

Transition to IFRS

April 21, 2005

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1. Foreword

The purpose of this presentation is to convey information regarding the overall effect of the transition to IFRS in Eurobank's financial statements by:

- ❑ **Highlighting main current IFRS policies in comparison to Eurobank's Greek GAAP**
- ❑ **Providing key financial impacts arising from the transition to IFRS**
- ❑ **Establishing comparative financials going forward**

DISCLAIMER

- **All information provided has been approved by the Audit Committee of the Board**
- **The IFRS 31 December 2004 Balance Sheet and Income Statement have been reviewed by Eurobank's Statutory Auditors**
- **The final impact of the IFRS to Eurobank's financial statements may differ due to possible amendments to the standards and their interpretation**
- **The impact on Eurobank's regulatory equity provided in the presentation is only indicative based on available Bank of Greece draft circulars. The definitive impact will be determined upon issuance of the final Bank of Greece directives**

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2. IFRS Impact

2.1. Main standards that affect Eurobank's transition from Greek GAAP to IFRS

STANDARDS EFFECTIVE FROM 2004

IAS 39	Portfolios' Classification	IFRS 3, IAS 27,36	Goodwill
IAS 39	Derivatives & Hedge Accounting	IAS 16,17, 36, 38, 40	Fixed Assets & Finance Leases
IAS 39, IAS 18	Effective Interest Rate	IAS 10	Dividends
IAS 39	Loan Impairment	IAS 19	Employee Benefits
IAS 39, SIC 12	Recognition / Derecognition, Securitisation	Other	Other Standards

STANDARDS EFFECTIVE FROM 2005

IFRS 2	Share-based Payments	IFRS 4	Insurance Contracts
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2. IFRS Impact

2.2 Early adoption of IAS 39

On 01.01.04 Eurobank adopted IAS 39 in order to:

- ✓ **Ensure comparability of financial information for the transition period**
- ✓ **Deal with the standard that covers major business aspects of Eurobank**
- ✓ **Acknowledge that the standard**
 - **forms an integral part of IFRS**
 - **reflects Eurobank's business more effectively**

IAS 39 accounting policies adopted by Eurobank are in compliance both with IASB and EU directives – hedging carve-out currently not applicable for Eurobank

2. IFRS Impact

2.3. Total IFRS impact in Eurobank Financials

in € million

	GREEK GAAP		IFRS	%
31.12.04 Shareholders' Equity	1,940	+162	2,102	+ 8.4%
2004 Operating Income	1,484	+5	1,489	+ 0.3%
2004 Net Profit	368	- 28	340	- 7.6%
Total Assets	31,939	+1,107	33,046	+ 3.5%

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3. IFRS Impact by Standard

3.1 Income Statement types of differences between IFRS and Greek GAAP

Recurring

Occur continuously due to difference in accounting policy

Timing

Due to income / expenses recognition in different periods




One-off

Occur only on transition or not in the ordinary course of business




3. IFRS Impact by Standard

3.2. IAS 39 : Portfolios' Classification

□ GREEK GAAP POLICY:

- ✓ Fair Value Through P&L portfolio (includes Trading portfolio)  Fair value changes in I.S. (IFRS)
- ✓ Investment portfolio (Available for Sale - AFS)  Lower of total cost/amortised cost or market value
- ✓ Impairment losses of equity instruments  Aligned with IAS 39 requirements (IFRS)

□ IFRS POLICY:

- ✓ Fair Value Through P&L portfolio (includes Trading portfolio)  Fair value changes in I.S.
- ✓ Available for Sale (AFS) portfolio  Fair value changes in Equity, gains/losses on sale and impairment losses in I.S.
- ✓ Held to Maturity (HTM) portfolio*  Amortised cost, Impairment losses in I.S.

*The Group currently does not hold any HTM investments

3. IFRS Impact by Standard

3.2. IAS 39 : Portfolios' Classification (continued....)

□ Implications for Eurobank:

- ✓ Fair Value Through P&L portfolio ⇒ No change
- ✓ Investment portfolio ⇒ Classified as AFS, with mark-to-market affecting shareholders' equity
- ✓ No effect in Income Statement from impairment losses
- ✓ No Held to Maturity portfolio

□ Financial Impact (Net of Tax)

01.01.04 Shareholders' Equity + € 145 m*	31.12.04 Shareholders' Equity + € 229 m*	2004 Income Statement Nil
	Reg. Capital - € 8 OR + € 94 m**	




* Impact reduced by offsetting hedging and non hedging derivatives positions. Net positive effect 2004 +€ 44 m (2003: + € 38 m)

**The range reflects the two possible treatments considered by the Bank of Greece (BoG) draft circulars






3. IFRS Impact by Standard

3.3. IAS 39 : Derivatives and Hedge Accounting

□ GREEK GAAP POLICY

- ✓ Trading derivatives  Fair value changes in I.S. (IFRS)
- ✓ Hedging derivatives  Accrual Accounting
- ✓ Forward Securities transactions  Off-balance sheet items until settlement

□ IFRS POLICY

- ✓ All derivatives carried at fair value
 - Trading derivatives  Fair value changes in I.S.
 - Cash Flow Hedge  Effective part recorded in Equity
 - Fair Value Hedge  Fair value changes in I.S., matching effective part of hedged item
- ✓ Portfolio Hedge  Currently not applicable for the Group
- ✓ Forward Securities transactions  Fair value changes in I.S. (treated as derivative instruments)

3. IFRS Impact by Standard

3.3. IAS 39 : Derivatives and Hedge Accounting (continued...)

□ Implications for Eurobank

- ✓ **No change for derivatives already classified as trading under Greek GAAP**
- ✓ **Re-designation of hedging relationships**
- ✓ **Derivatives not qualifying for IFRS hedge accounting recorded in I.S.**
 - I.S. volatility expected minimal due to “natural” hedging of risk positions
- ✓ **Cash flow hedging derivatives affecting Shareholders’ Equity**
 - Negligible equity volatility due to low volume
- ✓ **Fair value hedge accounting affecting Income Statement**
 - I.S. volatility trending to zero due to highly effective hedging relationships
- ✓ **Forward Securities transactions marked-to-market affecting I.S.**
 - I.S. volatility expected negligible due to “natural” hedging of risk positions

□ Financial Impact (Net of Tax)

01.01.04 Shareholders’ Equity - € 107 m*	31.12.04 Shareholders’ Equity - € 185 m*	2004 Income Statement Trading Income: - € 1.9 m PAT: - € 0.9 m
	Reg. Capital - € 114 OR - € 55 m**	recurring

* Impact reduced by offsetting positions of Fair Value Through P&L and AFS portfolios. Net positive effect 2004 +€ 44 m (2003: + € 38 m)

**The range reflects the two possible treatments considered by the Bank of Greece (BoG) draft circular

3. IFRS Impact by Standard

3.4. IAS 39, IAS 18: Effective Interest Rate

□ GREEK GAAP POLICY

- ✓ Fees received and costs incurred for financial assets recognised on a cash basis as commissions
- ✓ Costs incurred on issuing debt instruments recognised over the maturity date (IFRS)

□ IFRS POLICY

- ✓ Fees received and costs incurred directly related to the generation of financial instruments, recognised as interest at a constant rate over the expected life of the instruments (effective interest rate method)

3. IFRS Impact by Standard

3.4. IAS 39, IAS 18: Effective Interest Rate (continued....)

□ Implications for Eurobank

- ✓ Net fees previously recognised in Income Statement are deducted from equity on transition and gradually recognised in future periods
- ✓ Reclassification from commissions to interest income on transition, which affects interest margins
- ✓ No effect for issued debt instruments

□ Financial Impact (Net of tax)



3. IFRS Impact by Standard

3.5. IAS 39 : Loan Impairment

□ GREEK GAAP POLICY

- ✓ Specific provisions on individual and portfolio basis raised against performing and non-performing loans
- ✓ Raised provisions are based on expected losses and incorporate the estimated value of collaterals
- ✓ No discounting on expected future cash flows
- ✓ Expenses incurred for recoveries recorded as commission expense

□ IFRS POLICY

- ✓ Impairment recognised only when there is objective evidence
- ✓ Estimated recoverable amounts discounted at the effective interest rate
- ✓ Estimated recoverable cash flows net of expenses incurred

3. IFRS Impact by Standard

3.5. IAS 39 : Loan Impairment (continued)

❑ Implications for Eurobank

- ✓ **Adjust the Group's provisioning policy in accordance with the standard's specifications**
 - No impact
- ✓ **Application of discounting on expected cash flows**
 - 5.8% increase of impairment stock
 - 3.8% increase of impairment charge (4 bps of average loans)
- ✓ **Reclassification in Income Statement of expenses incurred for recoveries** - increase by 10 bps of average loans

❑ Financial Impact (Net of Tax)

01.01.04 Shareholders' Equity - € 31 m	31.12.04 Shareholders' Equity - € 36 m	2004 Income Statement Commissions: + € 11.8 m Impairment: - € 19.3 m PAT: - € 5.2 m
	Reg. Capital - € 36 m*	timing

3. IFRS Impact by Standard

3.6. IAS 39, SIC 12: Recognition / Derecognition, Securitisation

□ GREEK GAAP POLICY

- ✓ **Securitized assets removed from Balance Sheet – no consolidation of securitisation vehicles**
- ✓ **Net income of securitisation vehicles recognised in Income Statement due to retained interests - classified as other operating income**
- ✓ **All other SPEs are consolidated (IFRS)**
- ✓ **Settlement date accounting of debt instruments**

□ IFRS POLICY

- ✓ **Derecognition subject to IAS 39 criteria – risk and rewards, control**
- ✓ **Consolidation of securitisation vehicles under IAS 27 / SIC 12 requirements**
- ✓ **Trade date accounting of debt instruments (settlement balances)**

3. IFRS Impact by Standard

3.6. IAS 39, SIC 12: Recognition / Derecognition, Securitisation (continued)

❑ Implications for Eurobank

- ✓ **Balance Sheet gross up + € 861 m (Total Assets + 2.7%)**
 - Recognition of securitisation vehicles' assets + € 699 m
 - Settlement balances + € 153 m
- ✓ **No PAT effect from consolidation of securitisation vehicles**
 - Classification change in Income Statement lines

❑ Financial Impact (Net of tax)

01.01.04 Shareholders' Equity Nil	31.12.04 Shareholders' Equity Nil	2004 Income Statement Interest: + € 11.8 m Other Income: - € 11.8 m PAT: Nil
	Reg. Cap Nil	recurring

3. IFRS Impact by Standard

3.7. IFRS 3, IAS 27, 36 : Goodwill

□ GREEK GAAP POLICY

- ✓ All mergers accounted for with the “pooling of interest” method using the tax reference date as acquisition date
- ✓ Net assets on date of acquisition in accordance with Greek GAAP
- ✓ Acquisition goodwill not recognised as an asset – recorded directly in equity

□ IFRS POLICY

- ✓ No “pooling of interest” method
- ✓ Date of control = acquisition date
- ✓ Net assets on date of acquisition in accordance with IFRS
- ✓ Goodwill arising from business combinations after 31.03.2004 subject to annual impairment tests (no amortisation)
 - Allocation of Goodwill to Cash Generating Units

3. IFRS Impact by Standard

3.7. IFRS 3, IAS 27, 36 : Goodwill (continued ...)

□ Implications for Eurobank

- ✓ **No restatement of business combinations prior to 2004 (IFRS 1)**
- ✓ **Recognition of goodwill asset and impairment arising from 2004 business combinations**
 - Positive effect in Shareholders' equity
 - Negligible Income Statement effect
- ✓ **Recognition of deemed disposal due to non participation on capital increase**
 - Minimal effect in Income Statement

□ Financial Impact (Net of tax)

<div style="background-color: #004a99; color: white; padding: 10px; border-radius: 10px;"> <p>01.01.04 Shareholders' Equity</p> <p style="text-align: center;">Nil</p> </div>	<div style="background-color: #004a99; color: white; padding: 10px; border-radius: 10px;"> <p>31.12.04 Shareholders' Equity</p> <p style="text-align: center;">+ € 51 m</p> </div> <div style="background-color: #004a99; color: white; padding: 10px; border-radius: 10px; margin-top: 5px;"> <p>Reg. Capital Nil</p> </div>	<div style="background-color: #004a99; color: white; padding: 10px; border-radius: 10px;"> <p>2004 Income Statement</p> <p style="text-align: center;">Other Income: - € 2.9 PAT: - € 3.0 m</p> </div> <div style="border: 2px solid #e67e22; border-radius: 10px; padding: 10px; margin-top: 10px; text-align: center; color: #e67e22;"> <p>one off</p> </div>
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3. IFRS Impact by Standard

3.8. IAS 16, 17, 36, 38, 40 : Fixed Assets and Finance Leases

□ GREEK GAAP POLICY

- ✓ **Fixed assets carried at cost less accumulated depreciation**
- ✓ **Depreciation using tax rates rather than useful economic life**
- ✓ **Legal requirement for periodic revaluation of properties (every 4 years) based on tax values**
- ✓ **Capitalisation of expenses in accordance with Greek tax law**
- ✓ **Finance leases not recognised**

□ IFRS POLICY

- ✓ **Classification of properties into own-use and investment property**
- ✓ **Cost model for all fixed assets with regular impairment reviews**
- ✓ **Depreciation based on useful economic life**
- ✓ **Intangible assets recognised on acquisitions**
- ✓ **Fixed assets under finance leases removed from Balance Sheet**
 - **Present value of lease payments less interest receivable recognised as net loan receivable**

3. IFRS Impact by Standard

3.8. IAS 16, 17, 36, 38, 40 : Fixed Assets and Finance Leases (continued ...)

□ Implications for Eurobank

- ✓ Revalue all own-use and one investment properties and retain these values as deemed cost affecting shareholders' equity (IFRS1)
- ✓ Write-off Greek GAAP capitalised expenses to shareholders' equity (IFRS 1)
- ✓ Recorded impairment of properties affecting shareholders' equity (IFRS 1)
- ✓ Revised depreciation charge in the Income Statement taking into account useful economic life
- ✓ Recognition of Intangible assets from 2004 acquisitions
- ✓ Change in Income Statement classification of finance lease income
 - Minimal Income Statement effect due to difference in depreciation and interest rate

□ Financial Impact (Net of tax)



3. IFRS Impact by Standard

3.9. IAS 10 : Dividends

GREEK GAAP POLICY

- ✓ Dividends recognised when proposed

IFRS POLICY

- ✓ Dividends recognised when approved by AGM

Implications for Eurobank

- ✓ Adjust shareholders' equity with proposed 2003, 2004 dividends

Financial Impact (Net of tax)

<p>01.01.04 Shareholders' Equity</p> <p>+ € 185 m</p>	<p>31.12.04 Shareholders' Equity</p> <p>+ € 132 m</p>	<p>2004 Income Statement</p> <p>Nil</p>
<p>Reg. Capital Nil OR + € 132 m*</p>		

3. IFRS Impact by Standard

3.10. IAS 19 : *Employee benefits*

□ GREEK GAAP POLICY

- ✓ Post-employment benefits are only defined contribution plans
- ✓ Provisions for employee benefits are in accordance with Greek Labor legislation, solely for staff retirement indemnity
- ✓ Eurobank adjusts provisions based on annual actuarial valuation
- ✓ Bonus payments to employees deducted directly from shareholders' equity through appropriation account when proposed

□ IFRS POLICY

- ✓ Provisions for staff retirement indemnity and potential separations before normal retirement
- ✓ Basis of actuarial valuation similar to Greek GAAP policy
- ✓ Bonus payments to employees recorded in Income Statement when approved by the AGM

3. IFRS Impact by Standard

3.10. IAS 19 : *Employee benefits* (continued ...)

□ Implications for Eurobank

- ✓ **No effect from actuarial valuation basis for legal requirement obligation**
- ✓ **Additional provision for possible separations affecting**
 - Shareholders' equity on transition
 - 2004 Income Statement
- ✓ **Additional provision for potential pension fund obligation arising from draft law requirements**
 - Adjust Shareholders' equity on transition
- ✓ **Distribution of cash profits to staff charged to the Income Statement**

□ Financial Impact (Net of tax)

<div style="background-color: #0056b3; color: white; padding: 10px; border-radius: 10px;"> <p>01.01.04 Shareholders' Equity</p> <p>- € 39 m</p> </div>	<div style="background-color: #0056b3; color: white; padding: 10px; border-radius: 10px;"> <p>31.12.04 Shareholders' Equity</p> <p>- € 50 m</p> </div>	<div style="background-color: #0056b3; color: white; padding: 10px; border-radius: 10px;"> <p>2004 Income Statement</p> <p>Personnel Exp.: - € 26.8 m PAT: - € 22.4 m</p> </div>
	<div style="background-color: #0056b3; color: white; padding: 10px; border-radius: 10px;"> <p>Reg. Capital</p> <p>- € 23 m</p> </div>	<div style="border: 1px solid #0056b3; padding: 5px; border-radius: 5px;"> <p>recurring: - € 12.3 m</p> </div> <div style="border: 1px solid #e67e22; padding: 5px; border-radius: 5px; margin-top: 5px;"> <p>one off: - € 10.1 m</p> </div>

3. IFRS Impact by Standard

3.11. Other Standards

☐ IAS 12, Tax & Deferred Tax

- ✓ **Deferred Tax already recognised in Greek GAAP Financial Statements based on Greek GAAP temporary differences (IFRS)**
- ✓ **Deferred Tax to be recognised in IFRS Financial Statements based on IFRS temporary differences**

N.B.: All deferred tax adjustments have been included in respective temporary differences

☐ IAS 17, Leasing Contracts

- ✓ **Leases transacted by the Leasing subsidiary with clients are already accounted in accordance with IAS 17 (IFRS)**

☐ IAS 32, Treasury Shares

- ✓ **Treasury shares held are presented in a separate line as a reduction of Greek GAAP Shareholders' equity**
 - Reclassification within Shareholders' equity – no impact
- ✓ **Gains / losses and dividends on treasury shares are recognised in Greek GAAP Income Statement**
 - Reclassification of cumulative gain / losses and dividends on treasury shares to share premium
 - Insignificant impact on 2004 Income Statement

☐ Other

- ✓ **Minor reclassifications and corrections**

3. IFRS Impact by Standard

3.11. Other Standards (continued...)

□ Financial Impact (Net of tax)



3. IFRS Impact by Standard

3.12. Standards effective from 2005 : IFRS 2, IFRS 4

Share-based payments IFRS 2

□ GREEK GAAP POLICY

- ✓ Existing bonus schemes: share issues with no vesting conditions and stock-option plans with 3 years vesting period
- ✓ No Income Statement charge on Greek GAAP

□ IFRS POLICY

- ✓ IFRS POLICY: Income Statement charge at fair value recognised once approved over vesting period

□ Implications for Eurobank

- ✓ Schemes outstanding on transition 01.01.05
 - Restatement of comparatives for 2004 - negligible effect
 - Negligible impact for 2005 Income Statement
- ✓ Schemes granted after 01.01.05
 - Income Statement estimated to be minor for 2005 and 2006
 - Future annual Income Statement effect estimated to be immaterial

3. IFRS Impact by Standard

3.12. Standards effective from 2005 : IFRS 2, IFRS 4 (continued)

Insurance contracts IFRS 4 (phase 1)

☐ GREEK GAAP POLICY

- ✓ **No distinction between insurance and investment products**
- ✓ **Set-up of insurance reserves based on Greek regulations**
- ✓ **Unit linked products treatment similar to IFRS**

☐ IFRS POLICY

- ✓ **Investment products accounted for in accordance with IAS 39**
- ✓ **Liability adequacy testing**

☐ Implications for Eurobank

- ✓ **Minimal Income Statement effect is expected from unbundling of contracts into 2005**
 - **Currently under external Auditors' review**
- ✓ **Negligible effect expected from liability adequacy testing**

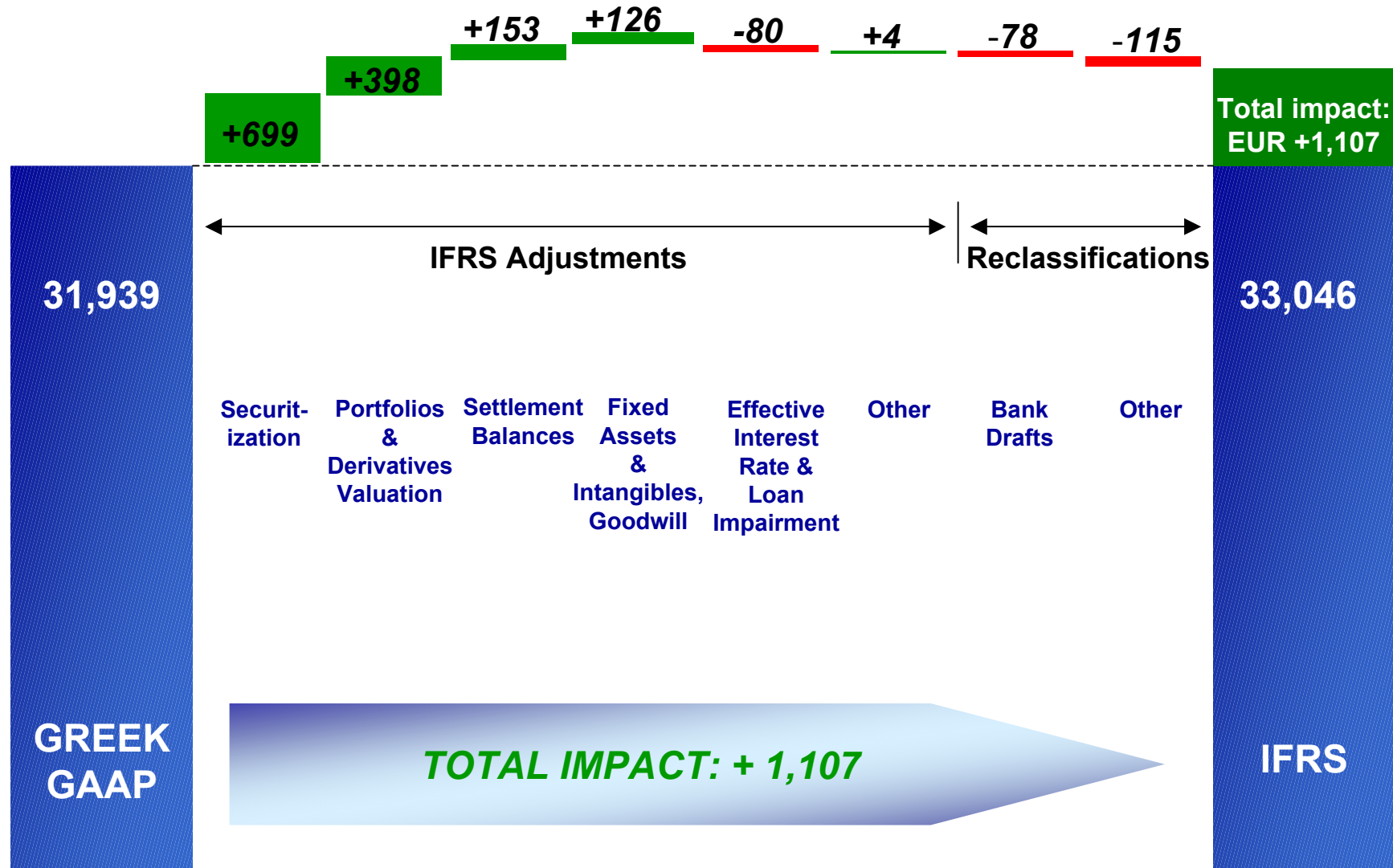
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4. Impact on the Balance Sheet and Shareholders' Equity

4.1. Total Assets

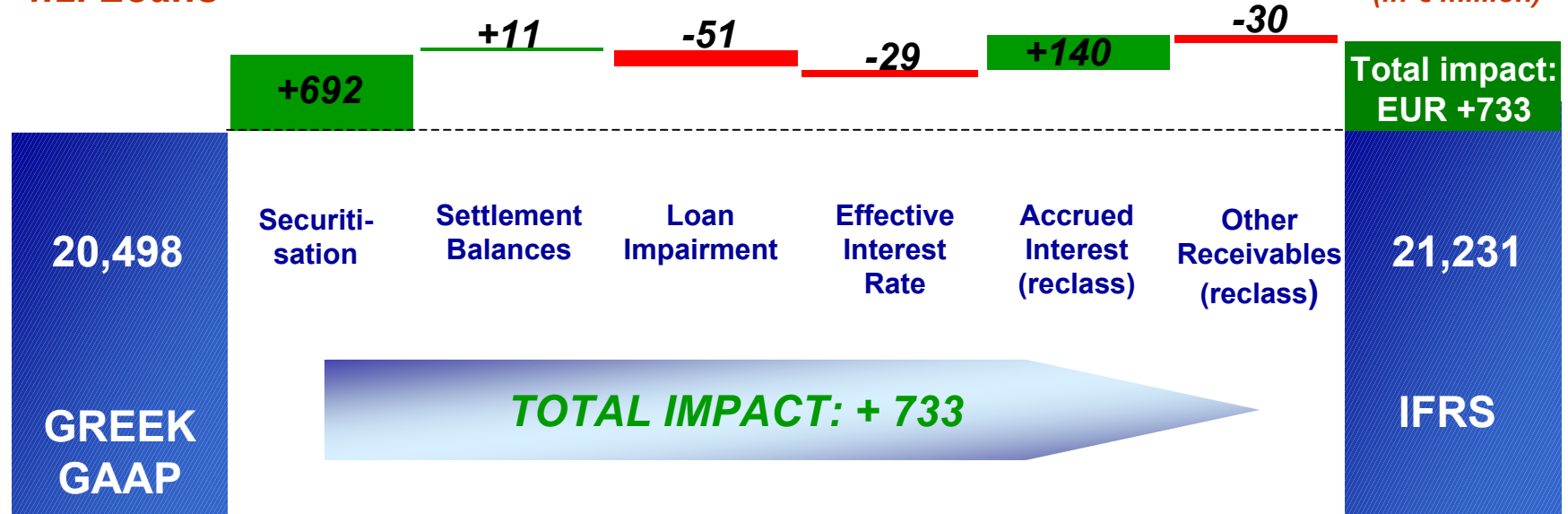
(in € million)



4. Impact on the Balance Sheet and Shareholders' Equity

4.2. Loans

(in € million)



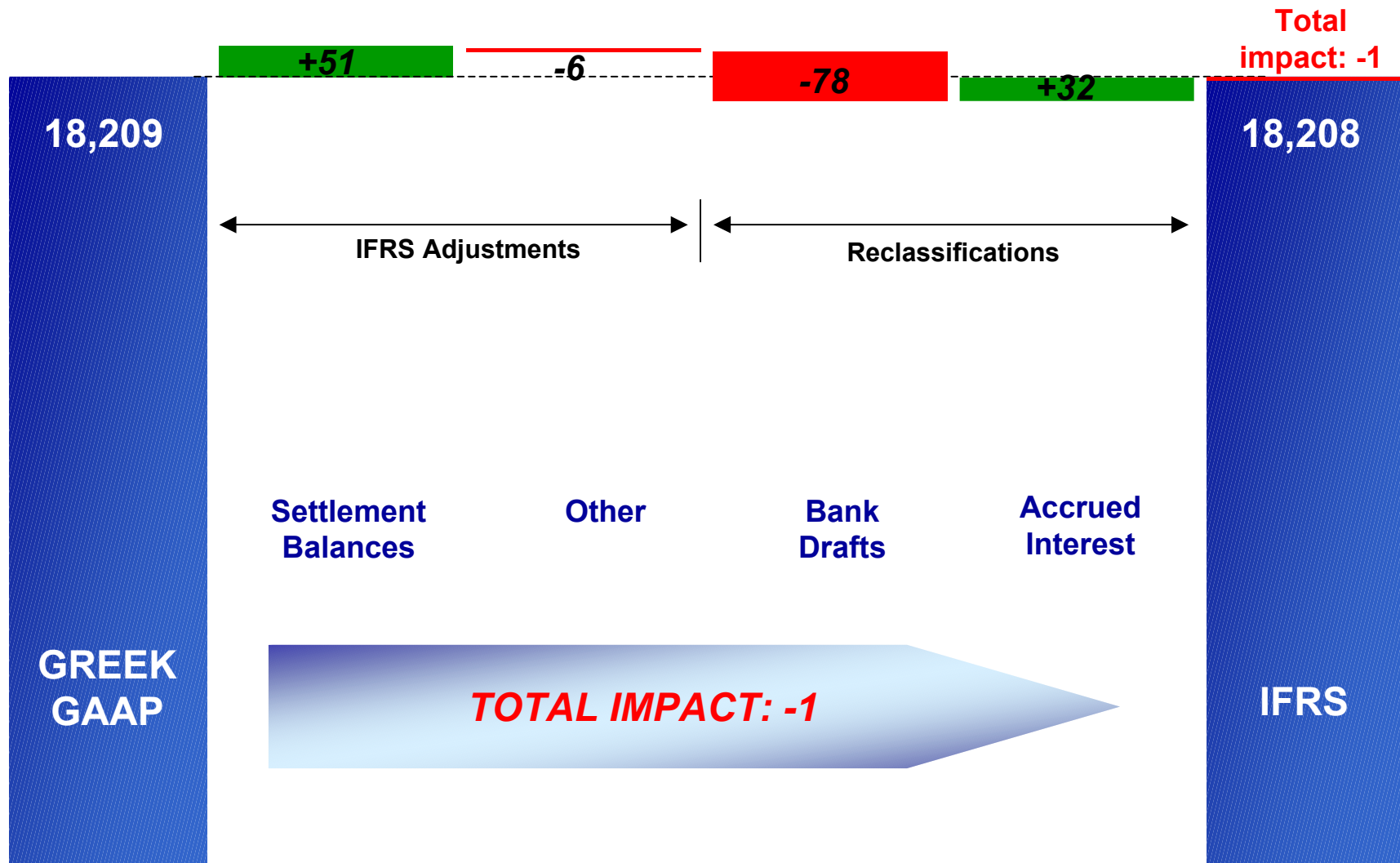
GROSS LOANS			
GREEK		IFRS	IFRS *
4,393	Mortgage	4,393	4,383
5,455	Consumer Lending	5,455	5,470
3,049	Small Bussines	3,049	3,087
4,835	Medium Size Enterprises	4,835	4,880
3,975	Large Corporate	3,975	3,999
21,707	TOTAL	21,707	21,819

* gross loans at amortised cost with the effective interest rate method, including accrued interest

4. Impact on the Balance Sheet and Shareholders' Equity

4.3. Deposits

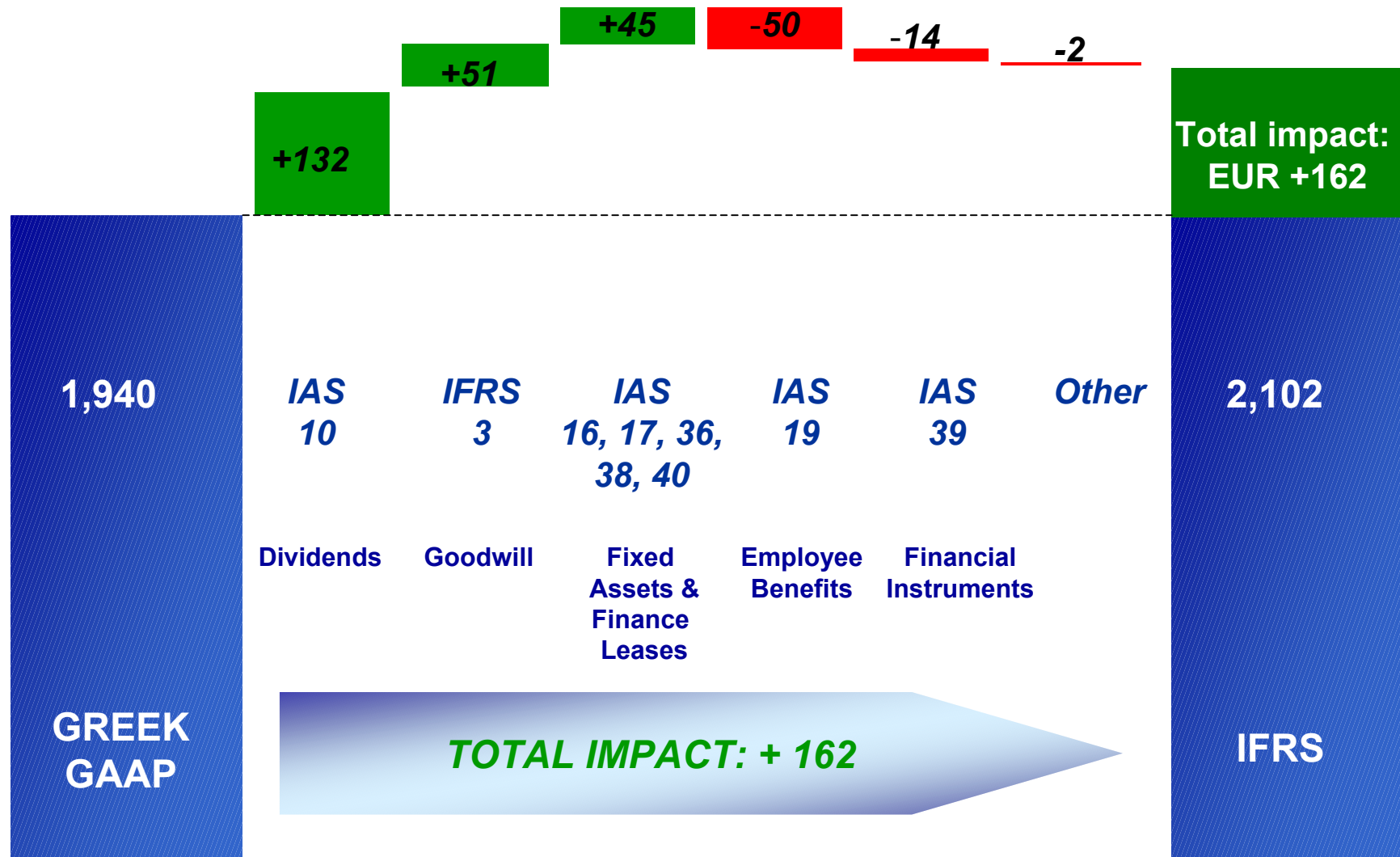
(in € million)



4. Impact on the Balance Sheet and Shareholders' Equity

4.4. Eurobank Shareholders' equity as at 31.12.2004

(in € million)



4. Impact on the Balance Sheet and Shareholders' Equity

4.5. Total impact on Eurobank Shareholders' equity

	<u>01.01.04</u>	<u>31.12.04</u>	<u>Reg. Capital</u>	<u>RAR</u>
GREEK GAAP	€ 1,793 m	€ 1,940 m	€ 2,344 m	10.57%
<i>IAS 39</i>	- 11	- 14	- 78 to - 121	
<i>IFRS 3</i>		+ 51		
<i>IAS 16, 17, 36, 38, 40</i>	+ 36	+ 45	+ 46	
<i>IAS 10</i>	+ 185	+ 132	Nil to + 132	
<i>IAS 19</i>	- 39	- 50	- 23	
<i>Other</i>	- 11	- 2	- 2	
TOTAL IMPACT	+ 160	+ 162	- 100 to + 75	
IFRS	€ 1,953 m	€ 2,102 m	from € 2,244 m to € 2,419 m	10.05% 10.81%

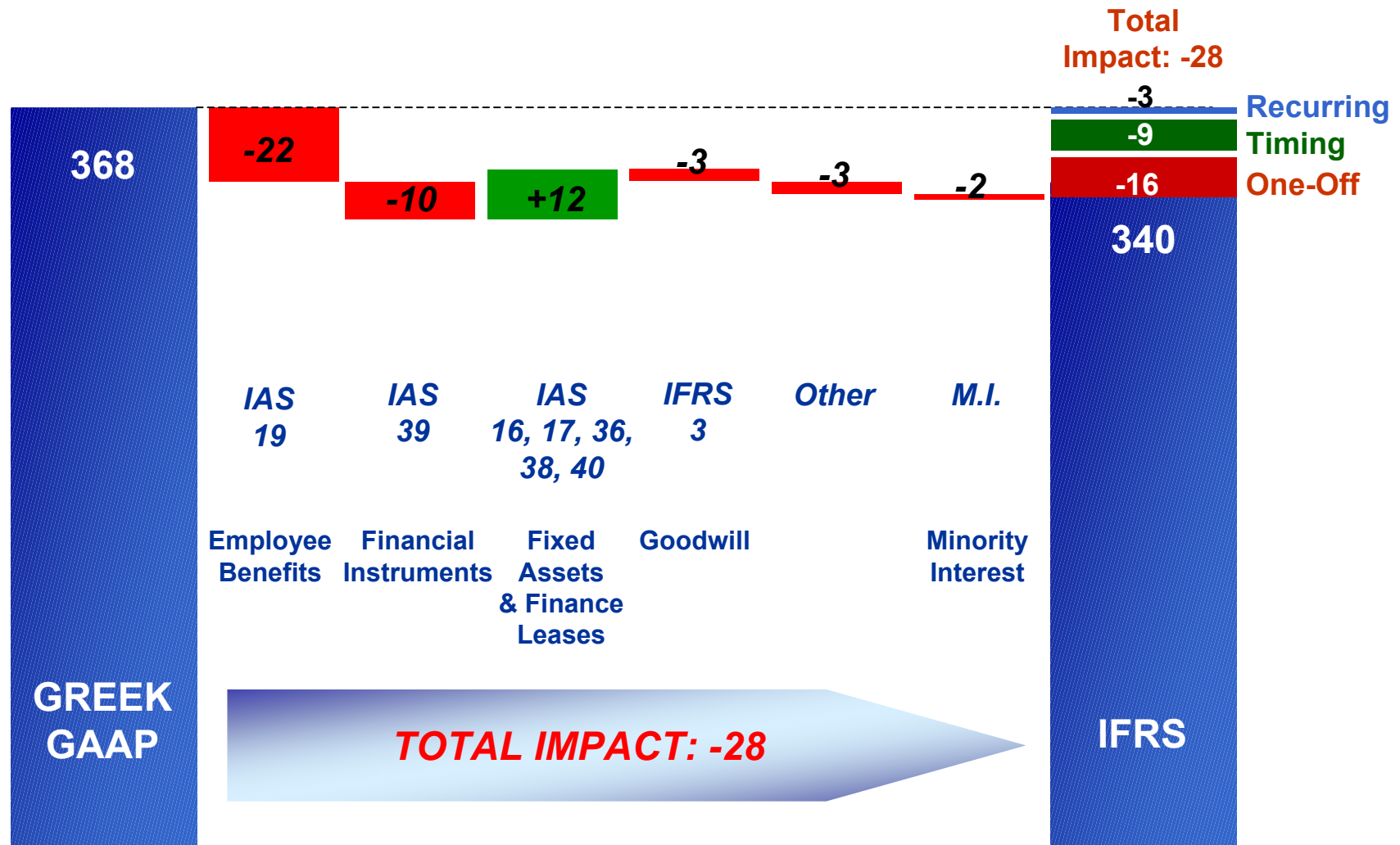
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5. Impact on the Income Statement

5.1. Total impact on Eurobank's 2004 Net Profit

(in € million)



5. Impact on the Income Statement

5.2 Impact on Eurobank's 2004 Income Statement

	GREEK GAAP	DIFFERENCE	IFRS
Net Interest Income	1,037.5	56.2	1,093.7
Net Banking Fee & Commission Income	362.4	(73.7)	288.7
Net Insurance Income	0.0	17.9	17.9
Non Banking Services	0.0	26.9	26.9
CORE INCOME	1,399.9	27.3	1,427.2
Non Core Income	83.8	(22.1)	61.7
OPERATING INCOME	1,483.7	5.2	1,488.9
Operating Expenses	(728.9)	(43.0)	(771.9)
Extraordinary Results	(14.9)	14.9	0.0
Loan Impairment Provision	(197.9)	(25.4)	(223.3)
General Provisions	(15.2)	15.2	0.0
Income from Associates	0.0	5.5	5.5
PROFIT BEFORE TAX	526.8	(27.6)	499.2
Income Tax Expense	(148.7)	0.9	(147.8)
PROFIT AFTER TAX	378.1	(26.7)	351.4
Minority Interest	(9.9)	(1.6)	(11.5)
NET PROFIT FOR THE PERIOD	368.2	(28.3)	339.9

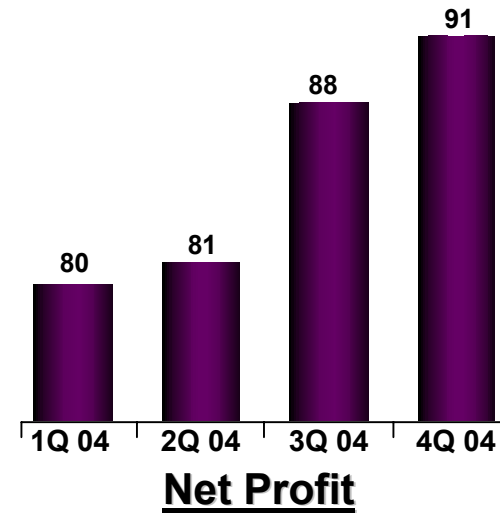
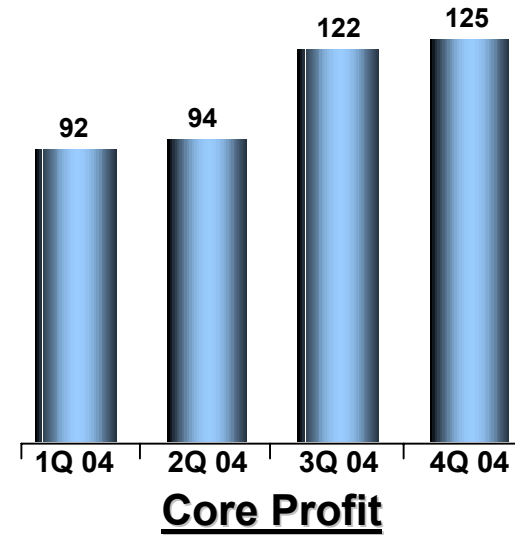
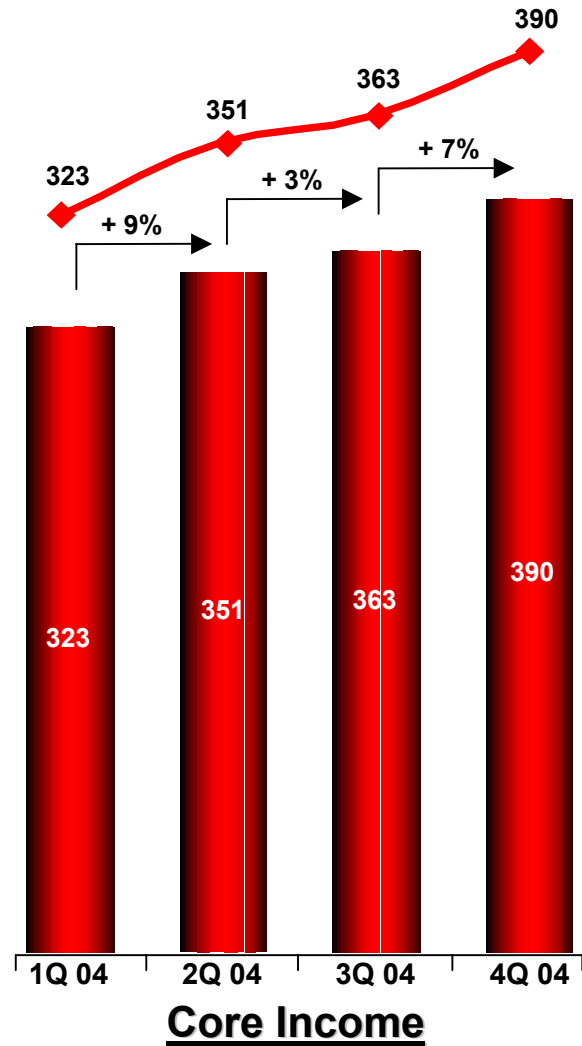
5. Impact on the Income Statement

5.3. Income Statement – Analysis of differences

	PRESENTATION RECLASSES	IFRS ADJUSTMENTS	TOTAL DIFFERENCE
Net interest income		56.2	56.2
Net banking fee & commission income	(37.7)	(36.0)	(73.7)
Net insurance income	17.9	0.0	17.9
Non banking services	26.9	0.0	26.9
Non core income	(6.0)	(16.1)	(22.1)
Operating Income	1.1	4.1	5.2
Operating expenses	(30.6)	(12.4)	(43.0)
Extraordinary results	14.9	0.0	14.9
Impairment losses on loans and advances	(6.1)	(19.3)	(25.4)
General provisions	15.2	0.0	15.2
Income from associates	5.5	0.0	5.5
PROFIT BEFORE TAX	0.0	(27.6)	(27.6)

5. Impact on the Income Statement

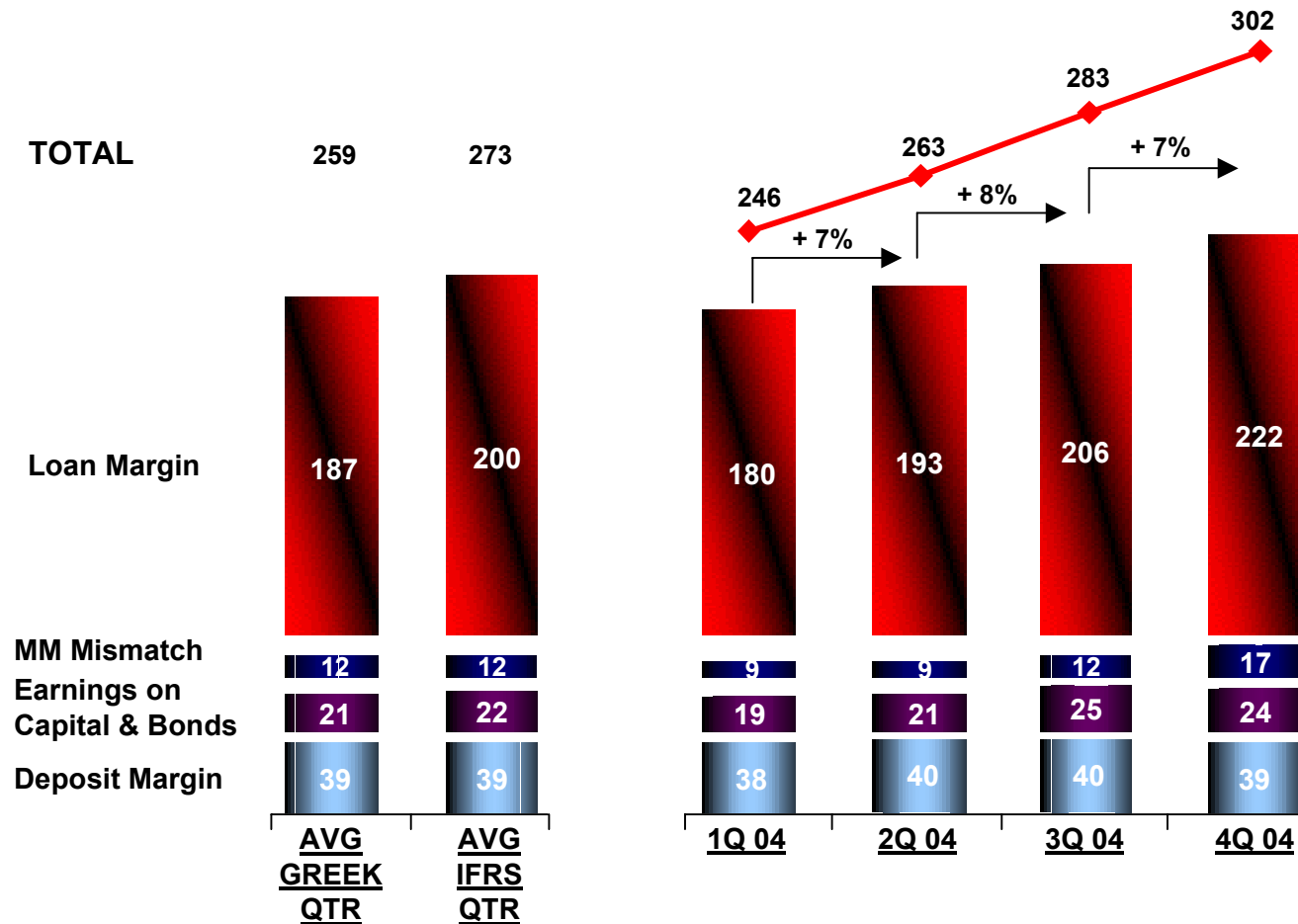
5.4. Quarterly Results



5. Impact on the Income Statement

5.5. Interest Income Composition

NII Quarterly Evolution



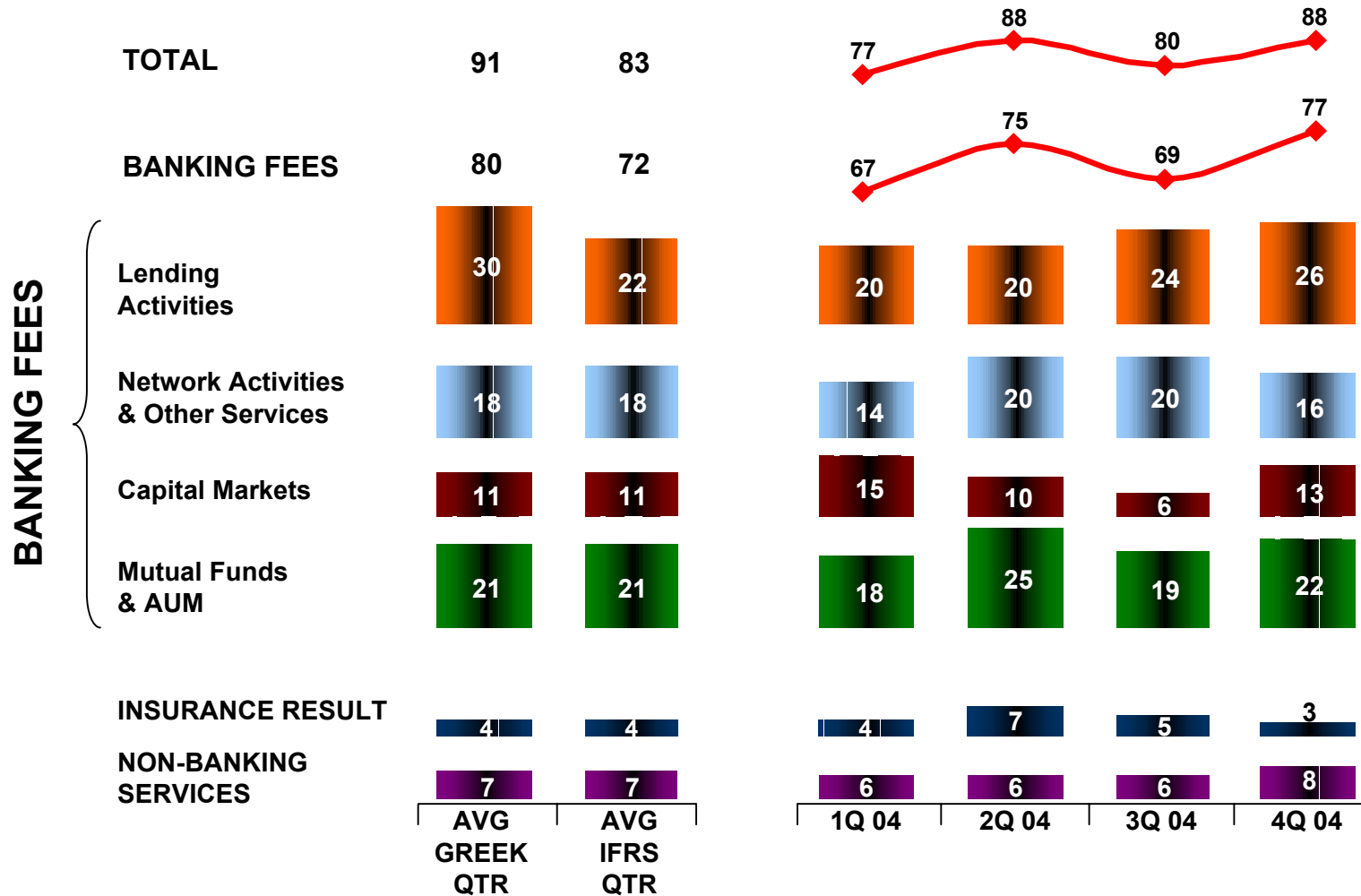
5. Impact on the Income Statement

5.6. Loans and Deposits Spreads

	GREEK FY 04	IFRS				IFRS FY 04
		1Q 04	2Q 04	3Q 04	4Q 04	
Total Deposits & Repos	0.84%	0.84%	0.84%	0.84%	0.84%	0.84%
Loans						
Wholesale	1.93%	2.06%	2.05%	2.03%	2.08%	2.06%
Mortgage	2.24%	2.27%	2.34%	2.29%	2.29%	2.30%
Consumer	8.75%	9.35%	9.16%	8.84%	8.97%	9.06%
SBLs	4.60%	5.42%	5.29%	5.08%	4.98%	5.18%
Total Retail	5.42%	5.82%	5.83%	5.62%	5.68%	5.72%
Total Loans	3.87%	4.09%	4.13%	4.03%	4.13%	4.09%

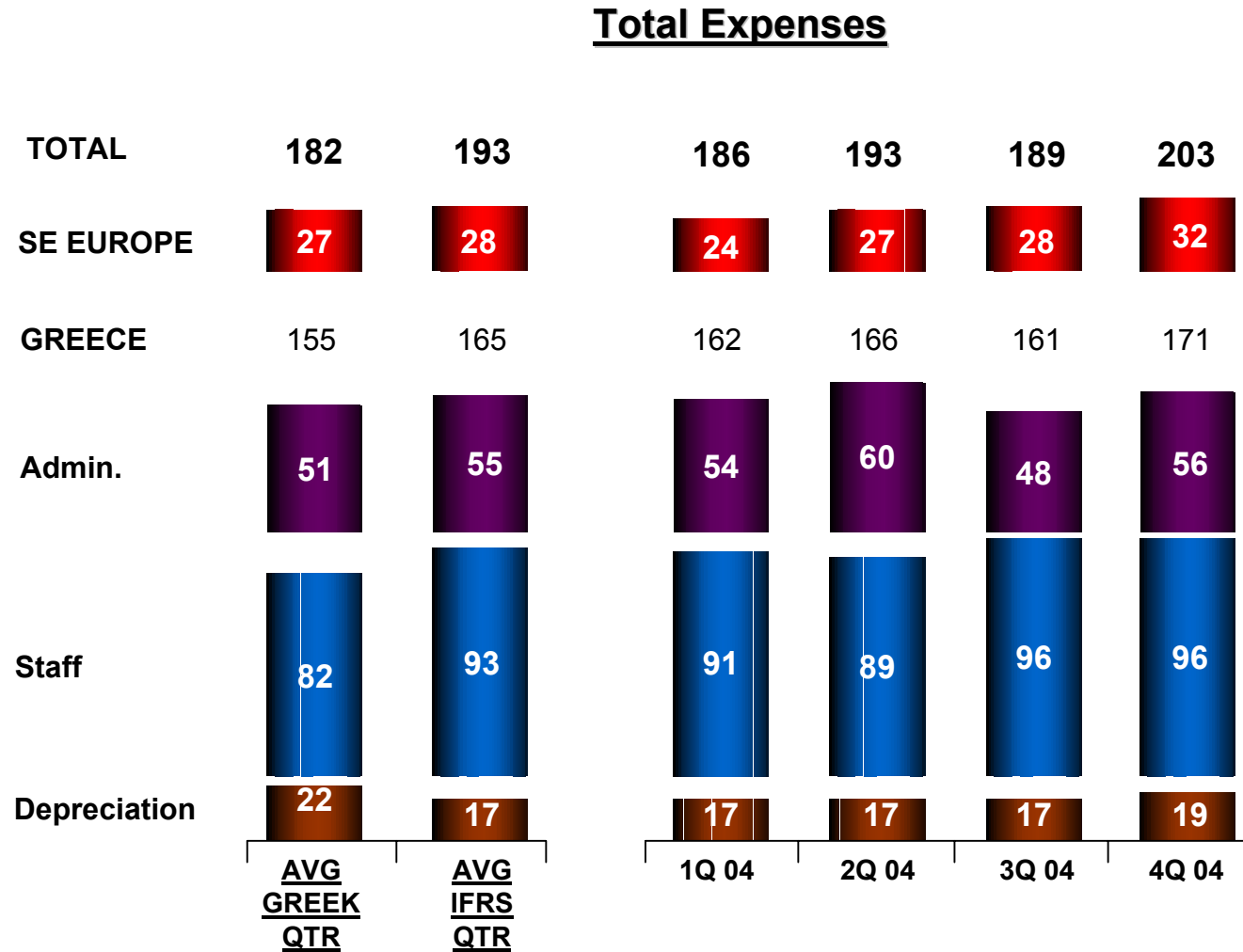
5. Impact on the Income Statement

5.7. Fees etc. Composition and Quarterly Evolution



5. Impact on the Income Statement

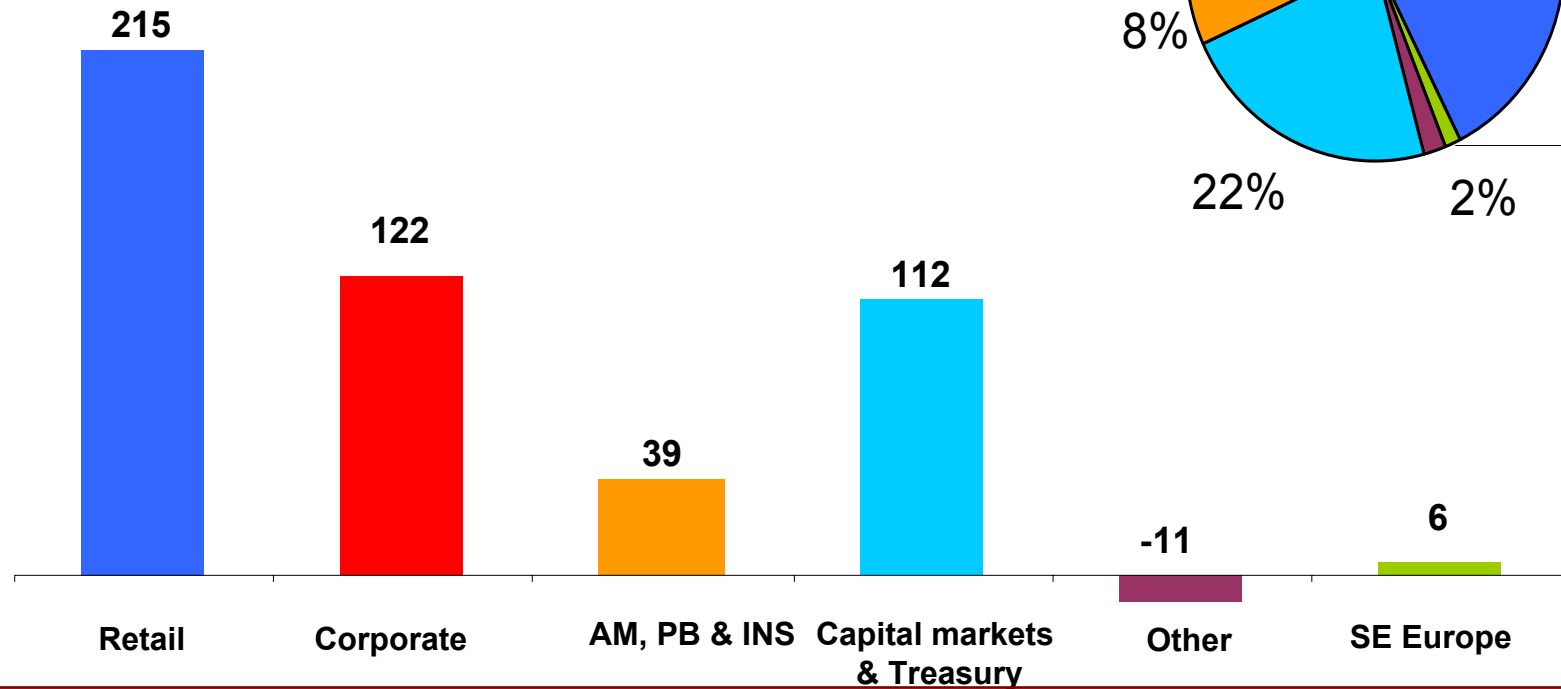
5.8. Expenses Composition and Quarterly Evolution



5. Impact on the Income Statement

5.9. Segmental Results

Earnings before tax after M.I.
in € million



<i>Income</i>	<i>820</i>	<i>250</i>	<i>76</i>	<i>162</i>	<i>38</i>	<i>146</i>
<i>C/I</i>	<i>53.6%</i>	<i>33.7%</i>	<i>47.6%</i>	<i>30.7%</i>	<i>n/a</i>	<i>83.8%</i>
<i>ROE</i>	<i>32.0%</i>	<i>19.5%</i>	<i>70.6%</i>	<i>88.3%</i>	<i>n/a</i>	<i>9.1%</i>

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6. Summary and financial targets

- **Smooth transition to the new standards**
- **No effect on the Group's business strategy and risk management**
- **Little or no impact from most standards, including IAS 39**
- **Positive impact on Shareholders' Equity**
- **Immaterial impact on Income Statement**
- **Negligible impact on Regulatory Capital**
- **Insignificant grossing-up of Balance Sheet**

6. Summary and financial targets

Financial Ratios and Targets for 2005

RATIOS	IFRS RESULTS 31.12.2004	TARGETS 2005-2006
<i>Revenue Growth</i>	>20%	Growth to exceed 15% p.a.
<i>ROE</i>	16.76%	Exceed 20% by 2006
<i>EPS</i>	€ 1.1	Growth to exceed 23% p .a.
<i>DPS</i>	€ 0.72	Growth to exceed 15% p .a.
<i>Cost / Income</i>	52.1% (49.4% in Greece)	Below 48% by 2006 (46% in Greece)
<i>Net Profit</i>	€ 340 m	2005: Exceed € 450 m

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7.1. IFRS Balance Sheet

	31/12/2004 € million
ASSETS	
Cash and balances with central banks	1,510
Treasury bills and other eligible bills	514
Due from other banks	733
Trading securities	1,974
Derivative financial instruments	255
Loans and advances to customers	21,231
Available-for-sale investment securities	5,485
Investments in associated undertakings	57
Intangible assets	68
Fixed assets	741
Other assets	478
Total Assets	33,046
LIABILITIES	
Due to other banks	5,361
Derivative financial instruments	625
Due to customers	18,208
Liabilities evidenced by paper	5,771
Other liabilities	901
Total liabilities	30,866
Minority interest	78
SHAREHOLDERS' EQUITY	
Called up share capital	926
Share premium account	501
Other reserves	675
Total shareholders' equity	2,102
Total shareholders' equity and minority interest	2,180
Total equity and liabilities	33,046

7. Supplement

7.2. Balance Sheet Reconciliation

(in € million)	Published GR GAAP Balance Sheet	Reclassifications (*)	2004 IFRS Transition Adjustments	IFRS Balance Sheet	IFRS Adjustments Explanations
ASSETS					
Cash & Balances with Central Banks	1.552	(42)		1.510	
Due from Other Banks	614	(36)	155	733	Securitisation, Settlement B/ces
Loans & Advances to Customers	20.498	111	622	21.231	Securitisation, Settlement B/ces, Loan Impairment
Securities (excl. Derivatives)	7.444	204	325	7.973	AFS Valuation, Settlement B/ces
Investments in Associated Undertakings	58	(1)		57	
Fixed Assets (Tangible and Intangibles)	672	0	86	758	Fixed Assets Valuation, Depreciation Differences, Intangibles from Acquisition, Capitalised Expenses
Goodwill	0		51	51	
Other Assets (incl. Derivatives)	1.101	(427)	59	733	Derivatives Valuation, Deferred Tax, Auction Items Impairment
Total	31.939	(191)	1.298	33.046	
LIABILITIES & SHAREHOLDERS' EQUITY					
Due to Other Banks	5.265	(6)	102	5.361	Settlement B/ces
Due to Customers	18.209	(46)	45	18.208	Settlement B/ces
Liabilities Evidenced by Paper	4.667	400	704	5.771	Securitisation
Subordinated Debt	400	(400)		0	
Other Liabilities (incl. Derivatives)	1.373	(139)	292	1.526	Derivatives valuation, Deferred Tax, Employee Benefits Provision, Dividends
Total Shareholders' Equity	1.940		162	2.102	Total Impact on Shareholders' Equity
Minority Interests	85		(7)	78	
Total	31.939	(191)	1.298	33.046	

7. Supplements

7.3. IFRS Income Statement

	2004 € million
Interest and discount income	2,087.8
Interest expense	(994.1)
Net interest income	1,093.7
Banking fee and commission income	414.5
Banking fee and commission expense	(125.8)
Net banking fee and commission income	288.7
Net insurance income	17.9
Non banking services	26.9
Core Income	1,427.2
Dividend income	8.5
Net trading income/(loss)	11.6
Gains less losses from other securities	39.7
Other operating income	1.9
	61.7
Operating Income	1,488.9
Operating expenses	(771.9)
Impairment losses on loans and advances	(223.3)
Profit from operations	493.7
Share of results of associates before tax	5.5
Profit before tax	499.2
- of which attributable to shareholders	483.1
Income tax expense	(147.8)
Profit after tax	351.4
Minority interest	(11.5)
Net profit for the period attributable to shareholders	339.9

7. Supplements

7.4. IFRS Quarterly Results

	1st Q' 04			2nd Q' 04			3d Q' 04			4th Q' 04		
	Greece	SEE	Total	Greece	SEE	Total	Greece	SEE	Total	Greece	SEE	Total
Net interest income	226.1	19.9	246.0	240.7	22.4	263.1	258.3	24.4	282.7	275.2	26.8	302.0
Net banking fee & commission income	56.0	11.2	67.2	62.7	12.4	75.1	57.1	11.9	69.0	66.0	11.3	77.3
Net insurance income	4.1	0.0	4.1	6.6	0.0	6.6	4.6	0.0	4.6	2.6	0.0	2.6
Non banking services	5.8	0.0	5.8	6.5	0.1	6.6	6.4	0.0	6.4	8.1	0.0	8.1
Core Income	292.0	31.1	323.1	316.5	34.9	351.4	326.4	36.3	362.7	351.9	38.1	390.0
Dividend income	0.8	0.0	0.8	4.5	0.0	4.5	3.7	0.0	3.7	(0.6)	0.0	(0.6)
Net trading income/(loss)	1.2	1.1	2.3	3.7	1.2	4.9	(0.5)	1.4	0.9	2.7	0.8	3.5
Gains less losses from other securities	17.2	0.2	17.4	14.6	0.1	14.7	5.4	0.1	5.5	2.1	0.1	2.2
Other Operating Income	0.5	0.0	0.5	3.0	0.0	3.0	0.9	0.0	0.9	(2.7)	0.0	(2.7)
	19.7	1.3	21.0	25.8	1.3	27.1	9.5	1.5	11.0	1.5	0.9	2.4
OPERATING INCOME	311.8	32.4	344.2	342.3	36.2	378.5	335.9	37.8	373.7	353.4	39.0	392.4
Operating expenses	(162.3)	(24.1)	(186.4)	(166.0)	(27.2)	(193.2)	(161.4)	(27.8)	(189.2)	(171.5)	(31.6)	(203.1)
Impairment losses on loans and advances	(42.8)	(2.5)	(45.3)	(61.7)	(2.6)	(64.3)	(52.5)	0.7	(51.8)	(60.4)	(1.6)	(62.0)
Profit from operations	106.7	5.8	112.6	114.7	6.4	121.1	122.0	10.7	132.7	121.5	5.8	127.3
Core Profit	87.0	4.5	91.5	88.8	5.1	93.9	112.5	9.2	121.7	120.0	4.9	124.9
Share of results of associates before tax	1.6	0.0	1.6	1.4	0.0	1.4	0.9	0.0	0.9	1.6	0.0	1.6
PROFIT BEFORE TAX	108.3	5.8	114.2	116.1	6.4	122.5	122.9	10.7	133.6	123.1	5.8	128.9
-of which attributable to shareholders	107.2	3.3	110.5	115.7	3.8	119.5	121.6	7.1	128.7	120.9	3.5	124.4
Income tax expense	(29.7)	(2.1)	(31.8)	(37.4)	(1.8)	(39.2)	(38.3)	(3.3)	(41.6)	(37.3)	2.1	(35.2)
PROFIT AFTER TAX	78.6	3.7	82.4	78.7	4.6	83.3	84.6	7.4	92.0	85.8	7.9	93.7
Minority interest	(0.6)	(1.6)	(2.2)	(0.3)	(2.0)	(2.3)	(1.3)	(2.6)	(3.9)	(0.2)	(2.9)	(3.1)
NET PROFIT	78.0	2.1	80.2	78.4	2.6	81.0	83.3	4.8	88.1	85.6	5.0	90.6

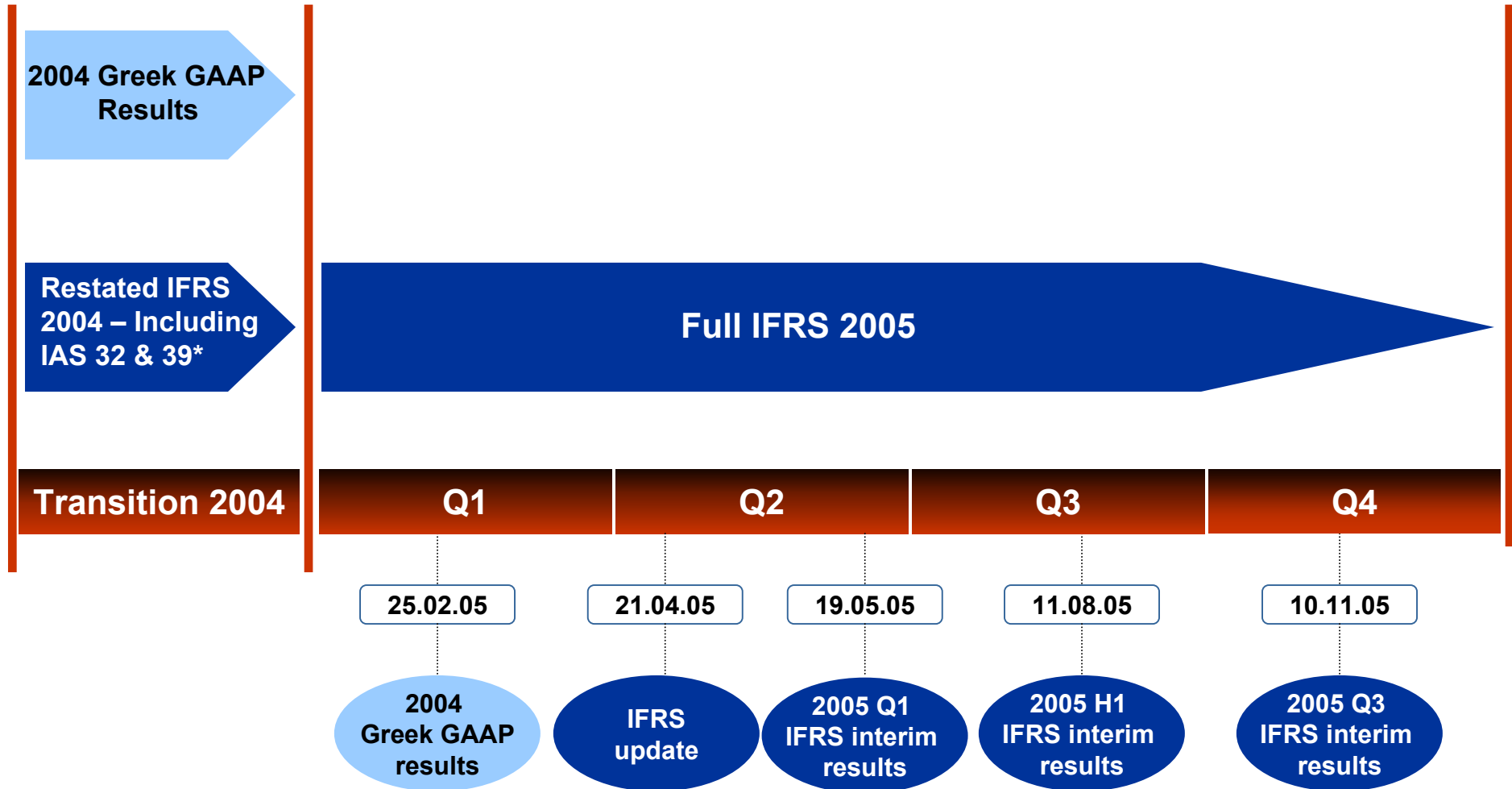
7. Supplements

7.5. IFRS Segmental results

<i>in € million</i>	Retail Banking	Corporate Banking	AM, PB & INS	Treasury Capital Markets	Capital & Other	SEE	Eliminations	Total
Net interest income	732	180	15	79	(4)	92		1,094
Net fee and commission income	44	34	76	86	1	47		288
Net Insurance income			18					18
Non banking services						27		27
Other income	13	9	4	20	10	6		62
Fees Received/Paid	31	27	(37)	(24)	7		(4)	
Operating Income	820	250	76	161	41	145	(4)	1,489
Operating expenses	(439)	(84)	(36)	(50)	(51)	(122)	10	(772)
Impairment losses on loans and advances	(167)	(44)				(6)	(6)	(223)
Profit from operations	214	122	40	111	(10)	17		494
Share results of associates before tax	1				4			5
Profit before tax	215	122	40	111	(6)	17		499
Minority interest before tax			(1)		(4)	(11)		(16)
Profit before tax attributable to shareholders	215	122	39	111	(10)	6		483
Segment assets	12,563	8,208	599	7,757	2,086	1,777		32,989
Associates	5				52			57
Segment Liabilities	9,925	2,220	2,445	8,859	5,857	1,560		30,866
RWA	9,661	8,517	316	1,595	1,063	1,149		22,302
Minimum required equity	773	681	72	128	356	92		2102
C/I	53.6%	33.7%	47.6%	30.7%	n/a	83.8%		51.8%
ROE	32.0%	19.5%	70.6%	88.3%	n/a	9.1%		23.8%

7. Supplements

7.6. Transition Time Table



*Early adoption of IAS 39 (revised)

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