

Athens, May 19, 2005

PRESS RELEASE

FIRST QUARTER 2005 FINANCIAL FIGURES

According to the International Financial Reporting Standards (IFRS)

- **Net profit at €108.5m. (+35.2%)**
- **Total Revenues at €428m. (+24.5%)**
- **Loans up 28.8%**
- **Cost/Income ratio at 47.4%**

The robust organic growth and the expansion of Eurobank's role in all market segments continued unabated during the first quarter of 2005. The strong position of the Bank in Greece and the continuous development of its operations in the area of SE Europe have resulted in a superior financial performance. Specifically, consolidated **net profit** recorded a robust **increase of 35.2%** in the first quarter of 2005, reaching €108.5m., from €80.3m. in the same quarter of 2004. This performance is aligned with the Bank's target for FY 2005 net profit to exceed €450m.

The strong expansion of operations during 1Q'05 resulted in a healthy rise in **Total Operating Income** of **24.5%** to €428m. This was largely due to Core Revenues (Interest & Total Commission Income), which increased by 26.4% to €408.4m., contributing 95.4% to total Operating Income. The reliance on organic sources of income indicates Eurobank's revenue quality and sustainability.

Mainly due to the strong credit expansion, the **Net Interest Income** grew by 25.4% in 1Q'05 vs. the same period last year and reached €308.4m. **Total Loans** increased by **28.8%**¹ in 1Q'05, with **Household Lending** (consumer and mortgage credit) rising by 42.5% to €10.6 bn. **Business Lending** grew also significantly by 19% to €12.4 bn. In Greece, Eurobank expanded its loan balances by 27.4%, versus a market growth of 15.3%. At the same time, the Net Interest Margin (net interest income over avg. total assets) remained well above 3%, as a result of the Bank's loan mix.

Despite strong credit expansion, the quality of the loan book is maintained at levels notably better than competition. In the first three months of the current year, the total **NPL ratio** remained at 2.9%, with the coverage ratio standing at 96%. Impairment losses in 1Q'05 correspond to 1.29% of the average loan portfolio, compared to 1.08% in the same period of 2004, mainly due to the continuous shift of the loan mix towards retail loans.

¹ Gross loans, excluding settlement balances

Customer Funds and Life Insurance products exhibited substantial growth, as Assets under Management rose by 20.5% to €31.3 bn. The strong increase in lending volumes combined with the Mutual Funds business, the provision of integrated services to corporate customers and other branch network activities helped **Net Fee and Commission Income** to rise by **32.1%** to €8.8m. Similarly, non-banking fees expanded as well, growing by 13.3% to €1.2m.

Despite the dynamic expansion of business activities and the subsequent strong growth of revenues, **Total Costs** were up only by 4.9% for the operations in Greece and 8.8% for the Group. This resulted in a **Cost to Income ratio** of **44.4%** for domestic activities, compared to 49.2% at the end of 2004, and **47.4%** for the Group, versus 51.8% at 2004 year-end.

The moderate increase in operating expenses coupled with the significant rise in core revenues led to a substantial growth of **Core Profit** (before tax) by 47.4% to €34.7m. Furthermore, annualised EPS in 1Q'05 was up 32.6% to €1.38. Based on net profit for the first three months of 2005, the **Return on average Assets** reached **1.29%**, while the **Return on average Equity** improved to **20.2%**.

At the same time, Eurobank remains well capitalized. Based on the options currently being considered by the Bank of Greece (final directive still pending), the **Total BIS Ratio** varies between 10.38% and 11.19% and the **Tier I Ratio** varies from 8.74% to 9.55% in 1Q'05.

The growth of operations outside Greece was also quite dynamic, with SE European operations contributing 5.5% to the Group profitability. The SE Europe operations grew faster than their respective markets and their loan portfolios currently account for 6% of the Group loans. This performance reflects the successful transfer and implementation of the Eurobank business model in SE Europe. Specifically in the first quarter of the current year, the new IT platform was rolled out to all branches in Romania, while in Bulgaria operations focused on the successful introduction of new products in both the retail and wholesale market. In Serbia, four new branches were opened, so the network now counts 15 branches in total. In line with Eurobank strategy to expand in new high growth markets, the Bank acquired the investment group HC Istanbul in Turkey in March 2005.

The financial results of the first quarter affirm the dynamism of Eurobank and reflect the expansion of its market shares in Greece and the region. The strong growth of operations and successful strategy implementation is mainly attributable to the highly qualified and trained personnel. Based on this performance, the financial targets for the years 2005 and 2006 remain unchanged and can be summarised as follows:

- **Net Profit of at least €450m. in 2005**
- **Annual Revenue growth exceeding 15%**
- **Maintain the Cost / Income ratio below 48%** at group level and below **46%** for Greek operations
- **Maintain Return on Equity (ROE) over 20%**
- **Annual Earnings Per Share (EPS) growth to exceed 23% in 2006**
- **Annual Dividend Per Share (DPS) growth of over 15%**

Summary Figures (€ m.)	1Q 05	1Q 04	Δ%	SE Europe
Net Interest Income	308.4	245.9	25.4%	27.9
Net fees & Commissions	88.8	67.2	32.1%	16.3
Non banking fees	11.2	9.9	13.3%	0
Core Income	408.4	323.0	26.4%	44.2
Non core income	19.8	21.0	-5.4%	0.1
Total Operating Income	428.2	344.0	24.5%	44.3
Operating Expenses	202.8	186.4	8.8%	32.4
Impairment	70.9	45.3	56.7%	2.4
Core Profit	134.7	91.4	47.4%	9.4
Profit before tax	156.0	113.9	36.9%	9.6
Net Profit	108.5	80.3	35.2%	7.7
Gross Loans *	23,019	17,872	28.8%	1,093
Deposits	18,232	17,644	3.3%	1,135
Total Assets	35,110	30,865	13.8%	2,147
Total Equity	2,206	2,051	7.5%	190

* excl. settlement balances

Portfolio of Loans (Gross, € m)	1Q 05	1Q 04	Δ%
Consumer Loans	5,847	4,089	43.0%
Mortgages	4,748	3,343	42.0%
Loans to Households	10,595	7,432	42.6%
Small Business Loans	3,233	2,447	32.1%
Loans to Medium enterprises	5,125	4,389	16.8%
Loans to Corporates	4,066	3,604	12.8%
Business Loans	12,424	10,440	19.0%
Total Gross Loans	23,019	17,872	28.8%

Assets Under Management (€ m)	1Q 05	1Q 04	Δ%
Deposits & Other liquid funds	20,634	18,408	12.1%
Mutual Funds	5,522	2,679	106.1%
Other investment products	5,166	4,899	5.4%
Total Funds under Management	31,322	25,986	20.5%

Financial Ratios	1Q 05	1Q 04
Net Interest Margin	3.6%	3.3%
Cost-Income	47.4%	54.2%
NPLs (% of loans)	2.9%	3.2%
NPLs coverage	95.8%	90.6%
Provision Charge (% of loans)	1.29%	1.08%
Tier I Ratio *	8.74% - 9.55%	8.01%-8.60%**
Total Capital Adequacy *	10.38%-11.19%	9.93-10.52%**
ROA after tax	1.29%	1.11%
ROE after tax and minorities	20.2%	16.0%
EPS annualised (€)	1.38	1.04

* subject to the final regulation of BoG

** 31.12.04 data

BALANCE SHEET INFORMATION AS AT 31st March 2005

	In €million	
	31 Mar 2005	31 Dec 2004
ASSETS		
Cash and balances with central banks	1,277	1,510
Due from other banks	1,385	733
Trading securities	1,835	2,488
Derivative financial instruments	323	255
Loans and advances to customers	22,657	21,231
Available-for-sale investment securities	6,240	5,485
Investments in associated undertakings	93	57
Fixed and Intangible Assets	818	809
Other assets	482	478
TOTAL ASSETS	35,110	33,046
LIABILITIES		
Due to other banks	5,852	5,361
Derivative financial instruments	606	625
Due to customers	18,232	18,208
Liabilities evidenced by paper	6,973	5,771
Other liabilities	976	901
TOTAL LIABILITIES	32,639	30,866
SHAREHOLDERS' EQUITY		
Share capital	925	926
Share premium	496	501
Other reserves	785	675
Total shareholders' equity	2,206	2,102
Minority interest	265	78
Total shareholders' equity and minority interest	2,471	2,180
TOTAL EQUITY AND LIABILITIES	35,110	33,046

INCOME STATEMENT INFORMATION FOR THE 1st Quarter of 2005

	In €million	
	1 Jan - 31 Mar 2005	1 Jan - 31 Mar 2004
Net interest income	308	246
Net banking fee and commission income	89	67
Net insurance Income	4	4
Non banking services	7	6
Core Income	408	323
Dividend income	0	1
Net trading income/(loss)	7	2
Gains less losses from other securities	12	17
Other operating income	1	1
	20	21
OPERATING INCOME	428	344
Operating expenses	(203)	(186)
Impairment losses on loans and advances	(71)	(45)
PROFIT FROM OPERATIONS	154	113
Share of results of associates before tax	2	1
PROFIT BEFORE TAX	156	114
Income tax expense	(45)	(32)
PROFIT AFTER TAX	111	82
Minority interest	(2)	(2)
NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS	109	80
Earnings per share - basic and diluted in euros	0.35	0.26

Athens, 17 May 2005

- Notes:
- The above information is based on IFRS rules. The accounting policies applied are available on the Bank's website. The above information has not been audited by the Bank's auditors.
 - The information on the Group's transition from Greek Accounting Standards (GAS) to International Financial Reporting Standards (IFRS) is available on the Bank's website.
 - The information for 31 March 2005, as defined by the 17/336/21.4.2005 decision of the Board of Directors of the Hellenic Capital Markets Committee, will be published on 30 June 2005.