FINANCIAL RESULTS
For the period commencing on January 1st up to June 30th, 2008

FIRST HALF 2008 FINANCIAL SUMMARY
(on consolidated basis)

- 42 mil.€ Profit before tax, during the 2Q of 2008, significantly improve the first half 2008 financial results figures, leading to a decrease of loss before tax at just -7.81 mil. € from - 49.92 mil. € during the 1Q 2008.
- Increase of interest income (from recurring revenue sources) by 23.89% compared to the last year corresponding financial period.
- Increase of commissions by 40.39%, compared to the corresponding financial period of year 2007.
- Increase of the retail loans portfolio by 14.63% compared to the corresponding financial period of year 2007 and 5.33% since the beginning of the year 2008, a bit higher from the average rate in the Market (5.08%) during the 1H 2008.
- Increase of income from recurring results by 6.34% (profit before tax, minus trading income, provisions, amortization and depreciation), compared to the respective financial period of 2007.
- 6.7% mortgage loans market share.
- 8.1% consumer loans market share.
- 10% savings deposits market share.
- 3.9% time deposits market share.
- 58% Loans to deposits ratio (54.8% on December 31st, 2007).
- Retaining of non performing loans in low levels; NPL ratio settled to 0.77%, (compared to 0.65% on December, 31st, 2007).

"Despite the slowdown of the global economy, initiated in mid 2007 and continuing until today, TT Hellenic Postbank S.A. continued during the first half of 2008 to have satisfactory growth rates, in accordance with the strategy adopted by the Bank's management regarding the retained and safe policy of credit expansion, the strengthening of the recurring (operating) earnings sources, the decrease of assumed risk and in particular in terms of the investments' portfolio and finally the strengthening and exploitation of the Bank's high liquidity.

The increase, however, of income from recurring activities by 6.34% denotes the constant growth of banking activities, as well as the continuous credit expansion at a rate higher that the average rate of the Greek market, which results in the expansion of the Hellenic Postbank's market shares in basic products offered.

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In respect to the successful cooperation between the Hellenic Postbank and Hellenic Post (ELTA), approximately 200 "shops in the shop" in the ELTA branches are expected to be established within 2008, while, till today, the IT system of the Bank has been successfully connected with 73 ELTA branches.

The goal of the new Management is the strengthening of profitability, at retail banking level, by offering a variety of competitive financial products and services that correspond to the needs of the majority of Greek consumers. The products in question shall be ***simple and sincere,*** *in structure, will be characterized by attractive pricing and will be available through the Banks' large distribution network as well as through the Hellenic Post alternative network, with the final desired outcome being the benefit of all parties involved, the shareholders, personnel, customers and Greek citizens, as a whole.*

We expect that the significant attempts underway will begin to bear fruit from the end of 2008, when the first results of our strategy are excepted, i.e., the increase of recurring revenues, the decrease of extra-ordinary (and non-recurring) profits and the containment of the costs to income ratio."

Mr. Angelo J. Philippides, Chariman of the Board of Directors

KEY DEVELOPMENTS

- **Restructuring of Total Assets**

Hellenic Postbank restructures its Assets, by developing, in stricter terms a) the valuation and credit risk undertaking procedures b) its retail loan portfolio and by reducing respectively its investments and trading portfolios that has traditionally been high. This gradually and steadily transforms the composition of its results and increases the contribution of income from recurring activities.
At the end of the first half of 2008 the loan portfolio reached at 6,436.19 mil. Euro, posting an increase of 5.33% since the beginning of the year. Net Interest Income rose by 13.50% against the respective Half of 2007. The loans to deposit ratio stood at 58.01% against 54.77% on December, 31st, 2007 and 45.34% at the end of 2006.
Respectively, the investments portfolio increased to 4,418.09 mil Euro against 4,025.93 mil Euro on December, 31st, 2007.

- **Increase of loans and deposits**

The Hellenic Postbank's loan portfolio, **after provisions**, increased by 4.95%, reaching 6,321.84 mil Euro at the end of the 1H 2008, compared to 6,023.51 mil Euro on December, 31st, 2007.
Consumer loans increased by 5.52% since the end of 2007, reaching 1,783.16 mil Euro from 1,689.86 mil Euro.
Mortgage loans increased by 5.86% since the end of 2007 reaching 4,325.10 mil Euro from 4,085.83 mil Euro.
Credit card loans increased by 8.19% since the end of 2007, reaching 186.26 mil Euro from 172.16 mil Euro.
Finally, the main source of funding (i.e. deposits), posted a minor decrease by 0.54%, reaching 11,095.56 mil Euro from 11,155.69 mil Euro on December, 31 st, 2007.

- **Upgrade of corporate profile**

On March 12th, 2008, the new logo and new corporate identity of the Hellenic Postbank were presented, which communicate the dynamic growth the Bank enters, with the vision to **"establish it as the large Bank that cares, protects and supports citizens**". In this context, the Bank acquires a new profile, powerful and modern and operates henceforth, based on private sector criteria, via the development of healthy and stable growth.

- **Human Resources**

Following the decrease in the percentage participation of the main shareholder, Hellenic Republic, below 50%, the area of recruitment and management of human resources, as well as the overall management of human resources has been liberalized.

The competition for the employment of 399 persons with banking experience has been concluded. The competition, which was organised and supervised by the Hellenic Banking Association, conducted in exemplary way, as its results were announced within one day following the end of the written tests. By now, the new personnel has already assumed responsibilities at the Branches and the Central Services of the Bank.

At the moment a new competition is on going, considering the IT Division and the Security Measures Directorate.

In parallel, in the frameworks of human resources restructuring, up to date, 83 employees have retired via a voluntary retirement scheme, while 72 employees will leave the Bank, within 2008, due to a willingly (at no cost) exit and transfer to other public sector services. All the employees of the above categories come from the old staff of the Bank, before its transform into a “societ anonyme”.

PERFORMANCE OVERVIEW
January 1st to June 30th 2008

- **Interests and similar income** reached the level of € 368.10 million, compared to € 297.12 million of the corresponding last year period 2007, marking a significant increase of 23.89%. This increase reflects the continuously increasing trend of the loans portfolio, as well as the improvement of interest rates.

- **Interests and similar expenses** reached the level of € 204.06 million, compared to € 152.59 million of the corresponding last year period 2007, showing an increase of 33.73%. It is noted that this increase not only reflects the upward trend of deposit interest rates, but also the increase of time deposits.

- **Net Interest Income**, due to the above, amounted to € 164.04 million, compared to € 144.53 million of the of the previous year corresponding period, marking a rise of 13.50%, reflecting the increase in revenues from recurring sources of income.

- **Dividend income** amounted to € 3.87 million, compared to € 3.25 million, of the corresponding period of the previous year, marking an increase of 19.10%.

- **Net income from financial and investments activities** displayed a loss of € 48.57 million, compared to € 70.91 million profit of the previous year’s period, due to the negative worldwide economic situation and the negative valuations of the investment portfolio.

- **Other operating income** reached € 0.38 million compared to € 0.56 million in the corresponding previous last year period, posting a decrease of 31.98%.

- **Personnel expenses** amounted to € 54.13 million, compared to € 35.36 million of the corresponding last year period, marking an increase of 53.06%.
  This increase is mainly due to:

- Firstly the recognition, according to IFRS, as a benefit to the personnel and therefore as payroll expense of the period, of the amount of € 6.29 million, which refers to the 2nd offering of 1,408,668 (ceiling price) of common nominal Bank shares, in the context of the exercise of the second phase of the stock option rights of the personnel Stock Option Plan, of year 2007.
- ✓ Secondly, the recognition of the compensation costs due to voluntary retirement scheme, initially of 83 employees, amounting to € 8.54 million.
- ✓ Thirdly, to the recruitment of experienced executives, for the fulfillment of various positions of the new organizational chart.

- **General administrative expenses** reached € 46.76 mil, compared to € 49.44 million of the corresponding last year period, posting a decrease of 5.41%. This decrease reflects the effort assumed by the Management to control operating expenses.

- **Depreciation and Amortization charges** reached the level of € 5.24 million, versus € 4.94 million a year ago, posting an increase by 6.13%.

- **Other operating expenses** reached € 2.92 million, versus € 1.43 million, of the corresponding last year period, posting a significant increase of 104.40%.

- **Impairment losses on loans and advances** amount to € 25.61 million, as opposed to € 11.26 million of the previous period, posting an important increase of 127.49%, due to the increase of loans. The calculation of provisions is in accordance with the minimum requirements set by the Bank of Greece.

- Finally, **Total Equity** following the respective income tax imposed, amounted to € 665.50 million, from € 746.44 million of the previous fiscal year.

HELLENIC POSTBANK
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FINANCIAL FIGURES & RATIOS ANALYSIS (in mil. €)
(on a consolidated basis)

	6/30/2007	12/31/2007	6/30/2008	07/12-08/06 % Change	07/06-08/06 % Change
Total Assets	12.487,19	13.182,36	14.170,85	7,50%	13,48%
Total Loans	5.614,96	6.110,36	6.436,19	5,33%	14,63%
Total Deposits	11.108,24	11.155,69	11.095,56	(0,54%)	(0,11%)
Shareholders' Equity	815,92	746,44	665,50	(10,84%)	(18,43%)
Total Operating Income	224,48		126,85		(43,49%)
Total Expenses	102,42		134,66		31,47%
Net Income (before tax)	122,06		(7,81)		(106,40%)
Net Income (after tax)	100,01		(12,70)		(112,69%)
EBITDA	67,35		71,61		6,33%
Return on Assets (ROA)	0,80%	0,33%	(0,09%)		(111,19%)
Return on Equity (ROE)	24,52%	5,82%	(1,91%)		(107,78%)
Cost to Income	40,61%	73,09%	85,97%		111,68%
Loans to Deposits	50,55%	54,77%	58,01%	4,23%	7,46%
NII to Assets	2,31%		2,32%		0,01%
NPL to Total Loans	0,25%	0,65%	0,77%	18,09%	208,08%
EPS	0,71	0,31	(0,09)		(112,69%)
# of branches	137	140	141	3	1
# of personnel	1.319	1.308	1.319	0,84%	0,00%

INCOME STATEMENT FIGURES (in mil. €)
(on a consolidated basis)

	6/30/2007	6/30/2008	07/06-08/06 % Change
Net Interest Income	144,53	164,04	13,50%
Net fee and commision income	5,23	7,13	36,41%
Income from financial transactions	70,91	(48,57)	(168,50%)
Dividend Income	3,25	3,87	19,10%
Other Income	0,56	0,38	(32,50%)
Personnel Expenses	35,36	54,13	53,06%
Administrative Expenses	49,44	46,76	(5,41%)
Depreciation	4,94	5,24	6,07%
Provision for loan losses	11,26	25,61	127,49%
Other Expenses	1,43	2,92	104,59%
Net Income (before tax)	122,06	(7,81)	(106,40%)
Income Tax	22,05	4,89	(77,84%)
Net Income (after tax)	100,01	(12,70)	(112,69%)