Company Registration Number: 05817976

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON 16 MAY 2006 TO 31 DECEMBER 2006

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON 16 MAY 2006 TO 31 DECEMBER 2006

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THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

OFFICERS AND PROFESSIONAL ADVISERS

Directors	Mr M H Filer Mrs R L Samson Wilmington Trust SP Services (London) Limited
Company secretary	Wilmington Trust SP Services (London) Limited
Company number	05817976
Registered office	c/o Wilmington Trust SP Services (London) Limited Tower 42 (Level 11) 25 Old Broad Street London EC2N 1HQ
Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Registered Auditors Southwark Towers 32 London Bridge Street London SE1 9SY

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

THE DIRECTORS' REPORT

FOR THE PERIOD FROM INCORPORATION ON 16 MAY 2006 TO 31 DECEMBER 2006

The directors present their report and the audited financial statements of Themeleion III Mortgage Finance PLC (the "Company") for the period from incorporation on 16 May 2006 to 31 December 2006. As this is the first period since incorporation, no comparative amounts are disclosed.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is that of a securitisation vehicle with legal ownership of mortgage loans secured by first charges over residential properties within Greece. In accordance with the terms of the offering circular issued on 22 June 2006, the Company issued floating rate notes of €1 billion and purchased the mortgage loans portfolio from EFG Eurobank Ergasias S.A. (the "Originator" or "EFG Eurobank"). The floating rate notes are due to mature in February 2043 and are listed on the Irish Stock Exchange.

The results for the period and the Company's financial position at the end of the period are shown in the attached financial statements. The profit on ordinary activities after taxation for the period was €267,687. The directors have not recommended a dividend.

FUTURE DEVELOPMENTS

Due to repayments decreasing the principal value of the mortgage loans each year, the deemed loan, loan notes, interest income and interest expense are expected to decrease in future years. The rate of decrease is dependent on future redemptions and further advances, if any.

KEY PERFORMANCE INDICATORS

The key performance indicator of the business is considered to be the net interest margin. During 2006, the Company achieved a net interest margin, before fair value gains on derivative financial instruments, of 0.67%. At the period end, the Company had net assets of €285,834.

Under the terms of the Notes the Company can repurchase the outstanding Notes of a securitisation issue at par once the outstanding principal amount of the Notes falls below 10% of the amount originally issued. The current Notes outstanding as a percentage of the original principal balance is 95.5%.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the Company during the period together with their beneficial interests in the shares of the parent company were as follows:

Mr M H Filer	(appointed 16 May 2006)
Mrs R L Samson	(appointed 16 May 2006)
Wilmington Trust SP Services (London) Limited	(appointed 16 May 2006)

Ordinary shares of £1 in the Company	**No. of shares 31 December 2006**
Wilmington Trust SP Services (London) Limited	1

Wilmington Trust SP Services (London) Limited holds one share in the Company under a Declaration of Trust for charitable purposes.

CREDITOR PAYMENT POLICY

The Company's policy concerning the payment of its trade creditors is to pay in accordance with its contractual and other legal obligations.

PRINCIPAL RISKS AND UNCERTAINTIES

EFG Eurobank manages the mortgage portfolio under the servicer agreement with the Company. In managing the mortgage portfolio, EFG Eurobank applies the Bank's formal structure for managing risk, including established risk limits, reporting lines, mandates and other control procedures. This structure is reviewed regularly by the Bank's Assets and Liabilities Commitment (ALCO), which is charged with the responsibility for managing and controlling the balance sheet exposures of the Bank. The minutes of ALCO relating to the operations of the Company are presented to the Board of the Company.

Interest rate risk
The Company is exposed to movements in interest rates and manages this exposure using interest rate swaps. More specifically, the Company is exposed to basis risk due to the timing difference in interest payment dates on the Notes and the deemed loan. This is hedged using an interest rate 'basis' swap that is taken out on inception of the securitisation.

After taking into consideration the Company's derivative instruments, the administered interest rate nature of the Company's deemed loans, the regular re-pricing of the Company's notes, together with the nature of the Company's other assets and liabilities, the directors do not believe that the Company has any significant interest rate re-pricing exposure.

Credit risk
Credit risk on the deemed loan to the Originator is considered to be minimal because directors do not expect the amount of incurred credit losses on the Originator's securitised mortgage loans to customers to exceed the amount of credit enhancement supplied by the Originator. With regard to credit risk on derivatives, the directors monitor the credit rating of the swap provider and in case of any downgrade may require the swap provider to provide sufficient collaterals or transfer its obligations to another bank of the same credit rating.

Liquidity risk
The Company's policy is to manage liquidity risk through its use of its start-up loan and excess spread, a reserve fund and an over-collateralisation of mortgage loans underlying the loan to the Originator. As the length of the loan notes is designed to match the length of the mortgage loans underlying the loan to the Originator, there is deemed to be limited liquidity risks facing the Company.

Currency risk
All of the Company's assets and liabilities are denominated in Euros ("€"), and therefore there is no foreign currency risk.

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

THE DIRECTORS' REPORT (continued)

FOR THE PERIOD FROM INCORPORATION ON 16 MAY 2006 TO 31 DECEMBER 2006

DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under the law the directors have elected to prepare financial statements in accordance with IFRSs as adopted by the European Union.

The financial statements are required by law and IFRSs as adopted by the European Union ("EU") to give a true and fair view of the state of affairs of the Company and the profit or loss for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent and reasonable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

Each of the directors confirms that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

PricewaterhouseCoopers LLP were appointed by the directors as the first auditors of the Company. A resolution to re-appoint PricewaterhouseCoopers LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

By order of the Board

On behalf of Wilmington Trust SP Services (London) Limited
Director
Date: 11 JUNE 2007

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEMELEION III MORTGAGE FINANCE PLC

We have audited the financial statements (the "financial statements") of Themeleion III Mortgage Finance PLC (the "Company") for the period from incorporation on 16 May 2006 to 31 December 2006, which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THEMELEION III MORTGAGE FINANCE PLC

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Company's affairs as at 31 December 2006 and of its profit and cash flows for the period from 16 May 2006 to 31 December 2006;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
Dated: 11 June 2007

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

INCOME STATEMENT

FOR THE PERIOD FROM INCORPORATION ON 16 MAY 2006 TO 31 DECEMBER 2006

	Note	16 May 2006 to 31 December 2006 €
Interest income	3	18,290,349
Interest expense	4	(18,167,098)
Net interest income		123,251
Net income from derivative financial instruments		264,964
Administrative expenses	5	(119,360)
Profit before tax for the period		268,855
Taxation	6	(1,168)
Profit for the period		267,687
Attributable to:		
Equity holders		267,687

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2006

	Share Capital €	Retained Earnings €	Total €
Shares issued	18,147	-	18,147
Profit for the period	-	267,687	267,687
Balance at 31 December 2006	18,147	267,687	285,834

The notes on pages 10 to 18 form part of these financial statements.

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

BALANCE SHEET

AS AT 31 DECEMBER 2006

	Note	2006 €
Non-current Assets		
Deemed Loan to the Originator	7	815,300,515
Total non-current assets		815,300,515
Current Assets		
Other assets	8	3,947,237
Derivative financial instruments	12	264,964
Cash and cash equivalents		163,690,189
Total current assets		167,902,390
Total assets		983,202,905
Equity		
Issued capital	9	18,147
Retained earnings	9	267,687
Total equity	9	285,834
Non-current Liabilities		
Liabilities evidenced by paper	10	953,402,877
Subordinated loans	11	23,173,348
Total non-current liabilities		976,576,225
Current Liabilities		
Other payables	13	6,339,679
Tax payable		1,167
Total current liabilities		6,340,846
Total liabilities		982,917,071
Total equity and liabilities		983,202,905

These financial statements were approved by the board of directors on 11 JUNE 2007 and are signed on their behalf by:

On behalf of Wilmington Trust SP Services (London) Limited
Director

The notes on pages 10 to 18 form part of these financial statements.

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

CASH FLOW STATEMENT

FOR THE PERIOD FROM INCORPORATION ON 16 MAY 2006 TO 31 DECEMBER 2006

	16 May 2006 to 31 December 2006 €
Cash flows from operating activities	
Profit before tax for the period	268,855
Adjustments for:	
Amortisation of issue costs	124,512
Fair value movement in derivatives	(264,964)
Operating profit before changes in operating assets and liabilities	128,403
(Increase) in other receivables	(3,947,237)
Increase in other payables	6,673,027
Net increase in the deemed loan to the Originator	(815,300,515)
Net cash from operating activities	(812,446,322)
Cash flows from financing activities	
Issue of loan notes	1,000,000,000
Issue costs	(1,784,686)
Redemption of loan notes	(44,954,395)
Issue of subordinated loans	22,840,000
Issue of other loans	17,445
Share capital issued	18,147
Net cash from financing activities	976,136,511
Net increase in cash and cash equivalents	163,690,189
Cash and cash equivalents at start of period	-
Cash and cash equivalents at end of period	163,690,189

The notes on pages 10 to 18 form part of these financial statements.

THEMELEION III MORTGAGE FINANCE PLC
(previously THEMELEION MORTGAGE FINANCE III PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON 16 MAY 2006 TO 31 DECEMBER 2006

1. PRINCIPAL ACCOUNTING POLICIES

Themeleion III Mortgage Finance PLC is a public limited company incorporated and domiciled in the United Kingdom with registered number 05817976.

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations as adopted by the European Union (EU) and with those parts of the Companies Act, 1985 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of all derivative contracts.

The Company mainly transacts in Euros ("€"), therefore, the Euro is its functional currency and the presentational currency. There are no significant uncertainties or estimates applied in the basis of preparing these financial statements.

Standards issued but not adopted

The directors considered the following IFRS standards which are currently in issue but are not mandatory. The directors do not consider the financial effect or disclosure of these standards to be material to the financial statements:

IAS 1: Presentation of Financial Statements – amendment on Capital Disclosures; and

IFRS 7: Financial Instruments: Disclosures

These standards will be adopted in the next financial year. A summary of the more important accounting policies which have been used for the preparation of these financial statements is set out below.

Financial assets

The Company classifies its financial assets into two categories: financial assets at fair value through profit or loss and carried at amortised cost using effective interest method.

The Company's derivative instruments are classified as financial assets or liabilities at fair value through profit or loss. These derivatives are accounted for as set out in the 'derivative financial instruments' accounting policy set out below.

Legal ownership of mortgage loans is classified as "Deemed loan to the Originator" and is carried at amortised cost using the effective interest method. Cash and cash equivalents are also carried at amortised cost using the effective interest method.

Deemed loan to the Originator

The legal ownership of the mortgage loans sold to the Company by the Originator fail the derecognition criteria of IAS 39 and, therefore, these loans remain on the balance sheet of the Originator. IAS 39, therefore, requires the Originator to recognise a "deemed loan" financial liability on its balance sheet and the resulting "deemed loan" asset is held on the Company's balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON 16 MAY 2006 TO 31 DECEMBER 2006

1. PRINCIPAL ACCOUNTING POLICIES (continued)

This deemed loan initially represents the consideration paid by the Company in respect of the acquisition of the legal ownership of the securitised mortgage loans and is subsequently adjusted due to repayments made by the Originator to the Company. The deemed loan is carried at amortised cost using the effective interest method.

The Directors do not expect the amount of incurred credit losses on the Originator's securitised mortgage loans to customers to exceed the amount of credit enhancement supplied by the Originator and accordingly conclude that there is no objective evidence of impairment of the deemed loan. Therefore, in accordance with IAS 39, there is no requirement to recognise any impairment loss against this deemed loan.

Deferred consideration payable to the Originator
Deferred consideration is netted off against the deemed loan since it is due to and from the same counterparty.

Derivative financial instruments
The Company uses derivative financial instruments to economically hedge its exposure to interest rate risk arising from its activities. In accordance with its policy, the Company does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value with gains and losses recognised in the income statement. Fair values are obtained from quoted market prices in active markets, including recent market transactions and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Liabilities evidenced by paper
Liabilities evidenced by paper are comprised of loan notes issued by the Company through its offering circular dated 22 June 2006. These loan notes were initially recognised at fair value net of transaction costs incurred and are subsequently stated at amortised cost using the effective interest method.

Subordinated loan
Subordinated loans are initially recognised at fair value and are subsequently stated at amortised cost using the effective interest method.

Cash and cash equivalents
For the purposes of the Cash flow Statement, cash and cash equivalents comprise balances with less than 3 months maturity from the date of acquisition.

Interest income and interest expense
Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in the income statement using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes, all fees and commissions paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Foreign currencies
Assets and liabilities in foreign currencies are translated into Euros at the rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement.

Taxation
Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates at the balance sheet date.

Under the Finance Act 2005 temporary tax regime for securitisation companies, the Company's tax charge for the period ended 31 December 2006 is based on the taxable profits calculated in accordance with the Generally Accepted Accounting Principles in the United Kingdom ("UK GAAP") as applicable as of 31 December 2004.

2. SEGMENTAL REPORTING

The principal asset of the Company is the deemed loan to the Originator which is originated in Greece, funded by floating rate loan notes issued and listed on the Irish Stock Exchange. Cash is held mainly in the UK. The directors do not use any other segments for the purpose of managing the Company.

3. INTEREST INCOME

Interest income represents the interest income on the deemed loan to the Originator together with interest on bank deposits, as analysed below.

	16 May 2006 to 31 December 2006
Interest income on deemed loan to the Originator	**€**
Interest income on mortgage loans	27,228,955
Amounts payable to Bank of Greece under Law 128/75	(583,125)
Deferred consideration payable to the Originator	(9,409,028)
	17,236,802
Bank interest income	1,053,547
	18,290,349

The analysis of interest income by geographic location is set out below:

Geographic	
Greece	17,238,347
United Kingdom	1,052,002
	18,290,349

4. INTEREST EXPENSE

	16 May 2006 to 31 December 2006 €
Interest on liabilities evidenced by paper	17,532,966
Interest on subordinated loans	509,620
Amortisation of issue costs	124,512
	18,167,098

5. ADMINISTRATIVE EXPENSES

	16 May 2006 to 31 December 2006 €
Auditors' remuneration – audit of the statutory financial statements of the Company	38,000
Auditors' remuneration - tax services	7,000
Unrecoverable VAT on above fees	7,875
Other fees	5,405
Servicing fees	51,477
Other expenses	10,012
Exchange gains recognised	(409)
	119,360

The Company has no employees and, other than the fees paid to Wilmington Trust SP Services (London) Limited as set out in note 14, the directors received no remuneration during the period.

6. TAXATION

(a) Analysis of charge in the period

	16 May 2006 to 31 December 2006 €
Current tax:	
Corporation tax charge for the period	1,168
Total income tax charge in the income statement	1,168

(b) Reconciliation of effective tax rate

The tax assessed on the profit on ordinary activities for the period is equal to 30%.

	16 May 2006 to 31 December 2006 €
Profit before tax	268,855
Profit before tax multiplied by the standard rate of corporation tax in the UK of 30%	80,657
Adjustment to reconcile the profit to UK GAAP as required by tax rules – fair value adjustment to Derivative Financial Instruments which is not taxable	(79,489)
Total income tax charge	1,168

The Finance Act 2005 provided that corporation tax for a 'securitisation company' within the meaning of the Act, would be calculated with reference to UK GAAP as applicable up to 31 December 2004, for accounting periods ending by 1 January 2008.

Under the powers conferred by the Finance Act 2005, secondary legislation was enacted in November 2006 which ensures that, for periods commencing on or after 1 January 2007, corporation tax for a 'securitisation company' will be calculated by reference to the retained profit of the securitisation company required.

The directors are satisfied that this Company meets the definition of a 'securitisation company' as defined by both The Finance Act 2005 and the subsequent secondary legislation and that no incremental unfunded tax liabilities will arise.

As at 31 December 2006, there are no tax-related contingent assets or contingent liabilities in accordance with International Accounting Standard No. 37 'Provisions, Contingent Liabilities and Contingent Assets' (IAS37).

7. DEEMED LOAN TO THE ORIGINATOR

	2006
	€
At 16 May	-
Originations	999,999,741
Repayments	(175,017,060)
At 31 December	824,982,681
Amounts payable to Bank of Greece under Law 128/75	(273,138)
Deferred consideration payable to the Originator	(9,409,028)
	815,300,515

The mortgage loans portfolio is secured by first charges over residential property in Greece. All mortgage loans are floating rate loans and are due to be repaid at various times before 2037. Mortgage loans may be redeemed at any time at the option of the borrower. The effective interest rate on the deemed loan during the period was 4.98%.

Deemed loan is repaid as and when the cash is received by the Originator from its customers towards repayments of the mortgage loans.

The maturity profile on contractual payments basis of the underlying mortgage loans as at 31 December 2006 was as follows:

	2006
	€
In less than one month	2,134,000
In more than one month but not more than three months	4,294,000
In more than three months but not more than twelve months	19,770,000
In more than one year but not more than five years	118,840,000
In more than five years	670,262,515
	815,300,515

Deferred consideration is payable to the Originator dependent on the extent to which the surplus income generated by the mortgage loans, that the Company holds the legal title to, exceeds the administration costs of the mortgage loans. The surplus income generated during the period ended 31 December 2006 amounted to €9,409,028.

8. OTHER ASSETS

	2006
	€
Prepayments and accrued income	3,947,237
	3,947,237

9. TOTAL EQUITY

Reconciliation of movement in capital and reserves

	Share capital	Retained earnings	Total
	€	€	€
Issued capital	18,147	-	18,147
Profit for the period	-	267,687	267,687
Balance at 31 December 2006	18,147	267,687	285,834

There are 50,000 authorised ordinary shares of £1 each. The issued share capital consists of 2 fully paid ordinary shares and 49,998 quarter paid ordinary shares.

The issued share capital is reflected in the financial statements as €18,147 based on the prevailing exchange rate at 16 May 2006 being the date the Company changed its functional and presentation currency from sterling to euros.

The holders of ordinary shares as entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

10. LIABILITIES EVIDENCED BY PAPER

	2006
	€
Non-current liabilities	
Floating rate loan notes	955,045,605
Other loans	17,445
Unamortised issue costs	(1,660,173)
Total	953,402,877

The Mortgage Backed Floating Rate Notes due in 2043 are listed on the Irish Stock Exchange, and are secured over a portfolio of mortgage loans secured by first charges over residential properties in the Greece. The repayment of the loan notes are dependent on the receipt in full of the payments from mortgage loans purchased and have therefore been classified as falling due after more than one year.

Interest on the floating rate loan notes is payable on a quarterly basis at the three month EURIBOR plus the following margins until August 2013: 0.14% for the Class A notes; 0.21% for the Class M notes; 0.30% for the Class B notes, 0.58% for the Class C notes. From August 2013, the margins will increase to 0.28% for the Class A notes, 0.42% for the Class M notes, 0.60% for the Class B notes and 1.16% for the Class C notes. All of the floating rate loan notes are due to be repaid by February 2043 and are secured by means of a fixed and floating charge over the Company's assets.

The maturity table of the mortgages in note 7 above also reflects the estimated timing of principal repayments on the loan notes assuming that the Company will exercise any repurchase options.

The Company has not had any defaults on principal, interest or any other breaches with respect to their liabilities during the period.

11. SUBORDINATED LOANS

	2006
Non-current liabilities	**€**
Subordinated loans	**23,173,348**
	23,173,348

Subordinated loans of €22,840,000 were made available to the Company during the period by EFG Eurobank Ergasias S.A. Interest on the subordinated loans is payable on a quarterly basis at the three month EURIBOR plus a margin of 1.00%.

12. FINANCIAL INSTRUMENTS

The Company's financial instruments, other than derivatives, comprise of a deemed loan to the Originator, cash and liquid resources, interest-bearing borrowings and various receivables and payables that arise directly from its operations. The Company also enters into derivative transactions (principally interest rate swaps). The purpose of such transactions is to manage the interest rate risks arising from the Company's operations and its sources of finance.

It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments is undertaken.

The directors have considered the financial risks affecting the Company and have included the relevant disclosures of interest rate, credit, liquidity and currency risks in the Directors' Report.

The table below provide details of the fair value of financial assets and liabilities not carried at fair value through profit and loss:

Fair values
The fair values together with the carrying amounts shown in the balance sheet are as follows:

	Note	Carrying amount 2006 €	Fair value 2006 €
Deemed loan to the Originator	7	815,300,515	815,616,882
Other assets	8	3,947,237	3,947,237
Derivative financial instruments		264,964	264,964
Cash and cash equivalents		163,690,189	163,690,189
Liabilities evidenced by paper	10	(953,385,432)	(953,701,799)
Subordinated loans	11	(23,173,348)	(23,173,348)
Other loans	10	(17,445)	(17,445)
Interest payable		(6,111,420)	(6,111,420)
Other payables	13	(228,259)	(228,259)
Tax payable		(1,167)	(1,167)
		285,834	285,834

Derivative financial instruments
Interest Rate Swaps are initially accounted and measured at fair value on the date they are entered into and subsequently measured at fair value. The gain or loss on re-measurement is taken to the income statement. The fair values of interest rate swap contracts have been determined by reference to market prices. The fair values of derivative instruments held are set out in the following table:

12. FINANCIAL INSTRUMENTS (continued)

	Notional amount	Assets	Liabilities
		€	€
2006			
Interest rate swaps	1,000,000,000	264,964	-

13. OTHER PAYABLES

	2006
Other payables	€
Interest payable	6,111,420
Accruals and deferred income	228,259
	6,339,679

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

The shares in the Company are held by Wilmington Trust SP Services (London) Limited and Mrs R L Samson under Declarations of Trust for charitable purposes. EFG Eurobank has no direct ownership interest in the Company. However, in accordance with IFRS, and particularly SIC 12, results of the Company are included in the consolidated financial statements of the Bank.

The Company has identified the following transactions which are required to be disclosed under the terms of IAS 24 Related Party Disclosures.

During the period administration and accounting services were provided by Wilmington Trust SP Services (London) Limited for which Wilmington Trust SP Services (London) Limited earned €15,288. Mr M H Filer, a director of the Company is also a director of Wilmington Trust SP Services (London) Limited. Mrs R L Samson, who is a director of the Company, is an employee of Wilmington Trust SP Services (London) Limited.

During 2006, EFG Eurobank Ergasias S.A. repaid the Company an amount of total principal on mortgage loans of €175,017,060.

Subordinated loans of €22,840,000 were made available to the Company during the period by EFG Eurobank Ergasias S.A.

The interest income on these mortgage loans for the period was €23,762,222 and the interest expense on the subordinated loans for the period was €509,620.

The Company has also incurred €51,477 due to EFG Eurobank Ergasias S.A. for administering the Company's mortgage loans, and €9,409,028 for deferred consideration.