

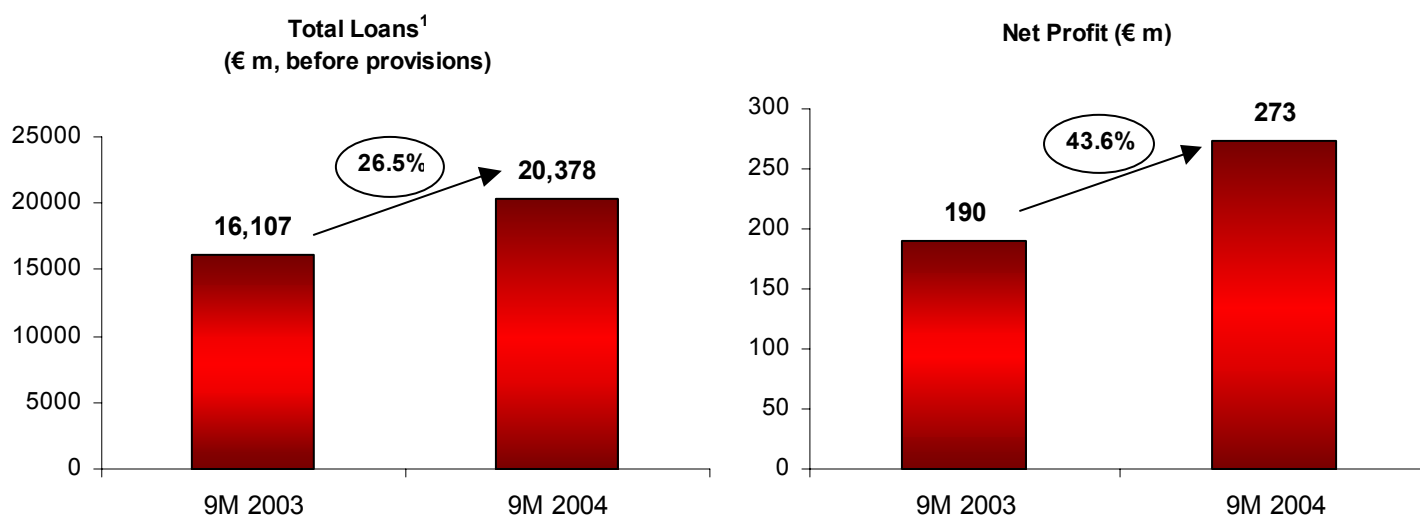
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**PRESS RELEASE**

**NINE MONTH 2004 RESULTS**

- **Net profit +44% y-o-y to €273m**
- **Acceleration of loan growth to 26.5% y-o-y<sup>1</sup>**
- **Cost/Income ratio at 48.6%**
- **ROE at 18.7%**

In the third quarter of 2004 EFG Eurobank Ergasias enhanced its strong position in the market through the expansion of its operations in all business segments and the improvement of its operating results. Consolidated net profit after tax and minorities during this period reached €94m, compared to € 74m the respective quarter of 2003. This performance, which follows the positive results of the first and second quarters of the current year, led to an increase in **consolidated net profit of 43.6%** to €273m in the nine months of 2004 and to an improvement in all financial ratios of the Group.



<sup>1</sup> On a comparable basis: gross loans include the €722m securitised portfolio of residential mortgages in 9M04 and Bulgarian Post Bank's loans of €263m in 9M03.

Particularly impressive is the **growth of Total Loans**, which stood at **26.5%** at a **Group level<sup>2</sup>** and **25.2% in Greece**, vis-à-vis a **16%<sup>3</sup>** credit expansion for the sector. **Household Lending**, which include consumer and mortgage credit, grew **40,7%** y-o-y to €9.1bn. **Business Loans** were also up by **17.1%** y-o-y in 9M04 to €11.3bn.

The quality of the loan book also improved. The total **NPL ratio** fell to 2.9% at the end of September, from 3.3% at the beginning of 2004. **Organic NPLs stood at 2.4%** at end-September '04, compared to 2.8% at the end of the year 2003.

**Client Deposits** increased 13.8% y-o-y, reaching € 16.2 bn. compared to 10.2% for the market<sup>4</sup>. Including repos, Total Deposits were up 12.1% y-o-y to €18.5bn. The successful distribution and sale of innovative investment products to the Bank 's clients and the #1 position in Asset Management resulted in further increase of **Total Funds under Management** by 17% to €27.9bn.

The **Total BIS Ratio** stood at 11.6% at end-September '04, while the **Tier-1 Risk Asset Ratio** reached 9.7%.

The strong position and the continuous expansion of Eurobank operations in Retail Lending, Asset Management, Financing of Small and Medium Enterprises, Investment Banking, Equity Brokerage and Private Banking led to an increase of **23.2% in Total Revenues** to €1.099m in the nine months of 2004. Interest and Commission Income account for 93% of total revenues.

Specifically:

- **Net Interest Income** rose by **19.6%** y-o-y in 9M04 to €751m. In the third quarter of the year Net Interest Income stood at €265m, 5.2% higher compared to the second quarter and 13.1% compared to the first. The **Net Interest Margin** (net interest income over avg. total assets) remained above 3%, reflecting the profitable loan mix and efficient management of total assets.
- **Fee and Commission Income** was up **23%** y-o-y in 9M04 to €268m driven by increased Network Operations, sale of Mutual Funds and Asset Management activities (+109% y-o-y in 9M04) and Capital Market activities. The acquisition of Intertrust Mutual Fund Management Company will further enhance the #1 position of the Group and will affect positively the fee income line from the last quarter of 2004 onwards.

**Core revenues** (Net Interest plus Net Fee income) were **20.4%** higher y-o-y in 9M04 to €1.019m, while Non-core income (including trading, dividends and other income) also recorded a notable increase, standing at €80m in 9M04, compared to €46m in the respective period of 2003.

**Operating Expenses** for the operations in Greece in the nine-month period to September 30 were up 2.3% y-o-y and 4.1% on a comparable basis<sup>5</sup>, standing at 8.6% for the Group due to the

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<sup>2</sup> On a comparable basis: gross loans, including the €722m RMBS (residential mortgage-backed securities) portfolio in 9M04 and Bulgarian Post Bank in 9M03

<sup>3</sup> According to BoG August 2004 data

<sup>4</sup> According to BoG August 2004 data

<sup>5</sup> Depreciation adjusted for rates changed in 4Q '03 for the whole of 2003

consolidation of Bulgarian Post Bank since end 2003. The robust increase in Total Revenues and the containment of costs resulted in a **Cost to Income ratio of 48.6%** for the Group and **46%** for the operations in Greece. This percentage is **among the lowest for a European bank** and witnesses the high efficiency of EFG Eurobank Ergasias.

**Core Profit** (net interest income plus net fee income less operating expenses less provisions) **climbed 34.1% y-o-y** in 9M 04 **to €326m**. It is worth noting that core profit has been steadily increasing the last seven quarters, reaching €123m.in 3Q 04.

As a result of the rise in **consolidated Net Profit by 43.6%** to €273m.in 9M04, the **Return on average Assets (ROA)** reached **1.3%**, while the **Return On average Equity (ROE)**, reached **18.7%**. The Return on Required Equity corresponding to a capital adequacy ratio of 8% stood at **22.5%**.

The robust financial performance of the Bank in the nine months of 2004 led to a BoD decision for the distribution of **interim dividend** of € 0.30 per share for FY 2004.

<b>Loan Portfolio (€ m) *</b>	<b>9M 04</b>	<b>9M 03</b>	<b>Δ% 9M 04</b>
Consumer Loans	5,034	3,587	40.4%
Mortgages	4,014	2,846	41.0%
<b>Loans to Households</b>	<b>9,048</b>	<b>6,432</b>	<b>40.7%</b>
Small Business Loans	2,789	2,012	38.7%
Loans to Medium enterprises	4,728	3,889	21.6%
Loans to Corporates	3,813	3,775	1.0%
<b>Business Loans</b>	<b>11,330</b>	<b>9,675</b>	<b>17.1%</b>
<b>Total Gross Loans</b>	<b>20,378</b>	<b>16,107</b>	<b>26.5%</b>

\* comparable figures: Adjusting 9M 03 balances to include Post Bank and adding securitised loans of € 722 m. to 9M 04 figures

<b>Assets Under Management (€ m)</b>	<b>9M 04</b>	<b>9M 03</b>	<b>Δ% 9M 04</b>
Deposits & Other liquid funds	19,635	17,750	10.6%
Mutual Funds	3,007	2,426	23.9%
Other investment products	5,223	3,644	43.3%
<b>Total Funds under Management</b>	<b>27,865</b>	<b>23,820</b>	<b>17.0%</b>

<b>Income Statement (€ m)</b>	<b>9M 04</b>	<b>9M 03</b>	<b>Δ% 9M 04</b>
Net Interest Income	750.5	627.7	19.6%
Commission Income	268.0	218.0	23.0%
<b>Core Revenues</b>	<b>1018.5</b>	<b>845.7</b>	<b>20.4%</b>
Non Core Income	80.3	46.0	74.5%
<b>Total Operating Income</b>	<b>1098.8</b>	<b>891.7</b>	<b>23.2%</b>
Staff Expenses	282.2	249.8	13.0%
Administrative Expenses	176.5	164.6	7.2%
Depreciation	75.0	77.1	-2.6%
<b>Operating Expenses</b>	<b>533.8</b>	<b>491.5</b>	<b>8.6%</b>
Provisions	158.3	110.7	42.9%
<b>Core Profit</b>	<b>326.4</b>	<b>243.4</b>	<b>34.1%</b>
Extraordinary items	11.3	11.9	-5.1%
Profit before tax	395.4	277.6	42.5%
Tax Expense	114.8	82.7	38.8%
Minority interest	7.6	4.8	60.0%
<b>Net profit</b>	<b>273.0</b>	<b>190.1</b>	<b>43.6%</b>

	<b>3Q04</b>	<b>2Q04</b>	<b>Δ% Q-o-Q</b>
	265.0	252.0	5.2%
	88.0	96.0	-8.7%
	<b>352.0</b>	<b>348.0</b>	<b>1.3%</b>
	19.0	31.0	-38.3%
	<b>371.0</b>	<b>379.0</b>	<b>-1.9%</b>
	93.6	96.6	-3.1%
	60.2	58.4	3.1%
	25.2	25.0	0.7%
	<b>179.0</b>	<b>180.0</b>	<b>-0.6%</b>
	50.0	63.0	-20.6%
	<b>123.0</b>	<b>105.0</b>	<b>18.0%</b>
	3.0	4.0	-33.7%
	139.0	131.0	6.3%
	42.0	39.0	7.6%
	4.0	2.0	100.0%
	<b>94.0</b>	<b>91.0</b>	<b>3.8%</b>

Core revenues = NII+ fees

Core profit = core revenues - operating expenses - provisions

<b>Fee and Commission Income (€ m)</b>	<b>9M 04</b>	<b>9M 03</b>	<b>Δ% 9M 04</b>
Lending activities	88.9	87.8	1.2%
Mutual Funds and AUM	60.2	28.8	109.2%
Capital markets	31.4	31.7	-1.1%
Network Activities & Other services	87.5	69.7	25.7%
<b>Total</b>	<b>268.0</b>	<b>218.0</b>	<b>23.0%</b>

<b>Financial Ratios</b>	<b>9M 04</b>	<b>9M 03</b>
Cost-Income	48.6%	55.1%
NPLs (% of loans)	2.9%	3.5%
NPLs coverage	90.7%	80.3%
Provision Charge (% of loans)	1.14%	0.96%
Tier1 Ratio	9.7%	11.6%
Total Capital Adequacy	11.6%	11.6%
ROA	1.3%	1.0%
ROE	18.7%	13.3%
EPS annualised (€)	1.18	0.83