



BANK OF GREECE
EUROSYSTEM
EIGHTY NINTH YEAR
BALANCE SHEET AS AT 31 DECEMBER 2016
(in euro)

	31.12.2016	31.12.2015		31.12.2016	31.12.2015
ASSETS			LIABILITIES		
1. Gold and gold receivables	5,261,753,291	4,655,876,333	1. Banknotes in circulation	29,929,190,200	28,792,125,675
2. Claims on non-euro area residents denominated in foreign currency	2,578,715,907	2,046,275,257	2. Liabilities to euro area credit institutions related to monetary policy operations denominated in euro	907,409,514	1,387,143,530
2.1 Receivables from the International Monetary Fund (IMF)	737,322,397	635,957,699	2.1 Current accounts (covering the minimum reserve system)	876,909,514	1,258,943,530
2.2 Balances with banks and security investments, external loans and other external assets	1,841,393,510	1,410,317,558	2.2 Deposit facility	0	0
3. Claims on euro area residents denominated in foreign currency	204,874,084	613,387,274	2.3 Fixed-term deposits	0	0
3.1 General government	16,419,464	306,522,843	2.4 Fine-tuning reverse operations	0	0
3.2 Other claims	188,454,620	306,864,431	2.5 Deposits related to margin calls	30,500,000	128,200,000
4. Claims on non-euro area residents denominated in euro	23,659	23,881	3. Other liabilities to euro area credit institutions denominated in euro	0	0
4.1 Balances with banks, security investments and loans	23,659	23,881	4. Liabilities to other euro area residents denominated in euro	9,527,107,565	5,085,184,765
4.2 Claims arising from the credit facility under ERM II	0	0	4.1 General government	8,269,754,053	3,749,122,957
5. Lending to euro area credit institutions related to monetary policy operations denominated in euro	22,953,000,000	38,599,000,000	4.2 Other liabilities	1,257,353,512	1,336,061,808
5.1 Main refinancing operations	15,430,000,000	26,570,000,000	5. Liabilities to non-euro area residents denominated in euro	2,461,327,349	1,227,986,892
5.2 Longer-term refinancing operations	7,500,000,000	12,000,000,000	6. Liabilities to euro area residents denominated in foreign currency	751,912,348	646,431,879
5.3 Fine-tuning reverse operations	0	0	7. Liabilities to non-euro area residents denominated in foreign currency	2,754	2,666
5.4 Structural reverse operations	0	0	7.1 Deposits and other liabilities	2,754	2,666
5.5 Marginal lending facility	23,000,000	29,000,000	7.2 Liabilities arising from the credit facility under ERM II	0	0
5.6 Credits related to margin calls	0	0	8. Counterpart of special drawing rights allocated by the IMF	0	0
6. Other claims on euro area credit institutions denominated in euro	43,665,037,526	68,914,635,432	9. Intra-Eurosystem liabilities	85,571,386,262	113,977,496,400
7. Securities of euro area residents denominated in euro	57,197,297,804	39,764,480,573	9.1 Liabilities related to promissory notes backing the issuance of ECB debt certificates	0	0
7.1 Securities held for monetary policy purposes	42,484,409,198	20,711,295,716	9.2 Net liabilities related to the allocation of euro banknotes within the Eurosystem	13,314,137,100	19,590,587,680
7.2 Other securities of euro area residents denominated in euro	14,712,888,606	19,053,184,857	9.3 Net liabilities arising from balances of TARGET2 accounts	72,257,249,162	94,386,908,720
8. General government long-term debt denominated in euro	6,353,182,528	4,843,627,573	9.4 Other liabilities within the Eurosystem (net)	0	0
9. Intra-Eurosystem claims	1,854,318,415	1,781,727,954	10. Items in course of settlement	1,004,753	955,123
9.1 Participating interest in the ECB	564,765,496	564,765,496	11. Other liabilities	1,226,620,075	1,310,063,399
9.2 Claims equivalent to the transfer of foreign reserves to the ECB	1,178,260,606	1,178,260,606	11.1 Off-balance-sheet instruments revaluation differences	21,829	17,549,614
9.3 Net claims related to the allocation of euro banknotes within the Eurosystem	0	0	11.2 Accruals and income collected in advance	26,548,519	16,430,532
9.4 Net claims arising from balances of TARGET2 accounts	0	0	11.3 Sundry	1,200,049,727	1,276,083,253
9.5 Other claims within the Eurosystem (net)	111,292,313	38,701,852	12. Provisions	7,477,308,544	7,198,507,643
10. Items in course of settlement	0	0	13. Revaluation accounts	3,715,573,000	3,071,705,530
11. Other assets	2,316,135,103	2,294,067,038	14. Capital and reserves	815,495,953	815,497,813
11.1 Coins of euro area	59,834,993	58,024,469	14.1 Capital	111,243,362	111,243,362
11.2 Tangible and intangible fixed assets	792,236,542	801,561,779	14.2 Ordinary reserve	111,243,362	111,243,362
11.3 Other financial assets	95,176,220	93,405,313	14.3 Extraordinary reserve	84,500,000	84,500,000
11.4 Off-balance-sheet instruments revaluation differences	45,122	82,318	14.4 Special reserve from the revaluation of land and buildings	507,247,856	507,247,856
11.5 Accruals and prepaid expenses	779,083,565	743,311,074	14.5 Other special reserves	1,261,373	1,263,233
11.6 Sundry	589,758,661	597,682,088	TOTAL LIABILITIES	142,384,338,317	163,513,101,315
TOTAL ASSETS	142,384,338,317	163,513,101,315			
OFF-BALANCE-SHEET ITEMS			NOTES:		
1. Greek government securities relating to the management of the "Common capital of legal entities in public law and social security funds" according to Law 2469/97	29,303,705,275	27,038,705,275	1. Under Article 54A of the Bank's Statute, the financial statements of the Bank of Greece are drawn up in accordance with the accounting principles and rules established by the European Central Bank (ECB) and applying to all members of the European System of Central Banks (ESCB).		
2. Greek government securities and other debt securities relating to the management and custody of assets of public entities, social security funds and private agents	4,413,187,120	4,754,026,481	2. Gold has been valued at the price provided by the ECB as at 30 December 2016: €1,098,446 per fine oz, compared with €973,225 as at 31 December 2015.		
3. Assets eligible as collateral for Eurosystem monetary policy operations and intraday credit	28,265,134,198	40,054,565,610	3. Claims/liabilities denominated in foreign currency have been converted to euro using the euro foreign exchange reference rates of the ECB as at 30 December 2016.		
4. Assets accepted by the Bank of Greece as eligible collateral for emergency liquidity assistance to credit institutions	103,386,216,109	149,097,004,268	4. Securities (other than those held-to-maturity, non-marketable securities and securities held for monetary policy purposes) are valued at the market prices of 30 December 2016. Marketable securities classified as held-to-maturity, non-marketable securities and securities held for monetary policy purposes are valued at amortised cost subject to impairment. An impairment test was performed at the end of 2016 and no impairment losses were incurred.		
5. Other off-balance-sheet items	32,377,921,059	21,873,166,477	5. "Other off-balance-sheet items" include the liability of the Hellenic Republic to the IMF from the SDR allocations, as well as the promissory note issued by the Hellenic Republic in favour of the IMF for the outstanding part of the loans received. As at 31.12.2016 the value of the promissory note was SDR 10.1 billion, equivalent to €12.9 billion.		
TOTAL OFF-BALANCE-SHEET ITEMS	197,746,163,761	242,817,468,111	6. Certain items of the profit and loss account for the year 2015 have been reclassified to be comparable with the respective items of the year 2016.		

PROFIT AND LOSS ACCOUNT FOR THE YEAR 2016

	2016	2015
	(in euro)	
1. Net interest income	1,493,189,116	1,725,725,824
1.1 Interest income	1,512,703,581	1,784,257,403
1.2 Interest expense	-19,514,465	-58,531,579
2. Net result of financial operations, write-downs and risk provisions	17,841,266	22,840,471
2.1 Realised gains arising from financial operations	17,841,266	22,840,471
2.2 Write-downs on financial assets and positions	-32,995,688	-5,209,328
2.3 Transfer from provisions for foreign exchange rate, interest rate, credit and gold price risks	32,995,688	5,209,328
3. Net income from fees and commissions	83,151,340	89,837,658
3.1 Fees and commissions income	84,141,587	90,793,604
3.2 Fees and commissions expense	-990,247	-955,946
4. Income from equity shares and participating interests	38,863,345	31,565,454
5. Net result of pooling of monetary income	82,785,679	15,265,637
6. Other income	12,660,688	12,261,807
Total net income	1,728,491,434	1,897,496,851
7. Staff costs and pension benefit expenses	-258,636,323	-256,662,684
8. Other administrative expenses	-49,173,789	-49,798,073
9. Depreciation of tangible and intangible fixed assets	-14,948,548	-13,378,128
10. Consultancy fees for the auditing of the banking system	-8,939,681	-6,326,531
11. Provisions	-304,443,890	-408,482,232
Total expenses	-636,142,231	-734,647,648
PROFIT FOR THE YEAR	1,092,349,203	1,162,849,203

DISTRIBUTION OF PROFIT

(Article 71 of the Statute)

	2016	2015
	(in euro)	
Dividend to be distributed: €0.47712 per share for 19,864,886 shares	9,477,934	9,477,934
Tax on dividends (tax rate 29%, Articles 47 and 58, Law 4172/2013, as currently in force)	3,871,269	3,871,269
To the Government	1,079,000,000	1,149,500,000
	1,092,349,203	1,162,849,203

Note: The gross dividend for financial year 2016 amounts to €0.6720 per share. Dividend to be distributed (€0.47712 per share) is subject to withholding tax at a rate of 15% in accordance with Law 4172/2013, Article 64 paragraph 1, as currently in force.

Athens, 20 January 2017

THE GOVERNOR

THE DIRECTOR OF THE ACCOUNTING DEPARTMENT

YANNIS STOURNARAS

MARIA PAGONI

Independent Auditors Report

(Translated from the original in Greek)

To the Shareholders of BANK OF GREECE A.E.

Report on the Financial Statements

We have audited the accompanying financial statements of the BANK OF GREECE A.E. (the "Bank") which comprise the balance sheet as of 31 December 2016 and the statement of income, the appropriation account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements: Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting principles prescribed by the European Central Bank (ECB) as adopted by the Bank in Article 54A of its Statute and the Greek accounting principles, where the Guideline of the ECB does not provide specific direction, as well as, for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility: Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing, as adopted into Greek Law. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion: In our opinion, the financial statements give a true and fair view of the financial position of the Bank of Greece as at 31 December 2016 and of its financial performance for the year then ended in accordance with the accounting principles prescribed by the ECB as adopted by the Bank in Article 54A of its Statute and the Greek accounting principles, where the Guideline of the ECB does not provide specific direction.

Report on Other Legal and Regulatory Requirements: We verified that the contents of the Report of the General Council relating to the statement of income for 2016 to the Annual Shareholders Meeting are consistent and corresponds with the accompanying financial statements.

Athens, 20 January 2017

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