of 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

	1st Quarter 2007	1st Quarter 2006
Current Tax	(15,255)	(18,606)
Deferred tax	(10,044)	(8,580)
Share of tax of associates	-	107
	<u>(25,299)</u>	<u>(27,079)</u>

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 (5) percentage points, namely 24% (29% minus 5%).

For the subsidiaries operating abroad, the tax has been calculated according to the respective nominal tax rates (Albania: 20%, Bulgaria: 10%, Romania: 16%, U.S.A.: 35%, Serbia: 10% and Egypt: 20%).

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 15) is the only case of dilutive potential ordinary shares for the Group. Specifically, 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 is added on the weighted average number of ordinary shares used for the calculation of the basic earnings per share.

	1st Quarter 2007	1st Quarter 2006
Basic earnings per share		
Net profit attributable to shareholders	248,171	186,007
Weighted average number of shares in issue	264,322,493	266,840,165
Basic earnings per share (in euro)	<u>0.94</u>	<u>0.70</u>
Diluted earnings per share		
Net profit attributable to shareholders	248,171	186,007
Weighted average number of shares in issue	264,322,493	266,840,165
Adjustment for share options	2,084,596	1,108,894
Weighted average number of shares in issue for the diluted earnings per share calculation	<u>266,407,089</u>	<u>267,949,059</u>
Diluted earnings per share (in euro)	<u>0.93</u>	<u>0.69</u>

The weighted average number of shares for the calculation of the basic and diluted EPS, for the period 1/1 - 31/3/2006, has been adjusted in accordance with the requirements of IAS 33 proportionally from 1/1/2006, in order to take into account the bonus issue (1 free new share for every 4 old shares) which was decided by the 2nd Iterative General Meeting on 15/5/2006.

9 Loans and advances to customers

	31 March 2007	31 December 2006
Loans to individuals		
Mortgages	4,741,988	4,442,182
Consumer/ personal and other loans	2,647,144	2,472,498
Credit cards	468,584	431,806
	7,857,716	7,346,486
Loans to corporate entities	14,965,605	13,457,961
Total loans and advances to customers	22,823,321	20,804,447
Less: Allowance for losses (impairment) on loans and advances to customers	(346,175)	(377,832)
Total loans and advances to customers (less allowances for losses)	22,477,146	20,426,615

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 2006	16,710	108,383	36,050	161,143
Charge for the period	1,648	4,779	2,487	8,914
Loans written-off	(96)	(10,315)	(813)	(11,224)
Foreign exchange differences	(7)	(118)	(234)	(359)
Balance at end of period 31/3/2006	18,255	102,729	37,490	158,474
Balance at 1 April 2006	18,255	102,729	37,490	158,474
Charge for the period	566	10,985	3,644	15,195
Loans written-off	(8,925)	(11,476)	(24,827)	(45,228)
Foreign exchange differences	(16)	425	(12)	397
Balance at end of year 31/12/2006	9,880	102,663	16,295	128,838
Balance at 1 January 2007	9,880	102,663	16,295	128,838
Charge for the period	1,507	5,505	2,711	9,723
Loans written-off	-	(22,644)	(407)	(23,051)
Foreign exchange differences	(13)	(663)	(1)	(677)
Balance at end of period 31/3/2007	11,374	84,861	18,598	114,833

b) Loans to corporate entities

Balance at 1 January 2006	271,886
Charge for the period	16,070
Loans written-off	(17,669)
Foreign exchange differences	(1,093)
Balance at end of period 31/3/2006	269,194
Balance at 1 April 2006	269,194
Charge for the period	33,956
Loans written-off	(53,283)
Foreign exchange differences	(826)
Balances of subsidiaries sold	(47)
Balance at end of year 31/12/2006	248,994
Balance at 1 January 2007	248,994
Charge for the period	15,850
Loans written-off	(33,474)
Transfer to other provisions	(2,250)
Foreign exchange differences	2,222
Balance at end of period 31/3/2007	231,342

The charge for the first quarter of 2007 € 25,493 thousand in the income statement includes amount of € 80 thousand which relates to reversal of provisions in other assets.

10 Investment securities

	31 March 2007	31 December 2006
Available for sale securities - fair values		
Bonds and other fixed income securities		
Greek government bonds	354,248	355,826
Foreign government bonds	131,406	166,830
Corporate entities bonds	155,035	132,626
Bank bonds	56,228	37,442
	696,917	692,724
Shares & other variable income securities		
Athens stock exchange listed shares	9,976	471,109
Foreign stock exchanges listed shares	2,992	3,393
Unlisted shares	136,179	132,900
	149,147	607,402
Total available for sale securities - fair values	846,064	1,300,126
Held to maturity		
Foreign government bonds	102,112	99,880
Total held to maturity	102,112	99,880
Total Investment securities	948,176	1,400,006

	31 March 2007	31 December 2006
Movement of the available for sale securities		
Opening balance	1,300,126	685,584
Additions	57,995	927,956
Disposals	(535,104)	(488,192)
Transfer from subsidiaries	-	4,915
Transfer to associates	-	(1,879)
Changes in fair value	26,658	198,274
Impairment charge	(553)	-
Foreign exchange differences	(3,058)	(26,532)
Balance at the end of the period	846,064	1,300,126

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

	31 March 2007	31 December 2006
Movement of the held to maturity securities		
Opening balance	99,880	95,555
Additions	14,692	31,340
Maturity of securities	(10,714)	(22,496)
Foreign exchange differences	(1,746)	(4,519)
Balance at the end of the period	102,112	99,880

11 Due to customers

	31 March 2007	31 December 2006
Current and sight deposits	4,231,329	4,034,418
Savings account	3,513,326	3,626,365
Term deposits	10,372,974	8,773,949
Other accounts	243,787	241,704
Repurchase agreements	142,295	58,153
	18,503,711	16,734,589

12 Debt securities in issue

	Currency	Average interest rate (%)		31 March 2007	31 December 2006
		1st Quarter 2007	2006		
ETBA bonds	EUR	3.45%	2.87%	778,161	791,606
Euro Commercial Paper (Short term securities)	EUR	3.76%	3.00%	2,131,819	1,558,903
	USD	5.40%	5.13%	232,138	227,783
	GBP	5.35%	4.75%	88,481	89,061
	CHF	2.30%	-	12,237	-
	JPY	-	0.39%	-	10,193
				2,464,675	1,885,940
Other debt securities	BGN	5.72%	6.67%	18,925	3,648

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Euro Medium Term Note (Medium/ long term securities)	Interest rate (%)	31 March 2007	31 December 2006
€ 18 m. floating rate notes due 2007	Euribor + 0.10	-	17,977
€ 350 m. floating rate notes due 2007	Euribor + 0.30	269,342	271,467
€ 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	17,800	17,992
€ 2.45 m. floating rate notes due 2007	Variable	2,450	2,450
€ 500 m. floating rate notes due 2010	Euribor + 0.30	496,674	498,137
€ 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
USD 15 m. floating rate notes due 2009	Libor + 0.10	8,850	8,811
USD 20 m. floating rate notes due 2009	Libor + 0.20	8,667	8,165
USD 15 m. floating rate notes due 2008	Libor + 0.05	10,244	9,968
€ 500 m. floating rate notes due 2009	Euribor + 0.20	496,948	491,831
€ 25 m. floating rate notes due 2008	Euribor + 0.15	24,997	24,997
€ 60 m. floating rate notes due 2014	Variable	60,000	60,000
€ 20 m. floating rate notes due 2008	Euribor + 0.10	16,442	19,073
€ 10 m. floating rate notes due 2013	Euribor + 0.30	9,987	9,987
€ 500 m. floating rate notes due 2011	Euribor + 0.25	490,988	484,607
€ 10 m. floating rate notes due 2013	Euribor + 0.15	10,000	10,000
€ 20 m. floating rate notes due 2008	Euribor + 0.05	11,895	13,116
€ 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	727,675	-
€ 53 m. floating rate notes due 2008	Euribor + 0.08	53,000	-
Accrued interest and other expenses		8,455	7,695
		2,787,094	1,968,953
Securitisation of mortgage loans			
€ 750 m. floating rate notes due 2040	Euribor + 0.18	576,495	611,366
		6,625,350	5,261,513

The Euro Commercial Paper (ECP) short term securities in issue amounted to € 2 billion without significant change in the level of average maturity or the interest spread.

Securities issuance activity through the Euro Medium Term Note Program (EMTN), from the beginning of 2006, included local 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 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.

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).

13 Hybrid capital and other borrowed funds

Hybrid capital (Tier I)	Interest rate (%)	31 March 2007	31 December 2006
€ 200 m. floating rate notes	Euribor + 1.25	197,872	199,958
Accrued interest and other expenses		1,175	1,248
		199,047	201,206
Subordinated debt (Tier II)			
€ 400 m. floating rate notes due 2014	Euribor + 0.60	395,838	398,489
€ 400 m. floating rate notes due 2016	Euribor + 0.55	395,827	399,121
Accrued interest and other expenses		2,484	2,457
		794,149	800,067
		997,067	1,005,070
Other borrowed funds	Currency	31 March 2007	31 December 2006
	USD	Libor + 3.60	3,871
		3,871	3,797
Total hybrid capital and other borrowed funds		997,067	1,005,070

Hybrid capital (TIER I) has been issued by Piraeus Group Capital PLC 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.

Other borrowed funds have been issued by Marathon Bank on 18/12/2001 and have a duration of 30 years, a nominal coupon 3 month Libor increased by 360 basis points, and a call option that can be exercised on 18/12/2006. The call option was exercised on 18/12/2006. Marathon Bank issued new borrowed funds on 15/12/2006, non callable for 5 years, with a fixed coupon of 6.6%.

Accrued interest of hybrid capital and other borrowed funds is included in the respective amounts of other borrowed funds. The Group 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 Group as at 31/03/2007, no provision has been made, as according to the opinion of the Bank's and its subsidiaries legal affairs division no significant loss will arise.

B) Credit commitments

As at 31/03/2007 the Group had the following capital commitments:

	31 March 2007	31 December 2006
Letters of guarantee	2,018,668	1,974,449
Letters of credit	200,313	197,744
Commitments to extent credit	7,454,852	7,189,612
	9,673,833	9,361,805

C) Assets pledged

	31 March 2007	31 December 2006
Trading securities	197,751	195,865
Investment securities	92,892	55,751
	290,643	251,616

D) Operating lease commitments and receivables

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

	31 March 2007	31 December 2006
Up to 1 year	29,622	27,056
From 1 to 5 years	125,608	114,565
More than 5 years	259,836	236,344
	415,066	377,965

15 Share capital

	Share Capital	Share Premium	Treasury Shares	Total
At 1 January 2006	1,024,932	330,643	(17,594)	1,337,981
Capitalization of share premium	256,233	(259,200)	-	(2,967)
Issue of share capital from the exercise of share options under the 2nd & 3rd share option plans	7,665	16,703	-	24,368
Purchases of treasury shares	-	-	(356,152)	(356,152)
Sales of treasury shares	-	-	276,444	276,444
At 31 December 2006	1,288,830	88,146	(97,302)	1,279,674
At 1 January 2007	1,288,830	88,146	(97,302)	1,279,674
Purchases of treasury shares	-	-	(94,431)	(94,431)
Sales of treasury shares	-	-	20,556	20,556
At 31 March 2007	1,288,830	88,146	(171,177)	1,205,799

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 2006	214,870,434	(1,026,741)	213,843,693
Issue of shares due to distribution of free shares	53,717,609	(1,162,578)	52,555,031
Issue of shares due to the exercise of share options	1,606,988	-	1,606,988
Purchases of treasury shares	-	(16,692,705)	(16,692,705)
Sales of treasury shares	-	14,123,777	14,123,777
Balance at 31st December 2006	270,195,031	(4,758,247)	265,436,784

	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
Purchases of treasury shares	-	(3,765,448)	(3,765,448)
Sales of treasury shares	-	1,000,000	1,000,000
Balance at 31 March 2007	270,195,031	(7,523,695)	262,671,336

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 is 10% of the total number of the Bank's issued shares. 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.

The above mentioned share capital amount was a result of: a) the decision taken by the 2nd Iterative General Meeting of Piraeus Bank shareholders, held on 15/05/2006, to increase the share capital by € 256,232,994.93 by capitalization of part of the share premium reserve account, and issue 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 decision of the Board of Directors' meeting on 27/12/2006 to proceed to an increase of the Bank's share capital by € 7,665,332.76 paid in cash, issuing 1,606,988 new registered voting shares at a par value of € 4.77 each, due to the exercise of the stock options.

In addition, amount € 4.980.856 that relates to the cost of the exercised share options was transferred to the share premium from the reserve for share option plans, according to the IFRS regulations. Following the above increase, the Bank's total share capital rises to € 1,288,830,297.87 divided into 270,195,031 registered voting shares, each at a par value of € 4.77.

Share option plans

2nd share option plan

The 2nd Iterative General Meeting of Piraeus Bank shareholders that took place on 16/5/2005 decided upon the initiation of a 4 year share option plan for the Board members and the executives and senior management of the Bank and its related (according to the article 42e of Law 2190/1920) companies. The above plan is in force and being already implemented since 2005 and expires in December of the year 2008. According to the above plan no more than 2,000,000 new ordinary shares of the Bank can be issued, which corresponds to less than 1% of the total number of Piraeus Bank shares at the time the decision was taken, according to the article 13 par. 9 of Law 2190/1920.

On the 30th of November of each year, 1/4 of the total number of granted share options vests, and each holder is able to exercise in total or in part the vested share options, beginning from December 2006, provided that the percentage increase of the share price of the Bank for the period January 1st - November 30th for each of the years of the stock option plan is not lower than the percentage increase of the Athens Stock Exchange Bank Index for the equivalent period. The exercise price is € 12.20 per share.

Share options obtained but not exercised in a previous year will be exercisable in a following year along with the share options vested at that time, until the expiry date of the plan in December 2008.

The 2nd Iterative General Meeting of the Bank's Shareholders, which was held on 15/5/2006, resolved the related adjustment of the above mentioned share option plan. Specifically, it was decided a) the total number of shares issued according to the above mentioned share option plan increased from 2,000,000 to 2,500,000 so that their percentage over the Bank's total shares remains stable following the adjustment of the percentage due to the resolved share capital increase by the same General Meeting and b) the corresponding adjustment of the exercise price for each share from € 12.20 to € 9.76.

The adjusted data of the above mentioned share option plan is presented below:

Exercise date	Exercise price	Fair value of options	Number of share options
30/11/2006	9.76	2.98	1,250,000
30/11/2007	9.76	2.88	625,000
30/11/2008	9.76	2.76	625,000
			2,500,000

The fair value of options granted, at each exercise date, has been determined using the Black-Scholes valuation model. The significant inputs into the model are: share price at the grant date (€ 15.98), exercise price (€ 9.76), dividend yield, discount interest rate and volatility of the share price (17.5%).

In December 2006, 1,066,588 share options of the 2nd share option scheme were exercised. The total amount paid by the holders of the share options for the purchase of the shares was € 10,409,898.88.

3rd share option plan

Also, the same General Meeting (15/5/2006) resolved, in accordance with article 13, par. 9, Law 2190/1920, to establish a five-year share option plan for the Directors and executives of the Bank and its affiliated companies for maximum 4,028,820 new shares, corresponding to 1.5% of the Bank's total shares, after the share capital increase resolved by the same General Meeting, namely 0.3% for every year of the Plan and at an issue price of € 17.25. The above price resulted from the average share market price of the six-month period prior to the General Meeting, i.e. € 21.56, adjusted to the resolution of the same General Meeting to distribute the free shares.

This share option plan is already being implemented since 2006 and expires in December of the year 2010, parallel and independently from the plan resolved by the General Meeting of Piraeus Bank's shareholders on 16/5/2005. On the 30th of November of each year that the plan will be in force, 1/5 of the total number of granted share options will vest and each holder will be able to exercise the vested options. Share options obtained but not exercised in a previous year will be exercisable in a following year along with the share options vested at that time, until the expiry date of the plan in December 2010.

The adjusted data of the 3rd plan of distribution of shares is presented below:

Exercise date	Exercise price	Fair value of options	Number of share options
30/11/2006	17.25	3.33	805,764
30/11/2007	17.25	3.33	805,764
30/11/2008	17.25	3.33	805,764
30/11/2009	17.25	3.32	805,764
30/11/2010	17.25	3.24	805,764
			4,028,820

The fair value of options granted has been determined using the Black-Scholes valuation model. The significant inputs into the model are: share price at the grant date (€ 17.26), exercise price (€ 17.25), dividend yield (annual increase 20%), discount interest rate (3.63%) and volatility of the share price (25%).

In December 2006, 540,400 share options of the 3rd share option scheme were exercised. The total amount paid by the holders of the share options for the purchase of the shares was € 9,321,900.00.

16 Other reserves and retained earnings

	31 March 2007	31 December 2006
Legal reserve	41,709	41,512
Extraordinary reserve	1,205	(457)
Available for sale reserve	11,748	109,637
Currency translation reserve	(2,496)	(1,566)
Other reserves	15,077	14,524
Total other reserves	67,243	163,650
Retained earnings	420,591	172,877
Total other reserves and retained earnings	487,834	336,527
	31 March 2007	31 December 2006
Other reserves movement		
Opening balance	163,650	96,203
Available for sale reserve	(97,890)	47,133
Transfer from retained earnings	679	4,034
Formation of legal reserve	197	18,596
Reserve for stock option plan	1,696	8,360
Transfer to share premium due to exercise of share options	-	(4,981)
Foreign exchange differences and other adjustments	(1,089)	(5,695)
Closing balance	67,243	163,650
	31 March 2007	31 December 2006
Available for sale reserve movement		
Opening balance	109,637	62,504
Gains/ (losses) from the valuation of AFS bonds	1,140	(1,082)
Gains/ (losses) from the valuation of AFS shares	25,430	198,079
Deferred income tax	32,795	(12,104)
Recycling of the accumulated valuation for AFS securities	(159,464)	(137,501)
Foreign exchange differences and other adjustments	2,210	(259)
Closing balance	11,748	109,637

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	31 March 2007	31 December 2006
Retained earnings movement		
Opening balance	172,877	(55,758)
Profit after tax for the period/ year	248,171	434,649
Prior year dividends	-	(107,435)
Interim dividend for 2006	-	(85,948)
Gains/ (losses) from sales of treasury shares	2,973	29,119
Transfer to other reserves	(876)	(22,630)
Acquisitions, absorptions and movement in subsidiaries holding	(584)	(17,980)
Differences from currency translations and other adjustments	(1,970)	(1,140)
Closing balance	420,591	172,877

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.

17 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	
	31 March 2007	31 December 2006
Loans	135,059	103,646
Deposits	53,782	56,048

Letters of guarantees and letters of credits to the members of the board of directors and to the key management personnel as at 31/3/2007 are € 4.3 million (2006: € 9.5 million). The total income and expense on loans and deposits to/ from members of the board of directors and to key management personnel for the first quarter of 2007 is € 1.6 million (2006: € 4.9 million) and € 0.3 million (2006: € 0.4 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 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.

	31 March 2007	31 December 2006
Director's remuneration		
Salaries and other remuneration	2,434	11,561
	2,434	11,561

The total cost for the share options granted to Board of Directors members and key management personnel is € 0.8 million (2006: € 3.3 million). The total amount of provisions for Board of Directors members and key management personnel is € 31.9 million as at 31/3/2007 (2006: € 31.5 million). This amount has been included in retirement benefit obligation.

	Associates	
	31 March 2007	31 December 2006
Deposits	21,818	21,624
Loans	450	4,252
	1st Quarter 2007	1st Quarter 2006
Interest expense	(15)	(41)
Interest income	5	128

18 Acquisitions and disposals of subsidiaries and associates

In the period from 01/01/2007 to 31/03/2007, the following changes took place in the Group's portfolio of subsidiaries and associates:

On 19/01/2007 Piraeus Bank participated in the share capital increase of Tirana Bank I.B.C., with the amount of € 6.8 million, without altering its shareholding percentage (90.72%).

On 30/03/2007 Piraeus Bank covered the total amount of share capital increase of Piraeus Bank Bulgaria A.D, that is € 10 million, increasing its direct shareholding percentage by 0.02%, from 99.92% to 99.94 %.

During the period from 01/01/2007 to 28/02/2007, Piraeus Bank increased its shareholding percentage in Piraeus Leasing S.A. by 0.22%, against an amount of consideration paid of € 0.3 million, increasing in this way its final shareholding percentage from 86.76% to 86.98%.

On 29/01/2007 Piraeus Bank covered the total amount of share capital increase of Piraeus Leasing Bulgaria S.A., that is € 5 million, without altering its direct shareholding percentage (100%).

On 28/03/2007 Piraeus Bank increased its direct shareholding percentage in the associates Rebikat S.A., from 10% to 20%, Euroterra S.A., from 9.22% to 19.22% and Abies S.A., from 10% to 20%, against a consideration paid of € 0.5 million, € 6.1 million and € 0.3 million respectively. The increase in the direct shareholding percentage was conducted through purchase by the subsidiary GEKA S.A.

On 13/3/2007, Piraeus Bank Egypt SAE, subsidiary of Piraeus Bank, covered the total amount of share capital increase of Piraeus Egypt Leasing Co. by the amount of € 3.3 million, increasing its direct shareholding percentage from 99.6% to 99.9 %.

On 29/03/2007, Piraeus Bank's subsidiary Piraeus Enterprisers 4 Ltd, incorporated in Cyprus, was resolved.

On 20/03/2007, Piraeus Real Estate S.A. and ETBA Finance S.A. sold 50.83% and 0.17% respectively of their participation in the subsidiary company Good Works Real Estate Tourist and Development S.A. to the Group subsidiary ETBA Industrial Estates S.A. Also, on the same date, Piraeus Real Estate S.A. sold 49% of Good Works Real Estate Tourist and Development S.A. to third parties for a consideration of € 29.4 thousand.

On 07/02/2007 GEKA S.A., 66.7% subsidiary of Piraeus Bank, sold to third parties 50% of its shareholding percentage in the associate company Monastiriou Technical Development Co. S.A., for a consideration of € 4.8 million.

Piraeus Mutual Funds S.A. has been renamed to Piraeus Asset Management S.A. and New Flexible Tourist and Development S.A. has been renamed to Piraeus Green Investments S.A.

On 20/03/2007, 100% of the shareholding percentage in the company Piraeus Green Investments S.A., up to now 100% subsidiary of the group companies Piraeus Real Estate S.A. and ETBA Finance S.A., was transferred to Piraeus Bank for a consideration of € 60 thousand.

The extraordinary General Meeting of the company European Reliance General Insurances S.A. which was held on 22/03/2007 has decided the increase of its share capital. The new issued shares will be disposed to Piraeus Bank through a private placement, in compliance with the agreement reached between the 2 companies, according to which Piraeus Bank will acquire a 30% stake in the share capital of European Reliance General Insurances S.A. The completion of the above agreement is subject to the approval of the supervising and administrative authorities.

The Group's investments in subsidiaries for the period 1/1 - 31/3/2007 which are described above, are analysed in the table as follows:

	2007	2006
Participation in share capital increases		
Increase of shareholding percentage in Group subsidiaries	25,128	52,831
Incorporation of companies	438	24,045
	-	2,055
	<u>25,566</u>	<u>78,931</u>
Acquisition of subsidiaries	-	1,719
Less: Cash and cash equivalents of subsidiaries acquired	-	(419)
Total	<u>25,566</u>	<u>80,231</u>

During the period 1/1 - 31/3/2007, the Group sold in full its shareholding in the subsidiary Piraeus Botifin S.A. (100%), which in turn had a participation of 100% in P - Parking S.A. based in Greece. The details of assets and liabilities disposed are as follows:

	Piraeus Botifin S.A./ P - Parking S.A.
Loans and advances to credit institutions	25
Investment securities	500
Other assets	37,815
Due to banks	(35,283)
Other liabilities	(383)
Total equity	<u>2,674</u>
Proceeds from sale	2,000
Less: Cash and cash equivalents disposed	(25)
Net cash inflow/ (outflow) on sale	<u>1,975</u>

Furthermore, taking into account the proceeds (€ 29 thousand) from the disposal of 49% of the Group's participation in the subsidiary company Good Works S.A. (100%), the total net cash inflow from the disposal of subsidiaries is € 2,004 thousand.

19 Post Balance Sheet events

Piraeus Bank Annual General Meeting of Shareholders, which was held on 03/04/2007, approved among other: a) the dividend payment of € 0.64 per share, including the interim dividend of € 0.32 per share and b) the purchase of treasury shares via Athens Stock Exchange in order to support their price, according to the provisions of article 16, para. 5 to 14 of Law 2190/1920, up to 27,019,503 shares which constitutes 10% of the total number of shares of the Bank, with purchase values in the range of € 5 (minimum) and € 40 (maximum), not later than 03/04/2008. Relevant disclosures are 15 and 16.

On April 25th, 2007 Moody's Investors Service proceeded with the upgrade of the long-term foreign currency deposit rating of Piraeus Bank SA by 3 notches to A1 from Baa1. The rating agency upgraded the Bank's credit rating, taking into account its increased financial strength and its current position in the banking market. At the same time, Moody's upgraded the short-term foreign currency deposit rating and financial strength rating to Prime-1 (from Prime-2) and C (from C-) respectively. According to Moody's, which proceeded with the new rating methodologies Joint Default Analysis and BFSR, "The largest rating upgrade was for Piraeus Bank SA, whose long-term deposit and senior debt ratings increased by three notches to A1 from Baa1, reflecting a one notch upgrade of the Bank's BFSR to C, as well as the very high probability of systemic support given the Bank's sizable domestic market share". This significant improvement in Piraeus Bank's ratings will lead to lower funding cost, as well as broadening of its debt investor base.

On 2/5/2007 Piraeus Bank announced that it entered into an agreement with Avis Group for the purchase of the 100% of the shares of "Olympic Commercial and Tourist Enterprises SA" under the distinctive name "Avis Greece", which operates in the car rental sector (short & long term rentals), for a price of € 25.5 million. The said agreement is subject to the approval of the Competition Committee.

On 3/5/2007 Piraeus Bank announced the sign of the agreement for the purchase of the remaining 20% as well of the shares of the company under the name "PIRAEUS SECURITIES S.A.", owned by Devletoglou family, for an aggregate consideration of € 11.4 million, so that the company becomes a 100% subsidiary of the Bank. The above agreement is subject to the approval of the competent supervisory authorities.

On 3/5/2007 Piraeus Bank 's 2nd Iterative Ordinary General Meeting of Shareholders announced a share capital increase by up to €1,288,830,297.87 maximum (equal to the currently paid-up share capital) via the issue of up to 270,195,031 shares of a par value of € 4.77 each.

By resolution of 2nd Iterative Ordinary General Meeting of Shareholders, which was held on 03/05/2007, the Board of Directors is authorised to increase the share capital according to article 13 §1b of Cod. Law 2190/1920. Specifically, the Board of Directors may resolve with 2/3 majority of its members, once or gradually, a share capital increase by up to € 1,288,830,297.87 maximum (equal to the currently paid-up share capital) via the issue of up to 270,195,031 shares of a par value of € 4.77 each, and at sale price to be defined by resolution of the Board of Directors, always granting pre-emptive right to the old shareholders.

Athens, May 7th 2007

CHAIRMAN OF THE BOARD OF DIRECTORS

VICE-CHAIRMAN OF THE BOARD OF DIRECTORS
and MANAGING DIRECTOR

ASSISTANT GENERAL MANAGER

MICHALIS G. SALLAS

MICHALIS I. COLAKIDES

CONSTANTINOS I. LIAPIS