



EFG Eurobank Ergasias S.A.
BALANCE SHEET AS AT SEPTEMBER 30, 2004
 (According to P.D. 360/1985)
 Reg. No. 6098/09/B/86/07

	Amounts in Euro million			Amounts in Euro million	
	2004	2003		2004	2003
ASSETS			LIABILITIES		
Cash and balances with central banks	1,184	613	Due to credit institutions	5,140	4,077
Due from credit institutions	978	598	Due to customers	21,430	17,001
Loans and advances to customers (Less: Provisions for doubtful debts)	18,414 (475)	14,503 (407)	Other liabilities	254	315
	<u>17,939</u>	<u>14,096</u>	Accruals and deferred income	326	259
Debt securities including fixed - income securities	7,879	6,728	Provisions for liabilities and charges	66	47
Participations	517	547	Subordinated Deposits	398	-
Intangible assets (Less: Amortisation and provisions)	207 (128)	161 (85)	EQUITY		
	<u>79</u>	<u>76</u>	Share Capital	916	909
Tangible assets (Less: Depreciation and provisions)	501 (269)	491 (247)	Reserves	895	1,027
	<u>232</u>	<u>244</u>	Profit after tax 1.1-30.9	234	167
Other assets	205	240	Treasury shares	(10)	(110)
Prepayments and accrued income	636	551		<u>2,035</u>	<u>1,994</u>
TOTAL ASSETS	<u>29,649</u>	<u>23,693</u>	TOTAL LIABILITIES	<u>29,649</u>	<u>23,693</u>
OFF BALANCE SHEET ITEMS	<u>124,435</u>	<u>98,718</u>	OFF BALANCE SHEET ITEMS	<u>124,435</u>	<u>98,718</u>

INCOME STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2004

	Amounts in Euro million	
	2004	2003
Interest receivable and similar income	1,280.2	1,033.7
Less : Interest payable and similar charges	(626.8)	(469.3)
	<u>653.4</u>	<u>564.4</u>
Income from Securities	34.9	17.4
Commissions (net income)	98.9	93.6
Net profit from financial operations	53.5	18.1
Other operating income	12.0	7.5
TOTAL OPERATING INCOME	<u>852.7</u>	<u>701.0</u>
Less :		
Staff costs	(201.2)	(183.8)
Other administrative expenses	(120.2)	(119.4)
Fixed assets depreciation and valuation	(52.9)	(55.4)
Provisions for loans and advances and contingent liabilities and commitments	(154.0)	(102.6)
PROFIT ON ORDINARY ACTIVITIES	<u>324.4</u>	<u>239.7</u>
Extraordinary income, expenses and profit	(8.3)	(10.7)
PROFIT BEFORE TAX	<u>316.1</u>	<u>229.0</u>
Income tax (provision)	(81.8)	(61.6)
PROFIT AFTER TAX	<u>234.3</u>	<u>167.3</u>

NOTES:

1. The merger via absorption of Q-Quality Management Services S.A. has been completed on 25.5.2004 with local accounting and tax reference date of 30.11.2003. 2. The financial statements have been prepared according to the accounting policies adopted in the preparation of the financial statements of 31/12/2003 set out in the notes to the accounts. 3. During the second quarter of 2004, the use of the proceeds from the issue of 933,952 new ordinary shares following the exercise of existing share options from the Bank's staff on 17th December 2003, amounting to € 6.1 million, was completed. The above increase was certified on 18th December 2003 and the new shares were introduced in the Stock Exchange on 20th January 2004. The report detailing the use of the proceeds was published on 6th August 2004 in the newspapers "Nautemporiki" and "Ta Nea". 4. The Annual General Assembly of 05/04/2004 decided the increase of share capital by € 2.6 million, with the issue of 900,000 new ordinary shares of € 2.95 each at par, for the distribution to employees. 5. The Bank applied the International Financial Reporting Standards and has, therefore, not complied with the requirements of Company Law 2190/1920, in the following cases: a) the Bank consistently calculates deferred tax, which as at 31.12.03 amounted to € 42.6 million (deferred tax asset) and is included in "Prepaid expenses and accrued income". A special reserve of a corresponding amount that applies to the Bank has been created which will be offset against income tax of future periods when temporary differences are settled, b) Treasury Shares of € 10 million are deducted from Shareholders Equity whereas according to Company Law 2190/1920 these should be disclosed as a separate category of "Assets", c) the Bank's trading securities portfolio is marked to market. The valuation gave rise to a mark-up of € 3 million which has been recognized in the Profit and Loss of 30.09.2004, whereas in 30.09.2003 it gave rise to a mark-down of € 10.6 million. 6. In June 2004 the Bank proceeded with the securitisation of mortgage loans amounting to € 750 million in accordance with law 3156/2003. 7. The Bank's management and its legal advisors believe that the outcome of the existing lawsuits inclusive of the Piraeus Bank lawsuit against former Ergobank S.A and certain members of its Board of Directors will not have a significant impact on the Bank's Financial Statements and therefore, no provision for losses has been made. 8. In accordance with the economic activity sector (STAKOD '03) the total EFG Eurobank Ergasias S.A. revenue are classified under "Transactions of other intermediary financial institutions" (code 651.9). 9. The fixed assets of the Bank are free of charges or encumbrances. 10. The total number of employees as at 30.09.2004 was 6,893.

Athens, November 2, 2004

THE CHAIRMAN OF THE BOARD OF DIRECTORS
 Xenophon C. Nickitas
 I.D. No Θ - 914611

THE CHIEF EXECUTIVE OFFICER
 Nicholas C. Nanopoulos
 I.D. No Σ - 237468

THE CHIEF FINANCIAL OFFICER
 Paula N. Hadjisotiriou
 I.D. No Τ - 005040

THE CHIEF ACCOUNTANT
 Dimitrios K. Mitrotilis
 I.D. No Π - 064395



EFG Eurobank Ergasias S.A.
CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2004
 (According to P.D. 360/1985)
 Reg. No. 6098/09/B/86/07

	Amounts in Euro million			Amounts in Euro million	
	2004	2003		2004	2003
ASSETS			LIABILITIES		
Cash and balances with central banks	1,483	841	Due to credit institutions	5,123	4,007
Due from credit institutions	746	509	Due to customers	18,483	16,494
Loans and advances to customers (Less: Provisions for doubtful debts)	19,683 (518)	15,751 (439)	Liabilities evidenced by paper	4,658	1,724
	<u>19,165</u>	<u>15,312</u>	Other liabilities	528	473
Debt securities including fixed - income securities	8,769	6,866	Accruals and deferred income	335	263
Participations	65	108	Provisions for liabilities and charges	209	103
			Subordinated notes	400	-
Intangible assets (Less: Amortisation and provisions)	230 (143)	185 (100)	EQUITY		
	<u>87</u>	<u>85</u>	Share Capital	916	909
Tangible assets (Less: Depreciation and provisions)	962 (423)	882 (283)	Reserves	1,015	1,084
	<u>539</u>	<u>598</u>	Profit after tax 1.1-30.9	273	190
Other assets	420	372	Consolidation differences	(100)	(74)
Prepayments and accrued income	658	552	Treasury shares	(11)	(123)
				<u>2,093</u>	<u>1,987</u>
TOTAL ASSETS	<u>31,932</u>	<u>25,244</u>	Minority interests	103	192
OFF BALANCE SHEET ITEMS	<u>129,072</u>	<u>100,174</u>	TOTAL LIABILITIES	<u>31,932</u>	<u>25,244</u>
			OFF BALANCE SHEET ITEMS	<u>129,072</u>	<u>100,174</u>

INCOME STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2004

	Amounts in Euro million	
	2004	2003
Interest receivable and similar income	1,426.4	1,137.3
Less: Interest payable and similar charges	(675.9)	(509.6)
	<u>750.5</u>	<u>627.7</u>
Income from Securities	12.9	11.4
Commissions (net income)	268.0	218.0
Net profit from financial operations	56.2	28.7
Other operating income	11.2	5.9
TOTAL OPERATING INCOME	<u>1,098.8</u>	<u>891.7</u>
Less:		
Staff costs	(282.2)	(249.8)
Other administrative expenses	(176.6)	(164.6)
Fixed assets depreciation and valuation	(75.0)	(77.1)
Provisions for loans and advances and contingent liabilities and commitments	(158.3)	(110.7)
PROFIT ON ORDINARY ACTIVITIES	<u>406.7</u>	<u>289.5</u>
Extraordinary income, expenses and profit	(11.3)	(11.9)
PROFIT BEFORE TAX	<u>395.4</u>	<u>277.6</u>
Analysed as follows:		
Minority interests	11.3	6.3
GROUP PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	<u>384.1</u>	<u>271.3</u>
Less: Income tax (provision)	(114.8)	(82.7)
NET PROFIT AFTER TAX	<u>280.6</u>	<u>194.9</u>
Minority Interest	(7.6)	(4.8)
GROUP NET PROFIT AFTER TAX	<u>273.0</u>	<u>190.1</u>

NOTES:

1. The consolidated Financial Statements include EFG Eurobank Ergasias SA and the following subsidiary undertakings, which are fully consolidated: EFG Private Bank Luxembourg S.A., EFG Telesis Finance SA., Eurobank Cards SA., EFG Eurobank Ergasias Leasing SA., EFG Eurobank Properties SA., EFG Mutual Funds Co SA., EFG Insurance Services SA., EFG Hellas P.L.C., EFG Eurobank Securities SA., EFG Factors SA, EFG Property and Casualty Insurance SA., Be-Business Exchanges SA., EFG Internet Services SA., ELDEPA SA, EFG Life Insurance SA., Alico / CEH Balkan Holdings Limited, EFG Business Services SA, OPEN 24 SA., Autorental SA., EFG Eurobank Ergasias International (C.I.) LTD, Telesis Direct SA., EFG Eurobank Asset Management Company SA., EFG Hellas (Cayman Islands) Limited, Banc Post SA (Romania), Bulgarian Retail Services SA, Hellas on Line SA, Post Bank A.D. (Bulgaria), EFG Eurobank A.D. Beograd, Berberis Investment Ltd, Eurocredit Retail Services Ltd (Cyprus), Euroline Retail Services S.A. (Romania), Euroline Retail Services AD (Serbia), EFG Leasing EAD Boulgaria. The consolidated Financial Statements also include the following associated undertakings which are accounted for using the equity method: Tefin SA, Eurobank Property Services, Hotel Company of Athens Airport SA., Zenon Properties SA, Unit Finance SA, Global Finance SA, Global Investment Fund Management SA, Cardlink S.A. 2. The consolidated financial statements have been prepared according to the accounting policies adopted in the preparation of the financial statements of 31/12/2003 set out in the consolidated notes to the accounts. 3. The merger via absorption of Q-Quality Management Services S.A. has been completed on 25/5/2004 with local accounting and tax reference date of 30.11.2003. 4. During the second quarter of 2004, the use of the proceeds from the issue of 933,952 new ordinary shares following the exercise of existing share options from the Bank's staff on 17th December 2003, amounting to € 6.1 million, was completed. The above increase was certified on 18th December 2003 and the new shares were introduced in the Stock Exchange on 20th January 2004. The report detailing the use of the proceeds was published on 6th August 2004 in the newspapers "Nautemporiki" and "Ta Nea". 5. The Annual General Assembly of 05/04/2004 decided the increase of share capital by € 2.6 million, with the issue of 900,000 new ordinary shares of € 2.95 each at par, for the distribution to employees. 6. The Bank applied the International Financial Reporting Standards and has, therefore, not complied with the requirements of Company Law 2190/1920, in the following cases: a) the Bank consistently calculates deferred tax, which as at 31.12.03 amounted to € 47.9 million (deferred tax asset) and is included in "Prepaid expenses and accrued income". A special reserve of a corresponding amount that applies to the Bank has been created which will be offset against income tax of future periods when

temporary differences are settled, b) Treasury Shares of € 11 million are deducted from Shareholders Equity whereas according to Company Law 2190/1920 these should be disclosed as a separate category of "Assets", c) the Bank's trading securities portfolio is marked to market. The valuation gave rise to a mark-up of € 5.4 million which has been recognized in the Profit and Loss of 30.09.2004, whereas in 30.09.2003 it gave rise to a mark-down of € 11.8 million, d) certain figures of the 30.09.2004 Balance Sheet and the Income Statement relating to EFG Eurobank Ergasias Leasing S.A. and Autorental S.A. have been restated to comply with International Financial Reporting Standards. Had this restatement not taken place, current period's profit would be lower by € 6.2 million compared to € 3.5 million lower in 30.09.2003. 7. In June 2004 the Bank proceeded with the securitisation of mortgage loans amounting to € 750 million in accordance with law 3156/2003. 8. The Bank's management and its legal advisors believe that the outcome of the existing lawsuits inclusive of the Piraeus Bank lawsuit against former Ergobank S.A. and certain members of its Board of Directors will not have a significant impact on the Bank's Financial Statements and therefore, no provision for losses has been made. 9. In accordance with the economic activity sector (STAKOD '03) 90% of the EFG Eurobank Group's revenue is classified under "Transactions of other intermediary financial institutions" (code 651.9) and the remaining 10% under other sectors of economic activity. 10. The fixed assets of the Bank are free of charges or encumbrances. 11. The total number of employees as at 30.09.2004 was 13,696.

Athens, November 2, 2004

THE CHAIRMAN OF THE BOARD OF DIRECTORS
Xenophon C. Nickitas
I.D. No Θ - 914611

THE CHIEF EXECUTIVE OFFICER
Nicholas C. Nanopoulos
I.D. No Σ - 237468

THE CHIEF FINANCIAL OFFICER
Paula N. Hadjisotiriou
I.D. No Τ - 005040

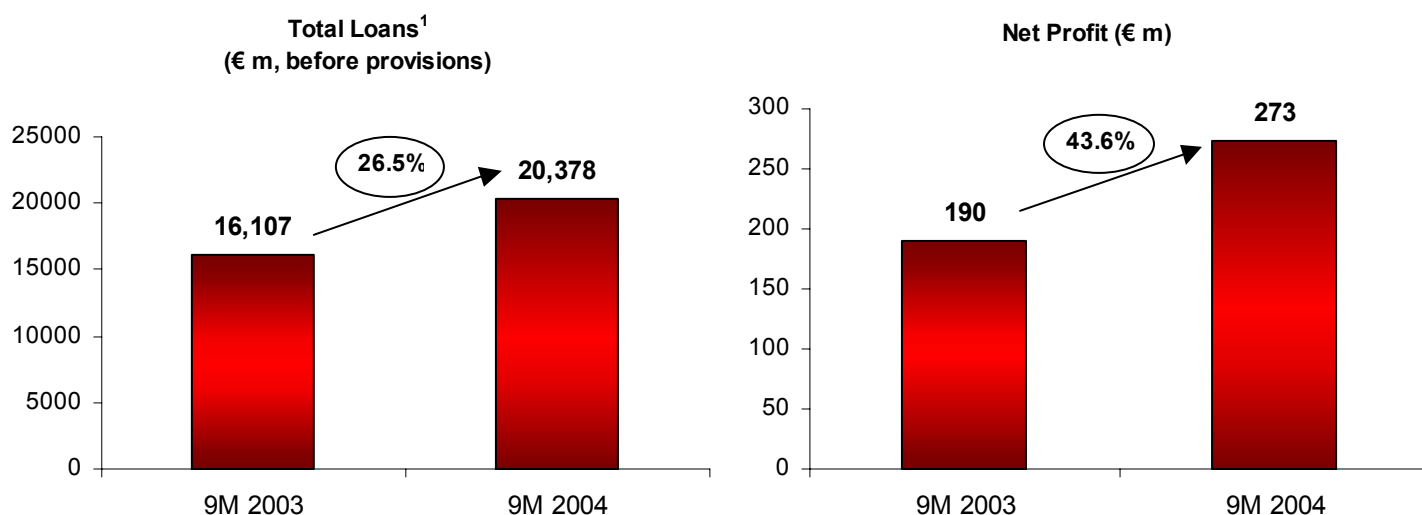
THE CHIEF ACCOUNTANT
Dimitrios K. Mitrotolis
I.D. No Π - 064395

PRESS RELEASE

NINE MONTH 2004 RESULTS

- **Net profit +44% y-o-y to €273m**
- **Acceleration of loan growth to 26.5% y-o-y¹**
- **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.



¹ 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 level²** and **25.2% in Greece**, vis-à-vis a **16%³** 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 market⁴. 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 basis⁵, standing at 8.6% for the Group due to the

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

³ According to BoG August 2004 data

⁴ According to BoG August 2004 data

⁵ 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.

Loan Portfolio (€ m) *	9M 04	9M 03	Δ% 9M 04
Consumer Loans	5,034	3,587	40.4%
Mortgages	4,014	2,846	41.0%
Loans to Households	9,048	6,432	40.7%
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%
Business Loans	11,330	9,675	17.1%
Total Gross Loans	20,378	16,107	26.5%

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

Assets Under Management (€ m)	9M 04	9M 03	Δ% 9M 04
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%
Total Funds under Management	27,865	23,820	17.0%

Income Statement (€ m)	9M 04	9M 03	Δ% 9M 04
Net Interest Income	750.5	627.7	19.6%
Commission Income	268.0	218.0	23.0%
Core Revenues	1018.5	845.7	20.4%
Non Core Income	80.3	46.0	74.5%
Total Operating Income	1098.8	891.7	23.2%
Staff Expenses	282.2	249.8	13.0%
Administrative Expenses	176.5	164.6	7.2%
Depreciation	75.0	77.1	-2.6%
Operating Expenses	533.8	491.5	8.6%
Provisions	158.3	110.7	42.9%
Core Profit	326.4	243.4	34.1%
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%
Net profit	273.0	190.1	43.6%

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

Core revenues = NII+ fees

Core profit = core revenues - operating expenses - provisions

Fee and Commission Income (€ m)	9M 04	9M 03	Δ% 9M 04
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%
Total	268.0	218.0	23.0%

Financial Ratios	9M 04	9M 03
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