EFG Hellas Funding Limited

Report and accounts

31 December 2006

Registered No. 89637

Registered office: Whiteley Chambers, Don Street, St. Helier, Jersey JE4 9WG, Channel Islands

Contents

Report of the Directors

The directors submit their report and accounts of the Company for the year ended 31 December 2006.

1. Business review and principal activities

The Company was incorporated on 4 March 2005. It is a company limited by shares, incorporated and domiciled in Jersey, Channel Islands.

The principal activity of the Company is to provide funding to its immediate parent company, EFG Eurobank Ergasias S.A. ("EFG Eurobank"), a bank incorporated in Greece, by the issue of Constant Maturity Swap Linked (CMS-Linked) non-cumulative guaranteed non-voting Preferred Securities. No new issue of securities was made during the year. The debt instruments issued by the Company have been guaranteed by EFG Eurobank.

The profit for the year amounted to €13,000 (2005: loss €37,000). The directors do not recommend the payment of a dividend.

The directors monitor the progress of the company by reference to financial and non-financial data available to them on a regular basis. Particular attention is paid to key performance indicators, including net interest margin as reported in the income statement and debt instruments outstanding at the reporting date. These are adjusted regularly in line with the requirements of the business and the nature of the monitoring activities.

2. Strategy and future developments

The directors consider the financial position of the Company to be satisfactory, and expect the business to continue to develop in 2007.

3. Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks affecting the Company, which are primarily financial, are set out below.

The Company is exposed to credit, interest rate and operational risk, of which the latter is not considered to be significant. The directors have a financial risk management programme in place which has as its main objective the minimising of such risks as follows:

- Credit risk: cash is placed with a fellow group company, EFG Hellas Plc. The aggregate carrying amount of loans and advances to banks and other assets approximates to the maximum amounts exposed to credit risk.
- Interest rate risk: interest rate risk is managed by placing funds on deposit at a variable interest rate which changes on the same basis as the interest rate applied on the variable rate loan notes.

The Company is not exposed to currency or liquidity risk because all costs and revenues are in €, and the maturity of its assets and liabilities and the underlying cash flows are substantially the same. All proceeds of each loan notes issuance, less certain costs, are placed directly in matching bonds with EFG Hellas Plc, a fellow group company, on the same terms plus one basis point and in the same currency.

The directors are responsible for the overall financial risk approach of the Company. In this regard they liaise with the parent company risk managers to ensure financial risks are minimised.

4. Directors

The directors of the company who acted during the year were as follows:

Nicholaos Karamouzis
Fokion Karavias
Julia Zavakos
Yasmine Ralli

Michael Lombardi
Peter Gatehouse

None of the directors has or had any notifiable interest in the shares of the Company or any member of the EFG Bank European Financial Group.

5. Ultimate parent company

The immediate parent company is EFG Eurobank Ergasias S.A., incorporated in Greece. The ultimate parent company is EFG Bank European Financial Group, a bank incorporated in Switzerland. All of the voting rights at general meetings of EFG Bank European Financial Group are held by Latsis family interests.

6. Statement of Directors' responsibilities

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 statement comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud, error, non-compliance with law and regulations and other irregularities.

Directors are required by Companies (Jersey) Law 1991 to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the period and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

So far as the directors are aware, there is no relevant audit information of the company of which the company's auditors are unaware and they have taken all steps that ought to have been 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.

7. Auditors

A resolution is to be proposed at the annual general meeting for the re-appointment of PricewaterhouseCoopers LLP as auditors of the company.

8. Secretary

The secretary of the Company who held office for the year ended 31 December 2006 and up to the date of signature of the report and accounts was Ogier SPV Services Limited.

By order of the Board

Y. Ralli
Director

8 May 2007

J. Zavakos
Director

8 May 2007

Independent auditors' report to EFG Hellas Funding Limited

We have audited the financial statements of EFG Hellas Funding Limited for the year ended 31 December 2006 which comprise the income statement, the balance sheet, the statement of changes in shareholders equity, 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 ("IFRS"), 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 110 of the Companies (Jersey) Law 1991and 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 whether the financial statements have been properly prepared in accordance with the Companies (Jersey) Law 1991. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 the 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 judgements 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.

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 year then ended;
- the financial statements have been properly prepared in accordance with the Companies (Jersey) Law 1991; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London 8 May 2007

Income statement for the year ended 31 December 2006

	Notes	2006 €'000	Period from 04 March 2005 to 31 December 2005 €'000
Interest and similar income	4	44,317	15,260
Interest expense and similar charges	5	(44,244)	(15,227)
Net interest income		73	33
Operating Expenses	6	(60)	(70)
Profit (Loss) before income tax		13	(37)
Income tax expense	13	-	-
Profit (Loss) for the year / period		13	(37)

The notes on pages 9 to 13 form part of these accounts

Balance Sheet at 31 December 2006

	Notes	2006 €'000	2005 €'000
Non-current assets			
Held-to-maturity investments, net	7	790,865	790,362
Current assets			
Loans and advances to banks	10	88	99
Other assets	11	16,450	15,462
Total assets		807,403	805,923
Non-current liabilities			
Preferred Securities	8	790,926	790,428
Other Liabilities	12	16,491	15,522
Total liabilities		807,417	805,950
Equity			
Ordinary shares	9	10	10
Retained earnings		(24)	(37)
Total equity		(14)	(27)
Total equity and liabilities		807,403	805,923

The financial statements on pages 5 to 13 were approved by the board of Directors on 8 May 2007 and signed on their behalf by:

Y. Ralli
Director

J. Zavakos
Director

Statement of changes in equity for the year ended 31 December 2006

	Share Capital €'000	Retained Earnings €'000	Total €'000
At 4 March 2005	-	-	-
Issue of share capital	10	-	10
Loss for the period	-	(37)	(37)
At 1 January 2006	10	(37)	(27)
Profit for year	-	13	13
At 31 December 2006	10	(24)	(14)

Cash Flow Statement
for the year ended 31 December 2006

	2006 €'000	Period from 04 March 2005 to 31 December 2005 €'000
Cash flows from operating activities		
Interest received	42,484	-
Interest paid	(42,369)	-
Cash payments to suppliers	(126)	-
Cash flows from operating activities before changes in operating assets and liabilities	**(11)**	-
Changing in operating assets and liabilities		
Net (increase) in held-to-maturity investments	-	(790,362)
Net cash from operating activities	-	**(790,362)**
Cash flows from financing activities		
Net proceeds from issue of preferred securities	-	790,451
Issue of share capital	-	10
Net cash from financing activities	-	**790,461**
Net (decrease) increase in cash and cash equivalents	(11)	99
Cash and cash equivalents at beginning of year / period	99	-
Cash and cash equivalents at end of year / period (note 8)	**88**	**99**

Notes to the accounts for the year ended 31 December 2006.

1. General information

EFG Hellas Funding Limited is a Jersey-based public limited company under the laws of Jersey with registered number 89637. The Company is a subsidiary of EFG Eurobank Ergasias S.A. (the "parent company"). EFG Hellas Funding Limited is a finance company whose sole business is raising debt for the parent company via notes listed on various European Stock Exchanges including London, Frankfurt, Luxembourg and Euronext Amsterdam, purchased by institutional and private investors. The listed notes outstanding are guaranteed by the parent company. EFG Hellas Funding Limited has no employees, non-executive Directors or audit committee.

2. Accounting policies

a) *Basis of preparation*

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations endorsed by the European Union (EU) and in accordance with the Companies (Jersey) Law 1991. These financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Certain new accounting standards and IFRIC interpretations have been published that are mandatory for accounting periods beginning on or after 1 January 2006. The Company has chosen not to early adopt IFRS 7, Financial Instruments: Disclosures, application of which will not have a material impact on the company's financial statements in the period of initial application.

A summary of the more important accounting policies is set out below, together with an explanation of where changes have been made to previous policies on the adoption of new accounting standards in the year.

b) *Interest income and 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.

c) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. They are stated at amortised cost and are accounted for on a trade-date basis.

d) *Preferred Securities*

Preferred Securities are perpetual securities that have no fixed redemption date. However, they may be redeemed, at the option of the Company, in whole, if certain conditions mentioned in the offering circular are met. They are stated at amortised cost and are accounted for on a trade date basis.

e) *Share capital*

Ordinary shares are classified as equity.

f) *Cash and cash equivalents*

Cash and cash equivalents include deposits held at call with banks.

g) *Segmental reporting*

The principal assets of the company are held-to-maturity investments issued by a wholly-owned subsidiary of the parent company, that are funded by preferred securities issued to a wide range of investors. The directors do not consider it necessary to provide a further analysis of the results of the company from those already disclosed in these financial statements.

3. Critical accounting estimates and judgement

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Held-to-maturity investments

The Company holds investments in EFG Hellas Plc, a fellow group company, whose credit worthiness the Company evaluates on a regular basis, and which underwrites the credit standing of the Company on an annual basis.

4. Interest and similar income

	2006 €'000	2005 €'000
Interest on held-to-maturity investments	44,317	15,260

5. Interest expense and similar charges

	2006 €'000	2005 €'000
Interest on preferred securities	44,244	15,227

6. Operating Expenses

		2006 €'000	2005 €'000
Auditors remuneration	- Audit of the company	20	35
	- Other services	-	20
Secretarial & administration services		40	15
		60	70

7. Held-to-maturity investments

Maturity Date	First Call Date	Nominal Value	2006 Book Value	2006 Fair Value	2005 Book Value	2005 Fair Value
		€'000	€'000	€'000	€'000	€'000
March 2035	March 2010	200,000	197,194	163,000	197,096	163,000
November 2035	November 2015	400,000	397,550	400,000	397,277	400,000
January 2036	January 2011	200,000	196,121	200,000	195,989	200,000
		Total	790,865	763,000	790,362	763,000

The fair values of the above held to maturity investments in EFG Hellas Plc listed bonds have been determined by reference to market prices.

The above investments are secured by a subordinated guarantee issued by EFG Eurobank Ergasias S.A., the parent company and, accordingly, the directors do not consider there has been any impairment in their value due to credit risk.

The investments may be redeemed prior to final maturity, at the option of the company, on the dates shown above and annually thereafter. The above investments carry average effective interest rate of 5.48% (2005: 5.48%).

8. Preferred securities

First Call Date	Nominal Value	2006 Book Value	2006 Fair Value	2005 Book Value	2005 Fair Value
	€'000	€'000	€'000	€'000	€'000
March 2010	200,000	197,189	161,000	197,096	160,440
November 2015	400,000	397,538	377,400	397,268	402,092
January 2011	200,000	196,199	200,500	196,064	199,180
	Total	790,926	738,900	790,428	761,712

The fair values of the preferred non-voting securities have been determined by reference to market prices.

Preferred Securities are perpetual securities that have no fixed redemption date. However, they may be redeemed, at the option of the Company, in whole, if certain conditions mentioned in the offering circular are met. The first redemption opportunity for each security is shown above thereafter they may be redeemed on any annual preferred dividend payment date. The preferred securities are secured by guarantees issued by the parent company and carry average effective interest rate of 5.47% (2005: 5.47%)

At 31 December 2006, the aggregate of preferred securities held by related parties were €5,000,000 (2005: €29,000,000).

9. Called up share capital

The Company's authorised share capital comprises 10,000 shares of € 1 each, amounting to a nominal value of €10,000.00.

	2006 €'000	2005 €'000
Fully paid ordinary shares of €1 each allotted on 4 March 2005	10	10
Total allotted and fully paid ordinary shares of € 1 each	10	10

10. Loans and advances to banks

	2006 €'000	2005 €'000
EFG Eurobank Ergasias S.A.	88	99

The loans and advances have original maturity of less than 90 days and have been considered as cash and cash equivalents for the purposes of the cash flow statement.

11. Other Assets

	2006 €'000	2005 €'000
Interest receivable on held-to-maturity-investments	16,450	15,462

12. Other Liabilities

	2006 €'000	2005 €'000
Interest payable on preferred securities	16,424	15,430
Other liabilities	67	92
	16,491	15,522

13. Taxation

The Company has been granted exempt status for Jersey taxation purposes and therefore only pays an annual exempt company fee of £600.

14. Ultimate parent company and controlling party

The ultimate parent company is EFG Bank European Financial Group, a bank incorporated in Switzerland. All of the voting rights in EFG Bank European Financial Group are held by the Latsis family interest. The company's results are consolidated in the group headed by EFG Eurobank Ergasias S.A., its immediate parent undertaking which is incorporated in Greece. The financial statements of EFG Eurobank Ergasias S.A. are available from its head office: 8 Othonos Street, 105 57 Athens, Greece.

15. Group support

The immediate parent company, EFG Eurobank Ergasias S.A., has pledged to provide EFG Hellas Funding Limited with such support and assistance as may be appropriate with a view to enabling it to meet its obligations and to maintain its good standing.

16. Related Parties

Mr P Gatehouse is a director of Ogier SPV Services Limited which receives fees from the company for the provision of secretarial and other administrative services to the company.

Mr M Lombardi is a partner of Ogier, which may receive fees for providing legal advice from time to time in respect of the Company. He is also partner in the Ogier Group Limited Partnership which holds all the shares in Ogier Fiduciary Services (Jersey) Limited, of which Ogier SPV Services is a wholly owned subsidiary.

The following are employed by EFG Eurobank Ergasias S.A:

Nicholaos Karamouzis is a Deputy Chief Executive Officer;

Fokion Karavias is a General Manager and Treasurer;

Julia Zavakos is the Head of Funding Origination; and

Yasmine Ralli is a Consultant.