

**BANK OF GREECE**

SEVENTY-SEVENTH YEAR

BALANCE SHEET AS AT 31 DECEMBER 2004

(in euro)

ASSETS		2 0 0 4	2 0 0 3	LIABILITIES		2 0 0 4	2 0 0 3
1. Gold and gold receivables		1,430,796,271	1,466,081,069	1. Banknotes in circulation		12,238,189,655	10,079,150,900
2. Claims on non-euro area residents denominated in foreign currency		902,461,999	3,441,044,109	2. Liabilities to euro area credit institutions related to monetary policy operations denominated in euro		5,234,280,080	2,403,901,409
2.1 Receivables from the IMF		334,351,329	421,272,697	2.1 Current accounts (covering the minimum reserve system)		5,233,450,080	2,399,726,409
2.2 Balances with banks and security investments, external loans and other external assets		568,110,670	3,019,771,412	2.2 Deposit facility		830,000	4,175,000
3. Claims on euro area residents denominated in foreign currency		1,382,733,073	2,441,720,904	3. Other liabilities to euro area credit institutions denominated in euro		0	198,000
3.1 General government		1,224,358,075	1,313,176,558	4. Liabilities to other euro area residents denominated in euro		1,211,444,873	367,598,758
3.2 Other claims		158,374,998	1,128,544,346	4.1 General government		1,196,313,972	351,027,564
4. Claims on non-euro area residents denominated in euro		1,196,029,735	520,803,599	4.2 Other liabilities		15,130,901	16,571,194
4.1 Balances with banks, security investments and loans		1,196,029,735	520,803,599	5. Liabilities to non-euro area residents denominated in euro		648,506,465	604,726,683
4.2 Claims arising from the credit facility under ERM II		0	0	6. Liabilities to euro area residents denominated in foreign currency		127,832,903	207,530,978
5. Lending to euro area credit institutions related to monetary policy operations denominated in euro		201,368,044	4,342,500,000	7. Liabilities to non-euro area residents denominated in foreign currency		536,364,014	551,060,434
5.1 Main refinancing operations		48,000,000	4,342,500,000	7.1 Deposits and other liabilities		536,364,014	551,060,434
5.2 Longer-term refinancing operations		153,368,044	0	7.2 Liabilities arising from the credit facility under ERM II		0	0
6. Other claims on euro area credit institutions denominated in euro		767,244,745	98,885,665	8. Counterpart of special drawing rights allocated by the IMF		117,993,482	121,971,446
7. Securities of euro area residents denominated in euro		6,443,828,060	3,460,870,091	9. Intra-Eurosystem liabilities		6,966,258,551	16,069,321,621
8. General government debt denominated in euro		9,254,374,380	9,848,680,442	9.1 Liabilities related to promissory notes backing the issuance of ECB debt certificates		0	0
8.1 Long-term debt		1,668,806,532	1,853,871,728	9.2 Net liabilities related to the allocation of euro banknotes within the Eurosystem		416,930,960	716,252,165
8.2 Loans for participation in the IMF		726,634,375	774,878,742	9.3 Net liabilities related to the TARGET account		6,545,889,704	15,353,069,456
8.3 Long-term loans and securities in euro		6,858,933,473	7,219,929,972	9.4 Other liabilities within the Eurosystem (net)		3,437,887	0
9. Intra-Eurosystem claims		1,449,244,341	1,425,018,195	10. Items in course of settlement		20,769,508	30,810,822
9.1 Participating interest in the ECB		393,403,998	388,614,874	11. Other liabilities		973,095,264	1,126,362,505
9.2 Claims equivalent to the transfer of foreign reserves to the ECB		1,055,840,343	1,028,200,000	11.1 Accruals and income collected in advance		133,340,775	191,115,949
9.3 Claims related to promissory notes backing the issuance of ECB debt certificates		0	0	11.2 Sundry		839,754,489	935,246,556
9.4 Net claims related to the allocation of euro banknotes within the Eurosystem		0	0	12. Provisions		821,921,817	181,436,025
9.5 Net claims related to the TARGET account		0	0	13. Revaluation accounts		123,871,662	374,327,194
9.6 Other claims within the Eurosystem (net)		0	8,203,321	14. Capital and reserves		625,981,892	691,613,333
10. Items in course of settlement		389,343	5,461,849	14.1 Capital		66,746,019	66,746,019
11. Other assets		6,618,040,175	5,758,944,185	14.2 Ordinary reserve		66,746,019	66,746,019
11.1 Coins of euro area		33,287,864	36,198,747	14.3 Special reserve from the revaluation of real estate under Law 3229/2004		492,267,534	0
11.2 Tangible and intangible fixed assets		758,842,518	264,620,992	14.4 Special reserves		222,320	558,121,295
11.3 Other financial assets		4,864,714,102	4,571,873,748				
11.4 Accruals and prepaid expenses		577,929,305	535,044,528				
11.5 Sundry		383,266,386	351,206,170				
TOTAL ASSETS		29,646,510,166	32,810,010,108	TOTAL LIABILITIES		29,646,510,166	32,810,010,108
OFF-BALANCE-SHEET ITEMS		2004	2003				
1. Investment in Greek government securities on behalf of public entities (legal persons in public law, social security funds in public and private law)		15,218,519,470	12,388,376,153				
2. Investment in Greek government securities and other debt securities on behalf of public entities, social security funds and private agents		8,723,342,399	7,824,960,029				
3. Other off-balance-sheet items		2,606,875,223	6,830,752,773				
TOTAL OFF-BALANCE-SHEET ITEMS		26,548,737,092	27,044,088,955				

NOTES:

1. Under Article 54A of the Bank's Statute, the balance sheet was drawn up in compliance with the rules and accounting practices determined by the European Central Bank (ECB) and applying to the members of the European System of Central Banks (ESCB).
2. Claims/liabilities denominated in euro or foreign currencies are broken down into claims on/liabilities to euro area residents and non-euro area residents.
3. Account balances related to monetary policy operations are shown under separate items.
4. The value of gold has been calculated on the basis of the euro price of the gold ounce (€31.562), according to the ECB's foreign exchange rate list of 31 December 2004.
5. Claims and liabilities in foreign currencies have been converted into euro on the basis of the exchange rates published in the ECB's foreign exchange rate list of 31 December 2004.
6. The value of securities has been calculated on the basis of their prices as at 31 December 2004, except for the securities included in asset item 11.3 "Other financial assets", which have been valued at cost. The Greek government debt securities and part of the debt securities of euro area countries, which are fixed investment to be held until their maturity date, have been transferred from asset item 7 "Securities of euro area residents denominated in euro" to the above item 11.3. To ensure comparability, the corresponding items of financial year 2003 have been reclassified accordingly.

7. In financial year 2004, the undepreciated value of the Bank's real estate was adjusted, under Article 15 of Law 3229/2004, at its fair (market) value, as determined by independent appraisers. The resulting surplus value of €692,267,534 was transferred to the "Special reserve from the revaluation of real estate under Law 3229/2004" item. In the previous years, real estate was valued at cost, as adjusted under Law 2065/92.
8. The subscription key of the Bank of Greece to the ECB's capital – following the two adjustments in 2004 – was set at 1.8974%, from 2.0564% in 2003, and the weighted subscription key of the Bank of Greece to the ECB's capital fully paid by the 12 National Central Banks of the Eurosystem was set at 2.65405%, from 2.53894% in 2003.

PROFIT AND LOSS ACCOUNT FOR THE YEAR 2004

DEBIT		2 0 0 4	2 0 0 3	CREDIT		2 0 0 4	2 0 0 3
STAFF COSTS		238,376,244	226,542,368	NET INTEREST INCOME		325,922,104	270,809,782
Wages and salaries		126,350,375	121,887,566	NET RESULT OF FINANCIAL OPERATIONS		3,873,348	27,898,860
Employer's contributions and other levies				NET INCOME FROM FEES AND COMMISSIONS		141,630,119	117,786,711
To the Health Insurance Fund		12,246,167	11,208,669	INCOME FROM EQUITY SHARES AND PARTICIPATING INTERESTS		2,459,420	2,689,516
To the Pension Fund		29,739,637	29,596,749	NET RESULT OF POOLING OF MONETARY INCOME		10,795,758	21,729,366
To the Supplementary Pension Fund		12,186,812	12,186,041	OTHER INCOME		113,943,220	88,436,602
Contributions to other insurance funds and other charges		11,290,889	9,143,215				
Pensions and benefits		46,562,364	42,520,128				
ADMINISTRATIVE AND OTHER EXPENSES		37,552,145	43,131,840				
DEPRECIATION OF TANGIBLE AND INTANGIBLE FIXED ASSETS		34,613,846	19,700,525				
OPERATING PROVISIONS		82,476,430	21,716,267				
Provision under Article 71 of the Statute		11,152,473	11,487,360				
Provision for the Bank's future liabilities to the Personnel's Social Security Funds		35,000,000	10,000,000				
Provision, against monetary income, for the Bank's participation in the coverage of the ECB's loss for the financial year 2004		36,095,050	0				
Sundry provisions		228,907	228,907				
NET PROFIT		205,605,304	218,259,837				
		598,623,969	529,350,837			598,623,969	529,350,837

DISTRIBUTION OF NET PROFIT(Article 71 of the Statute)
(in euro)

	2 0 0 4	2 0 0 3
Dividend on capital, euro 0.67 per share on 11,918,932 shares	7,985,684	7,985,684
Additional dividend, euro 2.18 per share on 11,918,932 shares*	25,983,272	21,811,646
Tax payment (Law 3296/2004, Article 6)	18,290,976	16,044,716
To the Government	153,345,372	172,417,791
	205,605,304	218,259,837

* The dividend on capital and the additional dividend for the year 2003 was euro 0.67 and euro 1.83 respectively per share (in total euro 2.50)

Athens, 18 March 2005

THE GOVERNOR
NICHOLAS C. GARGANASTHE DIRECTOR OF THE ACCOUNTS DEPARTMENT
DIMITRIOS E. MATSIMANIS**CERTIFIED AUDITORS' ACCOUNTANTS' AUDIT REPORT**
TO THE SHAREHOLDERS OF THE BANK OF GREECE S.A.

We have audited the attached financial statements of "BANK OF GREECE S.A." for the year ended December 31, 2004. The management of BANK OF GREECE S.A. is responsible for the preparation of the above financial statements. Our responsibility is to express an opinion upon these financial statements, based on our audit. We conducted our audit in accordance with the audit procedures we considered appropriate on the basis of the auditing principles and rules promulgated by the Greek Institute of Certified Auditors - Accountants. These auditing principles require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit, also, includes assessing the accounting principles used and significant estimations made by the Bank's management as well as evaluating the overall Financial Statement Presentation. We believe that our audit provides a reasonable basis for our opinion. Based on our audit we noted that in the current year the Bank increased the provision for future liabilities to Employee Funds by €93 million, out of which €35 million were charged to the Income Statement and €58 million were transferred from transition reserves. Consequently, the recorded provision amounts to €86 million, but we cannot assess its adequacy. In our opinion, except for the above finding the attached Financial Statements give a true and fair view of the financial position of the BANK OF GREECE S.A., as at 31 December 2004, and the results for the year then ended, on the basis of the accounting principles determined by the European Central Bank as they have been adopted by the Bank in article 54A of its Articles of Association and the Codified Law 2190/1920, and are consistent with those applied by the Bank in the preceding year, apart from note 7 made by the Bank.

Athens, 18 March 2005

The Certified Auditors - Accountants

ERNST & YOUNG S.A.
N. Moustakis
(registration no 13971)D. Xenaki
(registration no 14161)SOL S.A.
Ch. Stathakis
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