attica bank

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2005

In accordance with International Financial Reporting Standards

The Consolidated Financial Statements of the Bank, as well as the notes attached, have been approved by the Board of Directors on 21 February 2006 and have been posted on the Bank's website.

Athens, 21 February 2006

THE CHAIRMAN OF THE BOARD OF DIRECTORS & MANAGING DIRECTOR	THE CHIEF EXECUTIVE OFFICER	THE ACCOUNTING DEPARTMENT MANAGER
Anastasios Ioan. Koumplis	Tryfon Evag. Kollintzas	Christos K. Marantos
I.D. No Θ 020303	I.D. No AA 026187	I.D. No M 481653 H.E.C. LICENCE No 17216/A΄ CLASS

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AUDITORS' REPORT

To the Shareholders of ATTICA BANK S.A.

We have audited the attached consolidated financial statements of the companies of the group of ATTICA BANK S.A. as of and for the year ended 31 December 2005. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the Greek Auditing Standards, which are based on the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance as to 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 estimates made by the Bank's management, evaluating the overall financial statement presentation as well as assessing the consistency of the Board of Directors' report with the aforementioned financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the aforementioned financial statements give a true and fair view of the consolidated financial position of the companies of the group of Attica Bank S.A. as at 31 December 2005, and of the results of its operations as well as of changes in capital and reserves and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union and the Board of Directors' Report is consistent with the aforementioned financial statements.

Without qualifying our opinion, we would like to draw your attention to the note no 29.1 in the consolidated financial statements which states the decision of the Bank's shareholders to change the existing auxiliary insurance fund of employees and pensioners without their consent and to submit them to the stipulations of law 3371/2005. At this point it is not possible to estimate any additional charges arising from the financial studies which, according to the law, will be made after the transfer to the new insurance funds, nor the outcome of any lawsuits against the above decision.

Athens, 23 February 2006

The Certified Public Accountants Auditors

Alexandros D. Sfiris	Efstathios G. Mitsou	Athanasia M. Arabatzi
SOEL Reg. No 14861	SOEL Reg. No 13941	SOEL Reg. No 12821

S.O.L. S.A.

Certified Auditors Accountants

GRANT THORTON S.A.

Chartered Accountants

INCOME STATEMENT
(Amounts reported in €)

	Note	YEAR ENDED ON 31/12/2005	YEAR ENDED ON 31/12/2004
Interest and similar income	**4**	136.371.499,64	126.926.638,01
Less: Interest expense and similar charges	**5**	(59.170.186,36)	(52.625.408,48)
Net interest income		**77.201.313,28**	**74.301.229,53**
Fee and commission income	**6**	31.906.759,21	36.595.966,86
Less: Fee and commission expense	**7**	(1.166.651,85)	(525.459,47)
Net fee and commission income		**30.740.107,36**	**36.070.507,39**
Dividend Income	**8**	523.230,56	689.882,76
Gains/ (Losses) from trading	**9**	5.565.606,59	2.588.470,94
Gains/(Losses) from investment securities	**10**	367.879,76	1.735.868,33
Other operating income	**11**	2.660.792,35	3.140.793,56
Operating income		**117.058.929,90**	**118.526.752,51**
Provisions for credit risks	**19**	(44.300.000,00)	(22.000.000,00)
Operating expenses	**12**	(83.856.959,22)	(84.392.943,60)
Total operating expenses		**(128.156.959,22)**	**(106.392.943,60)**
Profit/loss before taxes		**(11.098.029,32)**	**12.133.808,91**
Less: taxes	**13**	1.208.664,04	(5.867.254,55)
Profit/loss after taxes		**(9.889.365,28)**	**6.266.554,36**
Attributable to:			
Equity holders of the Bank		(9.889.377,77)	5.957.901,20
Minority interest		12,49	308.653,16
Basic and Diluted Earnings/losses per share	**14**	(0,12)	0,07

BALANCE SHEET

(Amounts reported in €)

	Note	31/12/2005	31/12/2004
ASSETS			
Cash and balances with Central Bank	**15**	93.310.798,19	85.863.075,64
Due from other financial institutions	**16**	344.718.719,51	368.191.631,36
Trading portfolio	**17**	18.423.674,49	46.780.652,52
Derivative financial instruments – assets	**18**	91.862,50	5.604,46
Loans and advances to customers (after provisions)	**19**	1.787.541.986,75	1.726.873.744,34
Investment portfolio	**20**	145.947.643,82	89.605.674,45
Investments in subsidiaries	**21**	125.437,37	0,00
Intangible assets	**22**	7.084.034,47	6.518.953,01
Property, plant and equipment	**23**	31.848.837,98	28.393.239,96
Deferred tax assets	**28**	21.945.042,99	16.166.218,21
Other assets	**24**	64.100.016,22	49.344.754,66
Total Assets		**2.515.138.054,29**	**2.417.743.548,61**
LIABILITIES			
Due to other financial institutions	**25**	172.718.336,32	88.017.383,14
Deposits due to customers and similar liabilities	**26**	1.954.153.738,08	2.065.800.088,66
Derivative financial instruments – liabilities	**18**	14.367,62	32.912,12
Issued Bonds and other borrowings	**27**	148.985.631,66	10.000.000,00
Provisions for retirement benefit obligations	**29**	37.436.420,45	36.751.742,93
Other provisions for risks and liens	**30**	2.205.431,35	3.128.087,80
Deferred tax liabilities	**28**	713.135,89	352.941,03
Other liabilities	**31**	45.693.542,61	25.727.355,71
Total liabilities		**2.361.920.603,98**	**2.229.810.511,39**
EQUITY			
Share capital	**32**	28.902.268,50	28.902.268,50
Share premium account	**32**	157.527.001,45	157.527.001,45
Accumulated profit/loss	**32**	(56.650.966,82)	(52.719.318,25)
Reserves	**33**	23.438.919,77	26.372.355,07
Attica Bank shareholders' equity		**153.217.222,90**	**160.082.306,77**
Minority interest in equity		227,41	27.850.730,45
Total equity		**153.217.450,31**	**187.933.037,22**
Total liabilities and equity		**2.515.138.054,29**	**2.417.743.548,61**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Amounts reported in €)

	Share capital	Treasury shares	Share premium	Reserves	Accumulated deficit	Total equity	Share capital
Balance at 1 January 2004	**29.468.113,50**	**(9.625.836,54)**	**161.962.551,78**	**24.127.801,12**	**(53.977.158,29)**	**27.499.023,92**	**179.454.495,49**
Profit/Loss for the period after tax					5.957.901,20	308.653,16	**6.266.554,36**
Investment portfolio							
- Available for sale securities				(105.347,70)			**(105.347,70)**
Tax attributable to differences recognized directly in equity				2.396.556,87	395.233,78	22.499,35	**2.814.290,00**
Dividends paid					(38.295,00)	(760,50)	**(39.055,50)**
Cancellation of treasury shares	(565.845,00)	9.625.836,54	(4.435.550,33)		(4.624.441,21)		**0,00**
Share capital increase						40,00	**40,00**
Distribution of profits				454.701,60	(454.701,60)		**0,00**
Impairment of fair value of property				(501.356,82)	22.142,87	21.274,52	**(457.939,43)**
Balance at 31 December 2004	**28.902.268,50**	**0,00**	**157.527.001,45**	**26.372.355,07**	**(52.719.318,25)**	**27.850.730,45**	**187.933.037,22**
Profit/Loss for the period after taxes					(9.889.377,77)	12,49	**(9.889.365,28)**
Investment portfolio							
- Available for sale securities				(1.239.526,87)			**(1.239.526,87)**
Tax attributable to differences recognized directly in equity				6.991,67	3.566.512,99		**3.573.504,66**
Sale of subsidiary company						(2.432.708,08)	**(2.432.708,08)**
Return of capital due to winding-up of subsidiary company				(1.146.695,64)	1.837.011,75	(24.579.898,22)	**(23.889.582,11)**
Dividends paid						(837.909,23)	**(837.909,23)**
Reserves created from distribution				20.324,82	(20.324,82)		**0,00**
Revaluation surplus from securities				(574.529,28)	574.529,28		**0,00**
Balance at 31/12/2005	**28.902.268,50**	**0,00**	**157.527.001,45**	**23.438.919,77**	**(56.650.966,82)**	**227,41**	**153.217.450,31**

CASH FLOW STATEMENT

(Amounts reported in €)	Note	YEAR ENDED ON 31/12/2005	31/12/2004
Cash flows from operating activities			
Interest and similar income		136.371.499,64	126.926.638,01
Proceeds from customers		0,00	0,00
Interest paid		(59.170.186,36)	(52.625.408,48)
Dividends received		523.230,56	689.882,76
Commission received		31.906.759,21	36.595.966,86
Commission paid		(1.166.651,85)	(525.459,47)
Profit (loss) from financial trading		5.565.606,59	2.588.470,94
Other income		2.660.792,35	3.140.793,56
Cash payments to employees and suppliers		(77.458.101,90)	(77.723.046,00)
Income taxes paid		(677.075,96)	(4.469.859,52)
Cash flows from operating activities before changes in operating assets and liabilities		**38.555.872,28**	**34.597.978,66**
Changes in operating assets and liabilities			
Net (increase)/decrease in government bonds		0,00	0,00
Net (increase)/decrease in due from Central Bank		0,00	0,00
Net (increase)/decrease in trading securities		287.270,32	(2.059.477,33)
Net (increase)/decrease in due from other financial institutions		0,00	0,00
Net (increase)/decrease in loans and advances to customers		(103.380.715,71)	(328.811.638,21)
Net (increase)/decrease in other assets		(31.958.580,80)	7.612.267,11
Net increase/(decrease) in due to other credit institutions		84.700.953,18	12.184.175,11
Net increase/(decrease) in deposits due to customers and similar liabilities		(109.349.843,63)	357.202.671,29
Net increase/(decrease) in other liabilities		22.994.864,80	(11.880.378,43)
Net cash from operating activities		**(136.706.051,84)**	**34.247.619,54**
Cash flows from investment activities			
Purchases of intangible assets		(2.229.715,79)	(358.979,14)
Purchase of property, plant and equipment		(9.071.930,58)	(5.358.590,46)
Purchases of held to maturity investment securities		(21.832.225,33)	5.410.020,86
Purchases of available for sale investment securities		(35.749.270,91)	26.342.716,06
Profit / loss from sale of available for sale securities		367.879,76	1.735.868,33
Acquisition of subsidiaries, net of cash (acquired)		(125.437,37)	599.960,00
Disposal of subsidiaries shares, net of cash (acquired)	**37**	(2.041.388,14)	0,00
Return of capital due to winding-up of subsidiary company	**37**	858.415,73	0,00
Net cash from investment activities		**(69.823.672,63)**	**28.370.995,65**
Net cash from financing activities			
Proceeds from issue of debt securities		148.985.631,66	0,00
Proceeds from issue of shares or other securities			40,00
Repayment of liabilities from debt securities		442.007,18	10.000.000,00
Profit / loss from measurement of derivatives		(104.802,54)	292.361,10
Dividends paid		2.625.826,59	0,00
Purchase of treasury shares			0,00
Profit / loss from sale of treasury shares			0,00
Net cash from financing activities		**151.948.662,89**	**10.292.401,10**
Effect of exchange rate changes on cash and cash equivalents		0,00	0,00
Net increase/ (decrease) in cash and cash equivalents		**(16.025.189,30)**	**107.508.994,95**
Cash and cash equivalents at beginning of year		454.054.707,00	346.545.712,05
Cash and cash equivalents at end of the year	**34**	**438.029.517,70**	**454.054.707,00**

1. GENERAL INFORMATION

The Group of Attica “the Group” provides financial and banking services to individuals and companies.

The Group employs 1.145 employees and operates in Greece.

The parent company of the Group is Attica Bank the “Bank”. Attica Bank S.A. is a limited liability company. The Registration Number of the Company is 6060/06/B/86/06. The Bank is listed on the Athens Stock Exchange (ASE). The address of the Bank's registered office is 23, Omirou Street in the prefecture of Athens (Postal Code 106-72). The same prefecture is also competent for the other Group companies.

The aforementioned financial statements for the period ended 31 December 2005, have been approved for issue by the Board of Directors on 21 February 2006, and are subject to approval of the annual Ordinary General Meeting of Shareholders.

The members of the Boards of Directors of the companies of the Group are referred in the individual Financial Statements of the companies. In the same financial statements are also mentioned the statutory auditors that have been elected to conduct the audit of the financial statements for the year 2005, as also their website addresses.

2. PRINCIPAL ACCOUNTING POLICIES

(2.1) Basis of Presentation of the Financial Statements

The Financial Statements of the Group have been prepared for the first time in accordance with International Financial Reporting Standards (I.F.R.S.) for the year ended on 31/12/2005. Also, the Interim Financial Statements have been prepared in accordance with International Financial Reporting Standards for the same year. The date of transition for the Group to I.F.R.S. was 1 January 2004.

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale investment securities, financial assets and liabilities held at fair value through profit and loss, all derivative contracts as well as the property, plant and equipment (land and buildings) that are measured at fair value.

The amounts reported in the financial statements are presented in Euro.

The preparation of Financial Statements in conformity with generally accepted accounting policies, requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent receivables and liabilities at the date of preparation of Financial Statements and the reported amounts of revenues and expenses during the reporting period. Use of available information and application of judgment are inherent in the formation of estimates. Actual results in the future could differ from such estimates and the differences may be material to the financial statements.

The impacts arising in assets, liabilities and financial position of the Group from the transition from the Greek (GAAP) to IFRS are stated in note 41.

(2.2) Consolidation

The consolidated financial statements include the financial statements of the Bank and its subsidiaries and hereafter referred to as ‘Group”. The financial statements of the subsidiaries have been prepared according to the parent company’s balance sheet date.

Subsidiaries are entities, over which the Bank holds either directly or indirectly more than 50% of the voting power or has significant influence and control of the business decisions taken.

All subsidiaries are consolidated according to the method of full consolidation. Subsidiaries are included in the consolidated financial statements from the date that control commences until that control ceases. Intercompany transactions and balances are eliminated from the consolidated financial statements.

(2.3) Associates

Associates are those entities over which the Group holds 20% to 50% of the voting power and has significant influence but not control. Investments in associates are accounted for by the equity method of accounting. According to this method investments in associates are initially recognized at cost.

The Group's share of its associates' post-acquisition profits or losses is recognized in the income statement and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

(2.4) Foreign currency translation

The functional currency of the Group is Euro (€).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies, are translated into the functional currency using the exchange rates prevailing at the balance sheet closing date. Translation differences are recognized in the income statement.

Translation differences arising from the translation of non-monetary assets are a component of the change in their fair value. Differences arising from the translation of non-monetary assets, such as securities held at fair value through profit or loss, are recognized in the consolidated income statement. Differences arising from the translation of non-monetary assets, such as an available-for-sale financial assets, are recognized in equity until the sale of this non-monetary asset.

(2.5) Investments in financial assets

The Group classifies its investments in financial assets as held-to-maturity, available-for-sale or assets in fair value through profit or loss. Classification is decided at initial recognition.

Initially, all investments are recognized on trade date and measured at cost, being the fair value of consideration given. Transaction costs are capitalized, if they are available-for-sale and held-to-maturity investments, whereas they are recorded directly to the income statement if they are financial assets at fair value through profit or loss.

Financial assets at fair value through profit or loss: This category has two subcategories: financial assets held for trading and financial assets designated at fair value through profit or loss at inception. Trading securities are acquired principally for the purpose of generating short term profit and include securities such as shares, bonds, and mutual fund units. After initial recognition, financial assets designated at fair value through profit or loss are stated at fair value. Gains or losses arising from changes in the fair value of these investments are recognized in the income statement.

Held-to-maturity investment securities: Investments with fixed maturities and fixed or determinable payments which the Bank has the positive intention and ability to hold to maturity. These investments are carried at amortized cost using the effective interest rate method. The amortized cost is calculated by taking into account the acquisition cost and any premium or discount on acquisition date less any provision for impairment.

Available-for-sale investment securities: Are those intended to be held for an indefinite period of time, to maturity or sold in response to needs for liquidity or to gain from the changes in interest rates or foreign currency exchange rates. After initial recognition, the investments classified as available-for-sale are carried at fair value. Gains and losses arising from changes in fair value of these investments are recognized directly in equity, until sold or collected or impaired at which time they are transferred to the income statement.

Fair value estimation
Investments that are quoted in active markets are valued at fair value, which is determined according to the current bid prices at balance sheet date. Non listed investments are valued at estimated fair value which is determined by using valuation techniques, adjusted so to take into consideration the distinctiveness of these securities and is also compared with current prices of other similar companies which are quoted in active markets.

All regular purchases and sales of financial assets are recognized on trade date, the date on which the Bank commits to purchase or sell the asset. The term "regular" purchases and sales of financial assets requires the delivery of a financial asset to be realized within the time period specified by either the responsible committee or is established by the existing practice.

(2.6) Sale and Repurchase agreements (Repos)

Securities sold subject to a linked repurchase agreement (Repos) are disclosed in the financial statements as available-for-sale investments, while the respective liability is disclosed, depending on the counter party, as amounts due to credit institutions, to customers or other deposits. Securities purchased under agreements to resell (Reverse Repos) are recorded in the financial statements as due from credit institutions. The difference between sale and repurchase price is recorded in the income statement and is accrued over the term of the agreement using the effective interest rate method.

(2.7) Property, plant and equipment

Property, plant and equipment include land, buildings, leasehold improvements, furniture and other equipment and vehicles, held by the Group either for operational purposes or for administrative purposes. Land and buildings are shown at fair value, based on valuations by independent valuers, regularly, and the difference arising from the valuation is credited to equity under revaluation reserve. The leasehold improvements, furniture and other equipment as well as vehicles are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation: Land is not depreciated. Depreciation on other property, plant and equipment assets is calculated using the straight-line method over their estimated useful lives, which is reviewed annually, as follows:

Buildings	30-35 years
Hardware	4-5 years
Furniture and other equipment	6-7 years
Vehicles	6-9 years

“Third party leasehold improvements” are depreciated over either the useful life of the improvement or the duration of the lease whichever is the shortest.

Impairment: The Group reviews annually its property, plant and equipment for impairment. If there are indications of impairment the carrying value of the property, plant and equipment is reduced to its recoverable amount and the respective decrease is recognized as an expense in the income statement. However, impairment should be charged directly against any related revaluation reserve to the extent that the impairment does not exceed the amount held in the revaluation reserve in respect of that same asset.

(2.8) Foreclosed Assets

Foreclosed assets acquired through foreclosure for the settlement of uncollected receivables from loans and advances are initially measured at cost which includes transaction costs. Foreclosed assets are disclosed in the Balance Sheet under “Other Assets”. After initial recognition foreclosed assets are re-measured at the lower of their cost and estimated recoverable value.

(2.9) Intangible Assets

Intangible assets include computer software. Computer software which is acquired and can be clearly identified is capitalized at the cost of acquisition. Subsequently, they are carried at cost less any accumulated amortization and any impairment losses. Computer software is amortized over 4-7 years. Group management, on an annual basis, examines the fair value of intangible assets so as to conclude whether there exists an indication of impairment or whether the useful life should be amended. In the case when the carrying value of an intangible assets exceeds its recoverable value, a corresponding impairment is charged to the income statement.

(2.10) Goodwill

Goodwill represents the excess of the cost of the acquisition over the fair value of the share of the entity’s equity at the date of acquisition.

At each balance sheet date, on annual basis, the carrying amount of goodwill is reviewed by the Group management for evidence of impairment. In case that the recoverable value is lower than the carrying amount, then the goodwill is reduced to its recoverable amount.

(2.11) Cash and cash equivalents

Cash and cash equivalents include monetary assets with less than three months to maturity.

(2.12) Loans and advances

Loans and advances are recorded on the disbursement date at cost, which is the fair value of the capital, including the direct expenses and income which relate to the loan. Subsequent to initial recognition, loans and advances are carried at amortized cost using the effective interest rate method.

(2.13) Provisions for credit risks

Loans and advances to customers are carried on the balance sheet after deducting provisions for losses.

The recoverability of loans and advances is reviewed on an individual basis for those loans which the Group considers as significant. The evaluation takes into account the financial position, credit standing, past repayment pattern, the transaction behaviour, the credit worthiness of guarantors and the realizable value of collaterals.

Loans and advances which are not considered significant as well as the ones which are considered significant but there are no impairment indications are grouped on the basis of similar credit risk characteristics, such as consumer loans, mortgage loans, credit card loans etc. The Bank examines on a collective basis the possible provision for loan losses. During the evaluation of each category the factors which are taken into account are the amount of non-performing or doubtful loans, the aging of overdue loans, the collectibility since they were categorized as doubtful, the existing financial status, the market conditions and historical losses.

When a loan is considered as doubtful, its carrying amount is reduced to its estimated recoverable amount, which is the present value of estimated future cash flows, including the amounts to be recovered from collaterals and guarantees held, discounted with the effective interest rate of the loan.

The differences in the recoverable amounts and the period that they are expected to be collected are compared with previous calculations and when a difference arises it is recorded to the income statement. The reverse of the provision for loan losses occurs only in the case that the credit standing of the customer has improved to an extent that the capital and interest will be collected according to the terms of the loan agreement.

No interest is accounted for on loans overdue 6 months. In this case interest is presented in memo accounts.

Loans and other advances are written off against the related provision, when it is considered uncollectible.

(2.14) Leases

The Group is the lessee

Operating Leases
The Group has entered into operating lease contracts where risks and rewards of ownership of the assets are retained by the lessor. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Finance Leases
The Group has entered into finance lease contracts where risks and rewards of ownership of the leased assets have been assumed by the Group.
At inception finance leases are carried at the lower between the fair value of the lease payments and the present value of the minimum lease payments. Subsequently, the leased land and buildings are revalued at fair value.

The leased assets are depreciated over the shorter period between the term of the lease and the useful life unless it is almost certain that the Group will assume the property of the asset upon the termination of the contract. If the lease transfers the ownership of the asset upon the termination of the contract or if there is the option of purchase at a lower price, then the depreciable period is the asset’s useful life.

Lease payments are distinguished in the amount referring to interest repayment and capital repayment. The distinction is made in order to achieve a fixed repayment schedule. Interest payments are charged to the income statement.

The Group is the lessor

The Group acts as the lessor and the classification of the leases is based on the extent to which all the risks and rewards of ownership of a leased asset belong to the lessor or lessee. A lease is classified as a finance lease when it substantially transfers all risks and rewards of ownership. A lease is classified as an operating lease when substantially all risks and rewards of ownership are not transferred.

Finance leases: The Group in its Balance Sheet, recognizes the held assets under a finance lease as a claim, with value equal to the net investment of the lease. Leases are treated as repayment of capital and as finance income.

The recognition and allocation of the finance income is based on a model that reflects a stable periodic rate of return of the net investment on the outstanding part of the finance lease.

Operating leases: Operating leased assets are presented in the financial statements as tangible fixed assets.

Rental income, excluding cost of services, is recognized in the income statement on a straight line basis over the lease term. Cost, including depreciation, which are undertaken for the acquisition of rental income is recognized in expenses.

(2.15) Derivative financial instruments and hedging

Derivative financial instruments include forward foreign exchange contracts, interest rate swaps, foreign exchange swaps and other derivative financial instruments.

Derivatives for trading purposes: Derivatives that do not qualify for hedging purposes are considered as entered into for trading purposes. Initially, derivatives are recognized in the balance sheet at fair value (which is essentially the transaction cost) on the date on which the contract is entered into. Subsequently they are remeasured at fair value. Fair values are obtained from quoted market prices, discounted cash flow models and options pricing models as appropriate. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

A derivative may be a component of a financial instrument. The combined financial instrument includes both a derivative and a host contract and is known as embedded derivative. An embedded derivative should be separated from the host contract and accounted for as a derivative if all of the following conditions are met: a) the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract, b) a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and c) the hybrid (combined) instrument is not measured at fair value with changes in fair value reported in the income statement.

Changes in the fair value of derivatives are reported in the income statement.

Hedging: For the purposes of hedge accounting, hedging is designated as a fair value hedge, when the exposure to changes in the fair value of a recognized asset or liability is hedged or as cash flow hedge when the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability is hedged. For the derivatives that are used for hedging purposes the Group applies hedge accounting which includes a description of the hedged item, of the hedging instrument, the nature of the risk being hedged and the enterprise's risk management strategy. Furthermore, it documents whether or not the hedging is effective at inception and throughout the life of the hedge. That is whether or not fair value changes derived from the hedged exposure are offset by the changes of the hedging instrument and are within a range of 80% to 125%.

In fair value hedge transactions which meet the criteria for hedge accounting, gains or losses which are due to the valuation of the hedging instrument to fair value are recorded in the income statement. The hedged item is valued at fair value and the gains or losses are recorded in the income statement.

Changes in the fair value of the effective portion of derivatives that are designated and qualify as cash flow hedges and that prove to be highly effective in relation to the hedged risk, are recognized in the hedge reserve in equity. Otherwise, gains and losses which refer to the ineffective portion of the hedge are recorded in the income statement.

When the criteria for hedge accounting are no longer met, due to the hedging being no longer effective or due to the fact that the hedged exposure has been derecognised, then the related accumulated gains or losses recognized in equity are transferred to the income statement.

(2.16) Offsetting of assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the financial statements when there is a legal right to set off the recognized amounts and there is an intention to realize the asset and settle the liability simultaneously or on a net basis.

(2.17) Interest income and expense

For all financial assets and liabilities, interest income and expense are recognized in the income statement using the effective interest rate method.

The effective interest rate method is a method of calculating the amortized cost of the financial asset or financial liability and of allocating the interest income or expense over the reported period. The effective interest rate is the rate that discounts the estimated future cash receipts or payments through the expected estimated life of the financial instrument.

When a financial asset or a group of financial assets has been written down as a result of an impairment loss, interest income is recognized using the interest rate used to discount the future cash flows for the purpose of measuring the impairment loss.

(2.18) Fee and commission income

Fees and commissions are recognized in the income statement in the period that the service has been provided. Commission and fees arising from third party transactions, are recognized in the income statement upon the completion of the underlying transaction. Portfolio management fees and other management advisory and service fees are recognized in the income statement according to the applicable service contracts, usually on a proportional basis.

(2.19) Provisions

The Group recognizes a provision for contingent liabilities and risks when:

- there is a present legal or constructive obligation as a result of past events,
- a reliable estimate of the amount of the obligation can be made and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

(2.20) Income Tax

Deferred income tax is calculated based on the temporary differences arising between the carrying amount of assets and liabilities included in the financial statements and their amounts as measured for tax purposes.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted.
The Group recognizes deferred tax assets when it is probable that sufficient taxable profit will be available against which the deferred tax asset can be utilized.

Deferred income tax is also recognized in cases that temporary differences arise from investments in subsidiaries and associates, except when the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not be reversed in the foreseeable future.

Income tax payable on profits, based on the applicable tax law is recognized as an expense in the income statement of the year. Tax losses available for carry forward for offsetting are recognized as an asset when it is probable that future taxable profits will be available and they will exceed the accumulated tax losses.

Deferred tax asset or liability arising from the re-measurement of fair value of available for sale securities and cash flow hedges, which are charged or credited directly to equity, is also charged directly to equity.

(2.21) Employee benefits

The Group participates in various retirement benefit plans for its employees. Those include both defined benefit and defined contribution plans.

For defined contribution plans the Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

A defined benefit plan is a pension plan that the obligation of the Group is to define an amount of pension benefit that an employee will receive at retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains/losses and past service cost. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government securities which have terms to maturity approximating the terms of the related liability.

Actuarial gains and losses which can be derived from adjustments according to past experience, as well as changes in actuarial assumptions, are debited or credited to the income statement over the employees' expected average remaining working lives.

(2.22) Derecognition of a financial instrument from the financial statements

A financial instrument is derecognised from the Bank financial instruments when the Group loses control of the contractual rights that comprise the financial instrument. The Group loses such control if it realizes the rights to benefits specified in the contract, the rights expire, or the enterprise surrenders those rights.

(2.23) Segment reporting

A Business segment is the primary type of information. A Business segment is a group of assets and operations engaged in providing services that are subject to risks and returns that are different from those of other business segments.

A geographical segment is the secondary type of information. A geographical segment is engaged in providing services about the Group's activities within a particular economic environment that are subject to risks and returns that are different from those of segments of operating in other economic environments.

(2.24) Treasury shares

Treasury shares held by the Group are carried at cost and they are deducted from equity until they are cancelled. Where such shares are subsequently sold or reissued, the gain or loss from the sale is not recorded in the income statement but directly recognized in equity.

(2.25) Borrowing Costs

Borrowing cost, according to IAS 23, is recognized as an expense in the income statement of the year in which it incurred.

(2.26) Related party transactions

Related parties are entities, which the Bank holds either directly or indirectly more than 50% of the share capital or has significant influence in making financial and operating decisions. Also, related parties are considered to be the members of the Group's management, their close relatives, companies owned or controlled by them and companies over which they can influence the financial and operating policies.

All the banking transactions entered into with related parties are made on substantially the same terms that are performed similar transactions with other non-related parties, in the same period.

(2.27) Earnings per share

Basic earnings per share (EPS) ratio is calculated by dividing the net profit or loss for the period attributable to ordinary Bank's shareholders by the weighted average number of ordinary shares outstanding during the period.

The diluted earnings per share ratio is computed using the same method as for basic EPS, the determinants are adjusted to reflect the potential dilution that could occur if convertible debt securities, options, warrants or other contracts to issue ordinary shares were converted or exercised into ordinary shares.

(2.28) Custody services

The Group offers custody services to individuals and companies for their assets. These assets do not belong to the Group. The gains or losses arising from them and from the investment of them are not represented in the financial statements of the Group. Commissions which are collected from custody services are recognized in the income statement.

(2.29) Comparative Figures

The Group prepares the financial statements with comparative figures. For the preparation of the financial statements for the year ended on 31 December 2005 comparative figures were used those of the financial statements as of 31 December 2004 (Balance Sheet and Income Statement).

(2.30) New accounting standards and IFRIC interpretations

The International Accounting Standards Board as well as the Interpretations Committee have already issued a series of new accounting standards and interpretations the implementation of which is obligatory for the accounting periods starting from 1st January 2006. The Group's assessment as regards the impact of the new standards and interpretations is as follows:

IFRS 6: Exploration for and Evaluation of Mineral Resources
Not applicable to the Group and will not affect its financial statements
IFRIC 3: Emission Rights
Not applicable to the Group and will not affect its financial statements
IFRIC 4: Determining whether an Asset contains a Lease
The Group shall apply IFRIC 4 in the financial statements of 2006 on the basis of its transition provisions which means that it shall apply IFRIC 4 on the basis of facts and circumstances applicable on 1st January 2005. Implementation of IFRIC 4 is not expected to change the accounting management of the existing contracts of the Group.
IFRIC 5: Rights to interests from Decommissioning, Restoration and Environmental Rehabilitation Funds.
Not applicable to the Group and will not affect its financial statements.

3. SEGMENT REPORTING

The Group provides banking and financial services in Greece.

4. INTEREST AND SIMILAR INCOME

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
From loans and advances to customers (apart from financial leases)	121.264.284,62	115.136.613,10
Credit Institutions	5.845.250,62	2.142.912,76
From securities held at fair value through profit or loss and trading securities	251.227,76	799.449,15
From available for sale securities	3.294.940,11	4.843.855,93
From held to maturity securities	815.658,50	0,00
From financial leases (lessor)	4.208.299,70	3.063.470,41
Interest deposit accounts	382.920,81	360.410,51
Other	308.917,52	579.926,15
Interest and similar income	**136.371.499,64**	**126.926.638,01**

5. INTEREST EXPENSE AND SIMILAR CHARGES

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Customers deposits	(53.050.157,39)	(48.908.465,70)
Repos	(426.563,74)	(1.503.036,84)
To credit institutions	(889.672,28)	(1.571.207,39)
To finance leases (lessee)	(188.491,59)	0,00
Loans	(1.857.735,01)	(29.581,07)
Bond loan	(2.757.566,35)	0,00
Other	0,00	(613.117,48)
Interest expense and similar charges	**(59.170.186,36)**	**(52.625.408,48)**

6. FEE AND COMMISSION INCOME

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Loans and advances to customers	4.864.924,76	3.267.821,59
Credit cards	1.874.783,10	3.379.206,87
Custody services	198.504,15	35.278,06
Import-export	2.771.621,09	3.108.849,95
Letters of guarantee	4.071.544,26	3.727.476,88
Money transfers	12.468.566,21	16.487.375,69
Foreign exchange transactions	149.101,79	170.898,67
Factoring	1.231.443,93	322.295,23
Telephone-Telegraph-Swift	15.723,06	23.952,82
Mutual Funds	1.045.786,09	587.218,68
Securities	0,00	9.778,24
From stock exchange transactions	191.824,93	2.254.168,52
Commissions movement of deposit accounts	1.434.160,92	1.509.018,04
Other commissions	1.588.774,92	1.712.627,62
Commission income	**31.906.759,21**	**36.595.966,86**

7. FEE AND COMMISSION EXPENSE

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Loans	(280.817,60)	(58.961,44)
Acquisition cost of trading stocks	(668.920,67)	(139.867,18)
Other	(216.913,58)	(326.630,85)
Commission expenses	**(1.166.651,85)**	**(525.459,47)**

8. DIVIDEND INCOME

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
From securities held at fair value through profit or loss / trading securities	509.830,07	661.372,00
Other	13.400,49	28.510,76
Dividend income	**523.230,56**	**689.882,76**

9. GAIN (LOSSES) FROM TRADING

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
TRADING SECURITIES		
Profits less losses		
Derivative Financial instruments	41.462,54	(235.184,98)
Foreign exchanges differences		
From foreign currency	1.363.791,83	1.524.614,04
From sales		
Equities	3.734.403,31	3.296.183,47
Securities	181.022,18	483.105,99
From valuation		
Equities	313.009,92	(2.559.539,55)
Mutual funds	0,00	0,00
Net gain from trading financial transactions	**5.633.689,78**	**2.509.178,97**
SECURITIES HELD AT FAIR VALUE THROUGH PROFIT OR LOSS AT INITIAL RECOGNITION		
Profit less losses		
From sales		
Securities	0,00	19.375,00
From valuation		
Securities	(68.083,19)	59.916,97
Gain or loss from securities held at fair value through profit or loss at initial recognition	**(68.083,19)**	**79.291,97**
GAINS FROM TRADING	**5.565.606,59**	**2.588.470,94**

10. GAINS (LOSSES) ON DISPOSAL OF INVESTMENT SECURITIES

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
FINANCIAL ASSETS AVAILABLE FOR SALE		
Profit less losses		
From sales		
Equities	22.950,50	(164.367,00)
Bonds	208.227,88	2.511.237,28
Mutual fund units	136.753,38	155.602,75
Impairment	(52,00)	(766.604,70)

Gain (losses) on disposal of available for sale securities	**367.879,76**	**1.735.868,33**
INVESTMENT SECURITIES HELD TO MATURITY		
Impairment	-	-
GAINS (LOSSES) FROM INVESTMENT SECURITIES	**367.879,76**	**1.735.868,33**

11. OTHER OPERATING INCOME

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Gains from sales of property, plant and equipment	5.419,89	17.443,62
Adjudged court expenses	764.239,56	593.797,76
Subsidization of training and community programmes	394.116,20	344.659,09
Other	1.497.016,70	2.184.893,09
Other Operating Income	**2.660.792,35**	**3.140.793,56**

12. OPERATING EXPENSES

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Salaries and wages	(32.510.386,58)	(32.445.189,44)
Social security contributions (defined contribution plans)	(8.382.141,69)	(8.200.579,95)
Other charges	(8.228.498,12)	(8.242.589,60)
Cost for defined benefit plans	(1.171.107,62)	(1.718.460,68)
Salaries	**(50.292.134,01)**	**(50.606.819,67)**
Third party fees and expenses	(2.564.893,14)	(2.476.862,13)
Advertising and promotion expenses	(2.719.584,33)	(3.121.860,20)
Telecommunication expenses	(2.290.631,13)	(2.349.003,25)
Insurance premium fees	(429.806,08)	(336.421,53)
Repair and maintenance	(1.694.571,09)	(2.875.698,19)
Traveling expenses	(536.339,23)	(501.945,22)
Printing and stationery	(562.027,80)	(463.764,09)
Utility services	(829.057,06)	(786.089,17)
Rentals	(4.717.282,69)	(4.539.918,34)
Impairment (Property, plant and equipment)	0,00	(1.000,00)
Minimum payments of operating leases recognized as expense	0,00	(1.996,40)
Subscriptions – Memberships	(297.420,29)	(478.471,87)
Legal and out of court expenses	(1.677.984,57)	(915.880,74)
Expenses visa	(2.588.602,85)	(2.920.369,32)
Provisions for other risks	(1.193.632,00)	(800.000,00)
Taxes other than income tax	(326.230,37)	(519.067,73)
Other	(5.822.792,63)	(5.749.860,39)
Operating Expenses	**(28.250.855,26)**	**(28.838.208,57)**
Depreciation of property, plant and equipment	(3.680.340,24)	(3.583.724,51)
Amortization of intangible assets	(1.633.629,71)	(1.364.190,85)
Depreciation	**(5.313.969,95)**	**(4.947.915,36)**
Total Operating Expenses	**(83.856.959,22)**	**(84.392.943,60)**

NUMBER OF EMPLOYEES

The average number of employees is:	1.127	1.185

13. TAXES

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Current income tax	(677.075,96)	(4.469.859,52)
Deferred income tax	1.885.740,00	(1.397.395,03)
Total	**1.208.664,04**	**(5.867.254,55)**

The reconciliation between the tax arising based on the tax rate in effect and the tax expense recognized in the income statement for the year is set off as follows:

Profit/loss before tax	(11.098.029,32)	12.133.808,91
Tax rate	32%	35%
Income tax	3.551.369,38	(4.246.833,12)
Income not subject to tax	1.752.223,39	2.888.405,57
Expenses not deductible for tax purposes	(2.423.475,82)	(1.988.242,51)
Charge from change of tax rate	(1.360.455,02)	(1.017.032,76)
Other taxes	(310.997,89)	(1.503.551,73)
Total	**1.208.664,04**	**(5.867.254,55)**

Deferred tax

Revaluation of intangible assets	(324.157,88)	(701.338,95)
Revaluation of property, plant and equipment	(35.128,27)	60.560,95
Provisions for impairment of loans and advances to customers	(600.000,00)	(600.000,00)
Provisions for contingent liabilities	(3.566.512,99)	(334.360,59)
Other temporary differences	(204.381,22)	(195.545,21)
Tax income for offsetting	6.366.127,86	0,00
Employee retirement benefits	249.792,50	373.288,77
Profit/loss from deferred tax	**1.885.740,00**	**(1.397.395,03)**

14. BASIC AND DILUTED EARNINGS / LOSSES PER SHARE

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Earnings / losses after tax	(9.889.377,77)	5.957.901,20
Weighted average number of shares	82.577.910,00	82.577.910,00
Basic and diluted earnings / losses per share	**(0,12)**	**0,07**

15. CASH AND BALANCES WITH CENTRAL BANK

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Cash in hand	20.023.897,84	15.587.785,71
Cheques receivable	41.966.983,48	70.275.289,93
Balances with Central Bank (except for mandatory deposits)	29.653.916,87	0,00
Mandatory deposits at Central Bank	1.666.000,00	0,00
Cash and balances with Central Bank	**93.310.798,19**	**85.863.075,64**

16. DUE FROM OTHER FINANCIAL INSTITUTIONS

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Domestic Credit Institutions	1.185.784,03	3.356.913,59
Foreign Credit Institutions	2.088.596,28	1.104.037,07
Current Deposits with Credit Institutions	**3.274.380,31**	**4.460.950,66**

Domestic Credit Institutions	131.878.758,95	179.366.322,08
Foreign Credit Institutions	194.160.099,22	140.525.217,78
Time Deposits with Credit Institutions	**326.038.858,17**	**319.891.539,86**
Repurchase agreements	15.393.519,95	39.723.859,12
Other claims from Credit Institutions	11.961,08	4.115.281,72
Other claims	**15.405.481,03**	**43.839.140,84**
Due from other financial institutions	**344.718.719,51**	**368.191.631,36**

17. TRADING PORTFOLIO

17.1 SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS AT INITIAL RECOGNITION

(Amounts reported in €)

DESCRIPTION	**31/12/2005**	**31/12/2004**
Corporate Listed Bonds –Domestic	2.894.846,98	5.500.164,48
Corporate Non Listed bonds - Domestic	0,00	0,00
Securities at fair value through profit or loss at initial recognition	**2.894.846,98**	**5.500.164,48**

17.2 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

(Amounts reported in €)

CLASSIFICATION PER TYPE OF SECURITY AND MARKET	**31/12/2005 Fair Value**	**31/12/2004 Fair Value**
TRADING PORTFOLIO		
Government bonds – Domestic	0,00	1.010.900,00
Government bonds – Foreign	0,00	1.076.600,00
Government bonds	**0,00**	**2.087.500,00**
Corporate Listed Bonds –Domestic	0,00	7.705.600,00
Corporate Listed Bonds- Foreign	0,00	10.015.950,00
Corporate Listed Bonds	**0,00**	**17.721.550,00**
Corporate Non Listed Bonds	**0,00**	**441.350,00**
Bonds	**0,00**	**20.250.400,00**
Listed Equities – Domestic	15.528.827,51	15.890.105,33
Listed Equities – Foreign	0,00	5.139.982,71
Listed Equities	**15.528.827,51**	**21.030.088,04**
Equities	**15.528.827,51**	**21.030.088,04**
Mutual Fund units	**0,00**	**0,00**
Other	**0,00**	**0,00**
Trading Securities portfolio	**15.528.827,51**	**41.280.488,04**
Trading portfolio	**18.423.674,49**	**46.780.652,52**

18. DERIVATIVE FINANCIAL INSTRUMENTS

(Amounts reported in €)

31/12/2005		**ASSETS**	**LIABILITIES**
CLASSIFICATION PER TYPE OF INVESTMENT	**Nominal Value**	**Fair Value Profit**	**Fair Value Loss**
Swaps	20.293.503,22	52.098,27	0,00
Forwards	11.684.019,49	39.764,23	(14.367,62)
Derivative financial instruments for trading	**31.977.522,71**	**91.862,50**	**(14.367,62)**

31/12/2004

CLASSIFICATION PER TYPE OF INVESTMENT	**Nominal Value**	**Fair Value Profit**	**Fair Value Loss**
Swaps	25.181.204,72	0,00	(32.912,12)
Forwards	3.224.169,81	5.604,46	0,00
Derivative Financial Instruments for trading	**28.405.374,53**	**5.604.46**	**(32.912,12)**

The above Derivative Financial Instruments are not listed in an active stock exchange market.

19. LOANS AND ADVANCES TO CUSTOMERS (AFTER PROVISIONS)

19.1 LOANS AND ADVANCES TO CUSTOMERS (AFTER PROVISIONS)

(Amounts reported in €)

19.1 DESCRIPTION	**31/12/2005**	**31/12/2004**
Credit cards	84.373.630,40	76.020.259,00
Consumer loans	174.998.043,16	126.882.135,74
Mortgages	255.710.243,00	172.079.659,16
Other	2.677.507,37	763.001,95
Loans to private individuals	**517.759.423,93**	**375.745.055,85**
Agricultural sector	15.354.192,63	11.122.889,86
Merchantry	534.991.957,43	587.799.630,41
Industrial sector	250.248.711,30	323.387.698,63
Small industry	95.026.154,26	105.054.749,09
Tourism	9.933.297,13	9.780.360,86
Shipping	2.047.054,55	1.554.966,82
Construction sector	176.139.506,70	140.143.842,00
Other	206.291.737,68	174.216.090,00
Loans to corporate entities	**1.290.032.611,68**	**1.353.060.227,67**
Public sector	**7.481.809,34**	**6.020.616,87**
Net investment in finance lease	**75.317.039,63**	**63.025.636,31**
Loans and advances to customers (before provisions)	**1.890.590.884,58**	**1.797.851.536,70**
Provisions for impairment of loan losses	**(103.048.897,83)**	**(70.977.792,36)**
Loans and advances to customers (after provisions)	**1.787.541.986,75**	**1.726.873.744,34**

Loans are carried at amortized cost, which does not significantly differ from their fair value.

19.2 RECEIVABLES FROM FINANCIAL LEASES (LESSOR)

(Amounts reported in €)			**31/12/2005**		
DESCRIPTION	Amounts from contracts	Total	Up to one year	One to five years	More than five years
Land	7.750.565,93				
Buildings	22.442.489,78				
Machinery	44.738.911,47				

Transportation equipment	30.286.843,24				
Mechanical equipment	9.012.862,62				
Other	2.971.693,93				
Gross investment (Future payments)	0,00	91.478.918,01	23.243.579,86	48.995.088,99	19.240.249,16
Less: Unaccrued financial income		(16.161.878,38)	(4.297.527,78)	(8.100.348,56)	(3.764.002,04)
Net investment in financial leasing		**75.317.039,63**	**18.946.052,08**	**40.894.740,43**	**15.476.247,12**

			31/12/2004		
DESCRIPTION	Amounts from contracts	Total	Up to one year	One to five years	More than five years
Land	5.451.949,04				
Buildings	16.018.220,67				
Machinery	34.013.635,30				
Transportation equipment	22.319.761,97				
Mechanical equipment	7.567.044,75				
Gross investment (Future payments)	0,00	73.052.180,36	17.651.128,88	40.760.682,31	14.640.369,17
Less: Unaccrued financial income		(10.026.544,05)	(3.461.551,26)	(6.304.984,59)	(260.008,20)
Net investment in financial leasing		**63.025.636,31**	**14.189.577,62**	**34.455.697,72**	**14.380.360,97**

19.3 PROVISIONS FOR CREDIT RISK	
Provision as at 01/01/2004	**(57.976.114,22)**
Plus:	
Provision	(22.000.000,00)
Less:	
Write-offs	8.998.321,86
Accumulated provisions as at 31/12/2004	**(70.977.792,36)**
Plus:	
Provision	(44.300.000,00)
Less:	
Write-offs	12.228.894,53
Accumulated provisions as at 31/12/2005	**(103.048.897,83)**

The Bank has already placed in application a system for measuring the credit risk, which takes into account all the factors that may affect the regular repayment of the loan and therefore assures the correct presentation of the size of their impairment through the set up of a respective provision. This provision is the difference between the carrying amount of the claim and the loan amount awaited to be collected.

20. INVESTMENT PORTFOLIO

20.1 AVAILABLE FOR SALE INVESTMENT SECURITIES

(Amounts reported in €)

CLASSIFICATION BY MARKET AND CATEGORY	**31/12/2005 Fair Value**	**31/12/2004 Fair Value**
TRADING PORTFOLIO		
Government Bonds-Domestic	4.402.054,29	14.701.756,69
Government Bonds	**4.402.054,29**	**14.701.756,69**
Corporate Listed –Domestic	105.912,00	105.924,00
Corporate Listed –Foreign	37.145.250,00	30.430.800,00
Corporate Listed Bonds	**37.251.162,00**	**30.536.724,00**
Corporate Non Listed –Domestic	41.928.127,99	30.141.333,33
Corporate Non Listed –Foreign	878.754,40	921.187,96
Corporate Non Listed Bonds	**42.806.882,39**	**31.062.521,29**
Bonds	**84.460.098,68**	**76.301.001,98**

Listed shares-Domestic	823.133,60	431.644,68
Non Listed shares-Domestic	304.766,19	20.792,67
Shares	**1.127.899,79**	**452.437,35**
Mutual fund units - Domestic	8.200.817,98	7.527.950,41
Mutual fund units - Foreign	25.002.317,33	0,00
Mutual fund units	**33.203.135,31**	**7.527.950,41**
Available for sale investment securities	**118.791.133,78**	**84.281.389,74**

20.2 HELD TO MATURITY INVESTMENT SECURITIES

(Amounts reported in €)

CLASSIFICATION BY TYPE AND MARKET	**31/12/2005**	**31/12/2004**
Government Bonds-Domestic	10.209.471,98	324.284,71
Government Bonds	**10.209.471,98**	**324.284,71**
Corporate Listed –Foreign	6.947.038,06	0,00
Corporate Non Listed –Foreign	10.000.000,00	5.000.000,00
Corporate Bonds	**16.947.038,06**	**5.000.000,00**
Bonds	**27.156.510,04**	**5.324.284,71**
Held to maturity investment securities	**27.156.510,04**	**5.324.284,71**
Investment Portfolio	**145.947.643,82**	**89.605.674,45**

Included in the as of 31/12/2005 available for sale investment securities portfolio, bonds of nominal value totalling € 17.446.000,00 have been sold in the frame of repos and are referred to the Bank. The corresponding amount at 31/12/2004 amounted to € 34.174.432,00.

Held to maturity investment securities are carried at amortized cost. Their fair value as at 31/12/2005 amounts to € 36.623 thousand and as at 31/12/2004 amounts to 5.323 thousand.

21. INVESTMENTS IN SUBSIDIARIES

Company	Country of Incorporation	Number of Stocks	% Participation	% Minority	Cost Price	Carrying amount
1. Attica Funds PLC	United Kingdom	17.500	99,99%	0,01%	25.535,89	25.535,89
2. Attica Bankassurance Agency S.A.	Greece	10.000	99,90%	0,10%	99.900,00	99.900,00

The investments in subsidiaries include a) the acquisition cost of ATTICA FUNDS P.L.C. domiciled in London, which was established in March 2005. The share capital of this company is £ 17.499,75, which translated using the exchange rate at 31/12/2005 amounts to € 25.535,89 and b) the acquisition cost of ATTICA BANKASSURANCE AGENCY S.A. which was established in October 2005 and its share capital is € 100.000,00. The above companies did not have an obligation to prepare financial statements as at 31/12/2005, their financial sizes would have an insignificant influence in the consolidated financial statements of the Group.

22. INTANGIBLE ASSETS

(Amounts reported in €)	
DESCRIPTION	**Software**
Opening balance	
Cost	9.282.295,91
Accumulated Depreciation and Impairment	(1.758.131,19)
Net Book Value 1/1/2004	**7.524.164,72**
Plus:	
Acquisitions	358.979,14
Less:	
Depreciation charge	(1.364.190,85)
Impairment charge	
Net Book Value 31/12/2004	**6.518.953,01**
Cost	9.641.275,05
Accumulated Depreciation and Impairment	(3.122.322,04)
Net Book Value 31/12/2004	**6.518.953,01**
Plus:	
Acquisitions	2.229.165,79
Less:	
Depreciation charge	(1.633.079,71)
Impairment charge	(31.004,62)
Net Book Value 31/12/2005	**7.084.034,47**
Cost	11.870.440,84
Accumulated Depreciation and Impairment	(4.786.406,37)
Net Book Value 31/12/2005	**7.084.034,47**

23. PROPERTY, PLANT AND EQUIPMENT

(Amounts reported in €)

DESCRIPTION	Land	Buildings	Motor Vehicles	Furniture and other Equipment	Leasehold improvement on third party	Under Construction	Total
Opening net book amount							
Cost	8.521.418,56	6.572.073,09	148.765,64	17.838.228,13	8.392.251,61	1.411.514,42	**42.884.251,75**
Accumulated Depreciation and Impairment	(58.418,56)	(178.584,92)	(95.315,90)	(10.395.015,93)	(4.649.840,49)	0,00	**(15.377.174,99)**
Opening net book amount 01/01/2004	**8.463.000,00**	**6.393.488,17**	**53.450,85**	**7.443.212,20**	**3.742.411,12**	**1.411.514,42**	**27.507.076,76**
Plus:							
Acquisitions / Revaluations	424.893,19	1.645.026,42	1.628,40	1.644.958,44	1.022.096,65	1.736.195,87	**6.474.798,97**
Sales				(77.144,85)			**(77.144,85)**
Less:							
Depreciation charge		(198.307,22)	(12.825,06)	(2.466.384,53)	(906.207,70)		**(3.583.724,51)**
Impairment Charge	(406.000,00)	(96.356,72)				(404.660,45)	**(907.017,17)**
Other				18.314,42		(1.039.063,66)	**(1.020.749,24)**
Net Book Value 31/12/2004	**8.481.893,19**	**7.743.850,65**	**42.254,19**	**6.562.955,68**	**3.858.300,07**	**1.703.986,18**	**28.393.239,96**
Cost	8.541.311,75	7.934.772,79	150.394,34	19.406.041,72	9.414.348,26	2.108.646,63	**47.555.515,49**
Accumulated Depreciation and Impairment	(59.418,56)	(190.922,14)	(108.140,15)	(12.843.086,04)	(5.556.048,19)	(404.660,45)	**(19.162.275,53)**
Net Book Value 31/12/2004	**8.841.893,19**	**7.743.850,65**	**42.254,19**	**6.562.955,68**	**3.858.300,07**	**1.703.986,18**	**28.393.239,96**
Plus:							
Acquisitions / Revaluations	1.131.252,42	4.818.004,88	0,00	1.811.290,41	581.344,60	847.187,35	**9.189.079,66**
Sales				(1.393,97)			**(1.393,97)**
Less:							
Depreciation charge		(316.062,94)	(12.967,53)	(2.468.667,73)	(882.642,04)		**(3.680.340,24)**
Impairment Charge				1.393,94		(1.587.526,70)	**(1.586.132,76)**
Other		(246.000,00)	(0,01)	(103.155,17)		(116.459,49)	**(465.614,67)**
Net Book Value 31/12/2005	**9.613.145,61**	**11.999.792.59**	**29.286,65**	**5.802.423,16**	**3.557.002,63**	**847.187,34**	**31.848.837,98**
Cost	9.672.564,17	12.752.777,67	150.394,34	20.477.420,30	9.995.692,86	2.839.374,49	**55.888.223,83**
Accumulated Depreciation and Impairment	(59.418,56)	(752.985,08)	(121.107,69)	(14.674.997,14)	(6.438.690,23)	(1.992.187,15)	**(24.039.385,85)**
Net Book Value 31/12/2005	**9.613.145,61**	**11.999.792,59**	**29.286,65**	**5.802.423,16**	**3.557.002,63**	**847.187,34**	**31.848.837,98**

The Bank revalued its property, plant and equipment (land and buildings). The valuation was performed by an independent valuer.
In the above, property, plant and equipment (land and buildings) amounts to € 5.960.245,70 which are acquired through a finance lease at the end of which the ownership remains to the Bank. The depreciation of this property, land and equipment is calculated during their estimated useful life, which is the same useful life of its own buildings.

24. OTHER ASSETS

(Amounts reported in €)		
DESCRIPTION	**31/12/2005**	**31/12/2004**
Prepaid expenses	802.229,83	552.348,35
Tax advances and other tax receivables	3.270.938,87	5.339.173,80
Accrued interest and commissions	7.661.689,12	5.798.052,08
Foreclosure assets	4.059.582,56	4.059.582,56
Other receivables from public sector	151.412,37	479.242,17
Cheques receivable (Postdated checks)	423.439,76	29.660,86
Stationery	307.665,55	358.519,73
Other payable	18.088.369,57	1.024.146,75
Cash payments for company under establishment	4.000.000,00	4.000.000,00
Guarantees	2.655.733,94	2.052.383,88
Temporary accommodations to employees	2.369.062,76	2.363.130,49
Due from customers	2.361.628,38	11.558.412,75
Other	17.948.263,51	11.730.101,24
Other assets	**64.100.016,22**	**49.344.754,66**

25. DUE TO OTHER FINANCIAL INSTITUTIONS

(Amounts reported in €)		
DESCRIPTION	**31/12/2005**	**31/12/2004**
Current deposits	3.789.199,92	2.751.793,93
Time deposits	168.929.136,40	84.265.617,28
Due to Central Bank	0,00	999.971,93
Other	0,00	0,00
Due to other financial institutions	**172.718.336,32**	**88.017.383,14**

26. DEPOSITS DUE TO CUSTOMERS AND SIMILAR LIABILITIES

(Amounts reported in €)		
DESCRIPTION	**31/12/2005**	**31/12/2004**
Current accounts	234.551.225,08	188.516.450,59
Saving accounts	379.603.158,20	355.653.335,45
Time deposits	602.098.068,44	491.847.227,87
Pledged	3.360,83	27.869,47
Deposits from individuals	**1.216.255.812,55**	**1.036.044.883,38**
Current accounts	201.898.234,86	186.302.185,83
Time deposits	241.760.844,52	502.995.990,67
Pledged	50.672.495,69	32.443.898,20
Deposits from legal entities	**494.331.575,07**	**721.742.074,70**
Current accounts	151.771.503,65	160.827.282,82
Time deposits	42.875.368,86	68.846.847,22
Pledged	365.315,98	52.178,78
Public sector deposits	**195.012.188,49**	**229.726.308,82**
Current accounts	16.586.203,32	14.586.975,48
Saving accounts	1.243.671,39	6.742.262,88
Other deposits	**17.829.874,71**	**21.329.238,36**
Repos from individuals	0,00	3.058.789,94
Repos from legal entities	17.883.046,59	36.629.060,50
Repos	**17.883.046,59**	**39.687.850,44**
Other due to customers	**12.841.240,67**	**17.269.732,96**
Deposits due to customers and similar liabilities	**1.954.153.738,08**	**2.065.800.088,66**

27. ISSUED BONDS AND OTHER BORROWINGS

27.1 ISSUED BONDS

(Amounts reported in €)

	31/12/2005		31/12/2004	
DESCRIPTION	**Average interest**	**Carrying amount**	**Average interest**	**Carrying amount**
SUBORDINATED LOAN (LOWER TIER II)	3,46	99.360.371,66	0,00	0,00
SUBORDINATED LOAN ATTIKIS LEASING S.A.	3,60	49.625.260,00	0,00	0,00
Issued Bonds		**148.985.631,66**	**0,00**	**0,00**

The first subordinated loan (Lower Tier II) was issued on 24/03/2005 with a term of 10 years and the option to redeem in 5 years. It is designated for capital adequacy calculation purposes. The interest payment schedule is quarterly and the interest rate is Euribor plus a split of 1,32%. The subordinated loan has been issued by ATTICA FUNDS PLC (subsidiary) and the securities are listed in the Luxemburg Stock Exchange.

The second loan, concerns common subordinated loan, which was taken by ATTIKIS LEASING S.A. subsidiary on 31.03.2005 with a term of five years. The interest period is quarterly, the interest is based on Euribor plus a spread of 1,45%. The loan was issued by Emporiki Bank, its total amount is € 60.000.000,00 and Attica Bank participates with the amount € 10.000.000,00.

27.2 OTHER BORROWINGS

(Amounts reported in €) 31/12/2005

DESCRIPTION	Nominal interest	Average Interest Rate	Maturity Date	Value
Other borrowings				

31/12/2004

DESCRIPTION	Nominal interest	Average Interest Rate	Maturity Date	Value
Loan from ALPHA BANK	1m Euribor + 1,85%	4,02%	26/04/2005	5.000.000,00
Loan from LAIKI BANK	1m Euribor + 2,1%	4,22%	04/04/2005	2.000.000,00
Loan from Emporiki bank	1m Euribor + 1,85%	4,02%	31/03/2005	3 .000.000,00
Other borrowings				**10.000.000,00**

28. DEFERRED TAX ASSETS – LIABILITIES

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Revaluation of intangible assets	23.573,50	56.839,78
Revaluation of property, plant and equipment	0,00	232.879,25
Provision for impairment of loan losses	5.800.000,00	6.400.000,00
Employee retirement benefits	9.335.281,02	9.090.290,51
Provision for contingent liabilities	0,00	0,00
Income tax for setting off	6.366.127,86	0,00
Other temporary differences	420.060,61	386.208,67
Deferred tax Assets	**21.945.042,99**	**16.166.218,21**

Revaluation of intangible assets	(311.457,45)	0,00
Revaluation of property, plant and equipment	(144.905,07)	(219.649,49)
Securities for trading purposes	0,00	(541,37)
Available-for-sale investment securities	(90,56)	(90,56)
Other temporary differences	(256.682,81)	(132.659,61)
Deferred Tax Liabilities	**(713.135,89)**	**(352.941,03)**
Deferred Tax Asset, net	**21.231.907,09**	**15.813.277,18**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or deferred tax liability is settled. If the tax rate changes at the year that deferred tax asset is realized or deferred tax liability is settled, then the difference is recognized in the income statement. During the current year the Group recognized in the financial statements, deferred tax assets of € 6.366.127,86. The above deferred tax assets, arise from the tax loss of the closing year, in which the Group has the possibility to set off with profit that will arise in the following five years. According to the Group's business plan and the relative calculations accompanying it, it is estimated that the profit of the following years will be higher to the tax losses of the fiscal year ended 31/12/2005 under audit.

29. PROVISIONS FOR RETIREMENT BENEFIT OBLIGATION

The table below presents the total amount of pension obligations which is recognized in the financial statements:

(Amounts reported in €)	Note	Balance Sheet 31/12/2005	Income Statement 1/1-31/12/2005	Balance Sheet 31/12/2004	Income Statement 1/1-31/12/2004
Defined benefit plans	29.1	27.822.677,70	220.000,00	27.602.677,70	644.379,70
Defined contribution plans (full)	29.2	2.427.544,39	(649.000,00)	3.076.544,39	48.775,39
Retirement benefits according to employment regulation	29.3	7.186.198,36	1.600.107,62	6.072.520,84	800.000,00
Total		**37.436.420,45**	**1.171.107,62**	**36.751.742,93**	**1.493.155,09**

29.1 DEFINED BENEFIT PLANS

(Amounts reported in €)		
DESCRIPTION	**31/12/2005**	**31/12/2004**
Balance Sheet		
Present value of defined benefit obligation	52.578.219,80	52.266.604,00
(Fair value of plan assets)	(24.755.542,10)	(24.663.926,30)
Total	**27.822.677,70**	**27.602.677,70**

	31/12/2005	**31/12/2004**
Service cost	119.152,79	431.909,99
Interest expenses	35.941,18	92.480,57
Actuarial gains/losses	64.906,03	119.989,14
Charge to the income statement	**220.000,00**	**644.379,70**

The Extraordinary General Meeting of the shareholders of the Bank, held on 16th September, as it arises from its minutes decided the rescission of the Group insurance contract between the Bank, the Employees' Association and ETHNIKI GENERAL INSURANCE CO. S.A., concerning the section Capital Management of Additional Insurance and Complementary Pension Benefits, and its subject to the regulations of L. 3371/2005. In the frame of this decision the Bank recognized in the Financial Statements of 1 January 2004 (making use of the relevant option of IFRS 1), a liability of € 26.958 thousand, which was directly charged to Equity. During the period from 1.1 to 31.12.2004 the additional charge of the Bank through the Income Statement amounted to € 644 thousand. For the six month period of 2005, the plan existing at the Bank for defined benefits, the charge of the results amounted to € 220 thousand.

The above amounts arose from a special financial study realized by a group of independent actuaries. The accounting treatment followed is in accordance with L. 3371/2005, which enabled the credit institutions to present in the financial statements of 2005 the financial result of the subject to these provisions of law.

Upon resolution of the Extraordinary General Meeting held on 16/9/2005, and subject of the account Capital Management of Additional Insurance and Complementary Pension Benefits to IKA – ETEAM and to IKA – ETAT, the specific plan ceases to be defined benefit plan and is converted to defined contribution plans. Therefore, the Banks' liability is limited to the payment of the contributions to IKA – ETEAM and IKA – ETAT respectively. Upon resolution of the aforementioned Extraordinary General Meeting, the Board of the Bank at its session held on 14/12/2005, proceeded in an appeal against the relative contract. The Bank estimates that an additional liability will not arise to that, which has already been recorded in its financial statements.

Based on L. 3371/2005, the amount that arose as a liability of the Bank according to the financial study, which was prepared by independent actuaries, is not final and the final amount will arise from a special financial study, which will be realized in responsibility of the competent Ministry.

Finally, as it arises from the minutes of the aforementioned Extraordinary General Meeting, as well as also from the minutes of the session held on 14/12/2005, in which have been recorded the positions of the representatives of the employees' Association of Attica Bank, it is possible, a court implication between the Bank and employees or third parties, which will derive from the subject of the account for Insurance Cover of the employees of the Bank, to the provisions of L. 3371/2005 "Capital Market issues and other provisions".

29.2 DEFINED CONTRIBUTION PLANS (FULL)

(Amounts reported in €)

DESCRIPTION	**31/12/2005**	**31/12/2004**
Balance Sheet		
Present value of defined benefit obligation	15.299.969,24	12.421.941,00
(Fair value of plan assets)	(12.872.424,85)	(9.345.396,61)
Total	**2.427.544,39**	**3.076.544,39**

	31/12/2005	**31/12/2004**
Service cost	501.104,72	31.000,00
Interest expenses	287.333,28	17.775,39
Actuarial gains/losses	(1.437.438,00)	0,00
Charge to the income statement	**(649.000,00)**	**48.775,39**

It concerns additional full benefit plans, which are granted by the Account Insurance Cover. According to the resolution of the Extraordinary General Meeting held on 16th September 2005, the specific plan which concerns full benefits, granted to the Banks' employees during the time of their retirement, continues to operate as a defined benefit plan according to that set in IAS 19. Based on the updated study with records of its assured individuals as of 31/12/2005 it arises that, the liability of the Bank has been decreased, compared to the previous year by € 649.000, which was recorded as income in the Income Statement. The above decrease of this liability is evidenced in the change in the rate of retirement of the assured individuals.

29.3 RETIREMENT BENEFITS ACCORDING TO EMPLOYMENT REGULATION

(Amounts reported in €)		
DESCRIPTION	**31/12/2005**	**31/12/2004**
Balance Sheet		
Present value of non defined benefit obligation	7.186.198,36	6.072.520,84
(Fair value of plan assets)	-	-
Total	**7.186.198,36**	**6.072.520,84**

	31/12/2005	**31/12/2004**
Service cost	866.624,00	536.218,00
Interest expenses	261.408,00	114.815,00
Actuarial gains/losses	472.075,62	148.967,00
Charge to the income statement	**1.600.107,62**	**800.000,00**

The above items concern, based on the Bank's Regulations, provided employee retirement obligation as well as also the liability arising from L. 2112/1920.

It is noted that during the period of 2005, the paid amount by the Group, for dismissal pay, amounted to € 227 thousand, an amount which equally in amount affected the set up provision of the Group for their purpose.

The site of the obligation of the above plans, was determined based on an actuarial valuation which has been prepared by independent actuaries.

The main assumptions made in order to carry out the actuarial valuations are presented on the following table:

	31/12/2005	**31/12/2004**
Discount rate	**5,5%**	**5,5%**
Expected returns on plan assets	**5,5%**	**5,5%**
Future salary increase	**3,0%**	**3,0%**
Future pensions increase	**1,5%**	**1,5%**

30. OTHER PROVISIONS FOR RISKS AND LIENS

(Amounts reported in €)		
DESCRIPTION	**31/12/2005**	**31/12/2004**
Provisions for tax audit	608.097,81	2.500.000,00
Provision for litigious claims	800.000,00	600.000,00
Provisions for losses apart from loans	769.245,74	0,00
Other provisions	28.087,80	28.087,80
Other provisions for risks and liens	**2.205.431,35**	**3.128.087,80**

31. OTHER LIABILITIES

(Amounts reported in €)		
DESCRIPTION	**31/12/2005**	**31/12/2004**
Taxes and duties payable (except income tax)	1.944.393,51	2.346.253,77
Income tax payable	1.945.715,31	2.313.269,43
Dividends payable	364.968,91	1.005.710,58
Salaries payable	0,00	33.686,10
Creditors and suppliers	4.668.100,76	6.936.392,49
Liabilities to security institutions	1.654.166,32	1.538.631,59

Other liabilities	27.735.848,73	3.827.386,37
Deferred income	119.705,73	119.999,60
Prepaid expenses	1.918.615,94	2.017.838,98
Commissions and interest payable	3.859.668,59	3.714.109,41
Liabilities due to collection on behalf of public sector	1.130.043,50	130.274,18
Liabilities due to collection on behalf of third parties	352.315,31	352.034,41
Finance lease obligations	0,00	1.391.768,80
Other liabilities	**45.693.542,61**	**25.727.355,71**

32. SHARE CAPITAL, SHARE PREMIUM, TREASURY SHARES AND ACCUMULATED PROFIT/LOSS

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Paid up capital	28.902.268,50	28.902.268,50
Share Capital	**28.902.268,50**	**28.902.268,50**
Share premium paid up	157.527.001,45	157.527.001,45
Share premium	**157.527.001,45**	**157.527.001,45**
Treasury shares	**-**	**-**
Accumulated profit/loss	**(56.650.966,82)**	**(52.719.318,25)**

Share Capital
The share capital of the Bank amounts to € 28.902.268,50 and is subdivided into 82.577.910 shares of par value of € 0,35 each.

Treasury shares
The Extraordinary General Meeting of shareholders of the Bank held on 12.08.2004 decided to cancel 1.616.700 treasury shares which were acquired in years 2001 and 2002. As a result of this cancellation the bank's share capital and share premium decreased by € 565.845,00 and € 4.435.550,33 respectively.

Accumulated profit/loss
The analysis of accumulated profit/loss is presented in the Statement of Changes in Equity.

33. RESERVES

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Legal reserves	5.026.282,57	5.008.552,44
Tax-free reserves	8.190.548,13	8.187.953,43
Taxed reserves	5.338.162,94	5.338.162,96
Other reserves	0,00	1.721.224,91
Available for sale revaluation reserves	(1.586.790,57)	(347.263,71)
Revaluation of assets reserves	6.470.716,70	6.463.725,04
Reserves	**23.438.919,77**	**26.372.355,07**

According to article 44 of the Codified Law 2190/1920 the Bank is required to appropriate at least 5% of its net annual profits to a legal reserve until this reserve equals or is maintained at a level equal to at least one-half of the Bank's share capital. The Bank has also formed, according to tax legislation, untaxed and taxed reserves, which it does not intend to contribute in the immediate future.

34. CASH AND CASH EQUIVALENTS

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Cash and balances with Central Bank	93.310.798,19	85.863.075,64
Due from other financial institutions	344.718.719,51	368.191.631,36
Cash and cash equivalents	**438.029.517,70**	**454.054.707,00**

35. OPERATING LEASES

Leased buildings are used by the Bank either as branches or for administrative purposes. Also leased buildings are used by subsidiaries for administrative purposes.

The table below presents the total of future minimum lease payments of the Group:

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Future minimum lease payments of the Group as lessee:		
Up to 1 year	4.445.399,31	4.267.561,74
1 to 5 years	11.443.938,58	11.797.402,07
More than 5 years	6.339.604,63	5.720.543,25
Total of future minimum lease payments	**22.228.942,52**	**21.785.507,06**

The total amount which is charged to the income statement for the year 2005 and refers to lease payments is € 4.666.972,21.

36. RELATED PARTY TRANSACTIONS

(Amounts reported in €)

DESCRIPTION		
	31/12/2005	**31/12/2004**
TRANSACTIONS WITH MEMBERS OF THE BANK'S MANAGEMENT		
Loans	214.686,57	47.000,00
Deposits	1.573.000,00	1.430.000,00
	31/12/2005	**31/12/2004**
Salaries and wages	811.477,02	670.783,34
Directors fees	161.763,16	299.664,26
Total fees of members of the bank's management	**973.240,18**	**970.447,60**

37. COMPANIES OF THE GROUP

31/12/2005

Company	Country of Incorporation	% Participation
- ATTIKIS LEASING S.A.	Greece	99,99%
- ATTIKI MUTUAL FUNDS MANAGEMENT S.A.	Greece	100,00%
- ATTICA VENTURES S.A.	Greece	99,99%
- TECHNICAL AND TRAINING COMPANY FOR SOFTWARE SUPPORT AND HIGH TECHNOLOGY S.A.	Greece	99,99%

31/12/2004

Company	Country of Incorporation	% Participation
- ATTIKIS KERDOOS HERMES S.A.	Greece	51,00%
- ATTIKIS LEASING S.A.	Greece	99,99%
- ATTIKI INVESTMENTS S.A.	Greece	50,00%
- ATTIKI MUTUAL FUNDS MANAGEMENT S.A.	Greece	100,00%
- ATTICA VENTURES S.A.	Greece	99,99%
- TECHNICAL AND TRAINING COMPANY FOR SOFTWARE SUPPORT AND HIGH TECHNOLOGY S.A.	Greece	99,99%

The subsidiary company ATTIKIS KERDOOS HERMES S.A from April 2005 does no longer belong to the companies of the Group of Attica Bank, owing to the sale of the Bank's participation in the above company.

The table below presents the inflow in the Cash flow statement from sale of ATTIKIS KERDOOS HERMES S.A subsidiary.

Inflow from sale of subsidiary's stocks	2.499.173,86
less: Cash and cash equivalents of sold subsidiary	(4.540.562,00)
Net change of cash because of subsidiary sale	(2.041.388,14)

The subsidiary company ATTIKI INVESTMENTS S.A. from July 2005 does no longer belong to the companies of the Group of Attica Bank, owing to its dissolution.

In the Cash Flow Statement, presented from the winding up of the subsidiary company ATTIKI INVESTMENTS S.A. is analyzed as follows:

Inflow from return of share capital due to winding up of the subsidiary	23.477.622,90
Less: Cash and cash equivalents – subsidiary	(22.619.207,17)
Net change of cash in hand from winding up of subsidiary	858.415,73

38. CONTINGENT LIABILITIES AND COMMITMENTS

38.1 OFF BALANCE SHEET LIABILITIES AND PLEDGED ASSETS

(Amounts reported in €)

DESCRIPTION	31/12/2005	31/12/2004
Contingent liabilities		
Letters of guarantee	441.824.079,03	405.926.032,81
Letters of credit	27.190.431,53	14.883.167,23
Contingent liabilities from forward contracts	55.928.924,16	73.978.232,26
	524.943.434,72	**494.787.432,30**
Pledged assets		
Central Bank		
- Available for sale investment securities		6.500.000,00
- Held to maturity investment securities	6.500.000,00	
ADECH		
- Available for sale investment securities		3.500.000,00
- Held to maturity investment securities	3.500.000,00	
	10.000.000,00	**10.000.000,00**
Pledged property, plant and equipment	**10.243.128,03**	**8.281.044,27**
Off Balance Sheet liabilities and pledged assets	**545.186.562,75**	**513.068.476,57**

From the pledged assets of € 3.500.000,00 concerns government bonds that have been given as pledge for insurance margin to the Clearance Transactions on Derivatives S.A. (ADECH) for transactions on derivatives and € 6.500.000,00 concerns government bonds that have been pledged to the Bank of Greece for intra-day cover of transactions.

38.2 TAX LIABILITIES

The Bank has been audited by the tax authorities for the years up to 2004, TECHNICAL AND TRAINING COMPANY FOR SOFTWARE SUPPORT AND HIGH TECHNOLOGY S.A. up to 2002, ATTIKIS LEASING S.A. and ATTIKI MUTUAL FUNDS MANAGEMENT S.A. have not been audited for the years 2002, 2003, and 2004 and ATTICA VENTURES S.A. has not been audited for the year 2004.
For the un-audited years the Group has set up a provision which is deemed sufficient to cover the contingent additional future liability that will incur from the tax audit. In the third quarter of 2005 was submitted by the Bank a modified income tax return for the financial year 2003, owing to non-verification of nominal

provisions of doubtful loans that the Bank had performed. Moreover in the year 2005, an ordinary tax audit took place at the Bank, which concerned the fiscal years 2003 and 2004. The additional taxes assessed by the audit amounted to € 1.494 thousand. The amount of provision for additional tax liabilities, which the Bank had set up for these years (2003 and 2004), fully covered the assessed taxes and therefore there was no charge of the income statement and equity during the closing year.

38.3 LEGAL CASES

According to the legal department of the Bank, the impact of litigious cases against the Bank following the Legal Services amounts to € 800.000. The Bank has recognized a corresponding provision. There are no litigious cases for the subsidiaries of the Group.

39. RISK MANAGEMENT

The Group is exposed to a variety of risks the most important of which are credit risk, market risk, exchange rate risk, interest rate risk and liquidity risk. The Group has established various control mechanisms in order to identify, measure and monitor these risks and avoid undue risk concentrations.

39.1 LIQUIDITY RISK

Liquidity risk is the risk that the Group is unable to fully meet payment obligations and potential payment obligations as and when they fall due because of lack of liquidity. This risk includes the possibility that the bank may have to raise funding at cost or sell assets on a discount. The monitoring of liquidity risk is concentrated on the managing of the time lag between cash inflows and outflows, as well as to ensure the existence of adequate cash reserves for the day-to-day transactions. The regulatory authorities have defined liquidated indexes, on their own criteria, in order to control liquidated gap. The following tables depict a liquidity gap analysis, providing an idea for the expected cash flows of assets and liabilities for each period. In those instances that there is no contractual expiration of the assets and liabilities then these are classified in the up to one month category.

LIQUIDITY RISK
(Amounts reported in €) **31/12/2005**

DESCRIPTION	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Total
Cash and balances with Central Bank	91.644.798,19		1.666.000,00			**93.310.798,19**
Due from other financial institutions	344.718.719,51					**344.718.719,51**
Trading portfolio		920.996,98	15.528.827,51	1.973.850,00		**18.423.674,49**
Derivative financial instruments - assets		91.862,50				**91.862,50**
Loans and advances to customers (after provisions)	6.711.898,93	19.001.549,25	1.123.417.194,64	351.429.420,57	286.981.923,36	**1.787.541.986,75**
Investment portfolio	323.750,00	75.000,00	23.626.135,05	79.323.579,28	42.599.179,49	**145.947.643,82**
Investments in subsidiaries					125.437,37	**125.437,37**
Intangible assets					7.084.034,47	**7.084.034,47**
Property, plant and equipment					31.848.837,98	**31.848.837,98**
Deferred tax assets					21.945.042,99	**21.945.042,99**
Other assets	19.009.227,02	24.826.589,45	15.020.913,39	3.718.739,42	1.524.546,94	**64.100.016,22**
Assets	**462.408.393,65**	**44.915.998,18**	**1.179.259.070,59**	**436.445.589,27**	**392.109.002,60**	**2.515.138.054,29**
Due to other financial institutions	172.718.336,32					**172.718.336,32**
Deposits due to customers and similar liabilities	1.627.414.598,52	209.626.084,96	116.689.278,60	423.776,00		**1.954.153.738,08**
Derivative financial instruments – liabilities		14.367,62				**14.367,62**
Issued bonds and other borrowings				49.625.260,00	99.360.371,66	**148.985.631,66**
Provisions for employee retirement benefits	20.812,26	41.624,53	157.121,46	31.607.201,38	5.609.660,82	**37.436.420,45**
Other provisions for risks and liens				2.205.431,35		**2.205.431,35**
Deferred tax liabilities					713.135,89	**713.135,89**
Other liabilities	38.573.603,38	3.485.282,01	3.174.276,35	403.275,10	57.105,77	**45.693.542,61**
Liabilities	**1.838.727.350,48**	**213.167.359,12**	**120.020.676,41**	**84.264.943,83**	**105.740.274,14**	**2.361.920.603,98**
Liquidated gap	**(1.376.318.956,83)**	**(168.251.360,94)**	**1.059.238.394,18**	**352.180.645,43**	**286.368.728,46**	**153.217.450,31**

LIQUIDITY RISK
(Amounts reported in €) **31/12/2004**

DESCRIPTION	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Total
Cash and balances with Central Bank	85.863.075,64					**85.863.075,64**
Due from other financial institutions	362.210.940,47	5.980.690,89				**368.191.631,36**
Trading portfolio	8.084.453,00	19.809.049,71	14.145.649,81	3.181.500,00	1.560.000,00	**46.780.652,52**
Derivative financial instruments - assets		5.604,46				**5.604,46**
Loans and advances to customers (after provisions)	56.944.421,50	108.603.532,35	1.294.703.910,53	111.785.607,53	154.836.272,43	**1.726.873.744,34**
Investment portfolio	5.000.500,00		9.556.171,43	53.689.222,39	21.359.780,63	**89.605.674,45**
Investments in subsidiaries						**0,00**
Intangible assets					6.518.953,01	**6.518.953,01**
Property, plant and equipment					28.393.239,96	**28.393.239,96**
Deferred tax assets					16.166.218,21	**16.166.218,21**
Other assets	18.720.912,61	7.344.819,38	18.669.445,39	3.866.568,97	743.008,31	**49.344.754,66**
Assets	**536.824.303,22**	**141.743.696,79**	**1.337.075.177,16**	**172.522.898,89**	**229.577.472,55**	**2.417.743.548,61**
Due to other financial institutions	88.017.383,14					**88.017.383,14**
Deposits due to customers and similar liabilities	1.381.782.094,26	482.596.850,66	198.108.725,27	3.312.418,47		**2.065.800.088,66**
Derivative financial instruments – liabilities		32.912,12				**32.912,12**
Issued bonds and other borrowings			10.000.000,00			**10.000.000,00**
Provisions for employee retirement benefits	15.916,91	31.833,81	150.093,60	31.749.906,28	4.803.992,33	**36.751.742,93**
Other provisions for risks and liens				3.128.087,80		**3.128.087,80**
Deferred tax liabilities					352.941,03	**352.941,03**
Other liabilities	14.223.420,24	2.113.815,26	6.725.848,26	1.672.476,30	991.795,65	**25.727.355,71**
Liabilities	**1.484.038.814,55**	**484.775.411,85**	**214.984.667,13**	**39.862.888,86**	**6.148.729,01**	**2.229.810.511,39**
Liquidated gap	**(947.214.511,33)**	**(343.031.715,06)**	**1.122.090.510,03**	**132.660.010,04**	**223.428.743,54**	**187.933.037,22**

39.2 FOREIGN EXCHANGE RISK

As "currency risk" is defined the investment risk that arises from the exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Group limits on the level of exposure by currency and in total both overnight and intra-day positions, which are monitored daily. The Group hedges the largest part of this risk, by maintaining corresponding liabilities in the same currency. In the tables below is shown, categorized by currency, the level of exposure of the Group to credit risk.

FOREIGN EXCHANGE RISK

(Amounts reported in €)			31/ 12/2005			
DESCRIPTION	**EUR**	**USD**	**GBP**	**JPY**	**OTHER**	**Total**
Cash and balances with Central Bank	93.114.312,06	56.776,45	33.488,83	4.701,18	101.519,67	**93.310.798,19**
Due from other financial institutions	299.791.780,07	34.462.905,36	5.437.144,65	1.478.856,03	3.548.033,40	**344.718.719,51**
Trading portfolio	18.423.674,49					**18.423.674,49**
Derivative financial instruments – assets	(4.331.773,96)	4.014.771,66	100.557,42	308.307,38		**91.862,50**
Loans and advances to customers (after provisions)	1.771.550.339,22	3.561.898,21		9.320.096,82	3.109.652,50	**1.787.541.986,75**
Investment portfolio	145.947.643,82					**145.947.643,82**
Investments in subsidiaries	99.901,48		25.535,89			**125.437,37**
Intangible assets	7.084.034,47					**7.084.034,47**
Property, plant and equipment	31.848.837,98					**31.848.837,98**
Deferred tax assets	21.945.042,99					**21.945.042,99**
Other assets	62.132.915,41	1.955.519,18	7.765,53		3.816,10	**64.100.016,22**
Assets	**2.447.606.708,03**	**44.051.870,86**	**5.604.492,32**	**11.111.961,41**	**6.763.021,67**	**2.515.138.054,29**
Due to other financial institutions	170.521.410,35	267.789,57			1.929.136,40	**172.718.336,32**
Deposits due to customers and similar liabilities	1.760.242.400,79	54.031.232,34	5.634.613,44	129.545.107,37	4.700.384,14	**1.954.153.738,08**
Derivative financial instruments – liabilities	(331.773,95)	346.141,57				**14.367,62**
Issued bonds and other borrowings	148.985.631,66					**148.985.631,66**
Provisions for employee retirement benefits	37.436.420,45					**37.436.420,45**
Other provisions for risks and liens	2.205.431,35					**2.205.431,35**
Deferred tax liabilities	713.135,89					**713.135,89**
Other liabilities	45.351.045,87	281.957,72	41.594,22		18.944,80	**45.693.542,61**
Total liabilities	**2.165.123.702,41**	**54.927.121,20**	**5.676.207,66**	**129.545.107,37**	**6.648.465,34**	**2.361.920.603,98**
Net exchange position	**282.483.005,62**	**(10.875.250,34)**	**(71.715,34)**	**(118.433.145,96)**	**114.556,33**	**153.217.450,31**

FOREIGN EXCHANGE RISK

(Amounts reported in €)	31/12/2004					
DESCRIPTION	**EUR**	**USD**	**GBP**	**JPY**	**OTHER**	**Total**
Cash and balances with Central Bank	85.600.611,23	60.587,65	20.770,07	42.026,45	139.080,24	**85.863.075,64**
Due from other financial institutions	317.903.466,45	41.157.175,30	3.712.146,29	713.913,66	4.704.929,65	**368.191.631,36**
Trading portfolio	46.780.652,52					**46.780.652,52**
Derivative financial instruments – assets	(700.000,00)	705.700,62	(50.138,29)	0,00	50.042,13	**5.604,46**
Loans and advances to customers (after provisions)	1.707.201.719,91	5.819.318,44		10.469.258,17	3.383.447,83	**1.726.873.744,34**
Investment portfolio	89.605.674,45					**89.605.674,45**
Investments in subsidiaries						**0,00**
Intangible assets	6.518.953,01					**6.518.953,01**
Property, plant and equipment	28.393.239,96					**28.393.239,96**
Deferred tax assets	16.166.218,21					**16.166.218,21**
Other assets	47.802.426,83	1.523.731,81	14.001,24		4.594,78	**49.344.754,66**
Assets	**2.345.272.962,57**	**49.266.513,82**	**3.696.779,31**	**11.225.198,28**	**8.282.094,63**	**2.417.743.548,61**
Due to other financial institutions	83.672.770,46	78.996,40			4.265.616,28	**88.017.383,14**
Deposits due to customers and similar liabilities	1.547.131.600,42	59.338.284,69	3.391.500,00	451.763.046,95	4.175.656,60	**2.065.800.088,66**
Derivative financial instruments – liabilities		(10.498.494,97)		10.531.407,09		**32.912,12**
Issued bonds and other borrowings	10.000.000,00					**10.000.000,00**
Provisions for employee retirement benefits	36.751.742,93					**36.751.742,93**
Other provisions for risks and liens	3.128.087,80					**3.128.087,80**
Deferred tax liabilities	352.941,03					**352.941,03**
Other liabilities	25.478.429,47	185.523,69	49.497,24		13.905,31	**25.727.355,71**
Total liabilities	**1.706.515.572,11**	**49.104.309,81**	**3.440.997,24**	**462.294.454,04**	**8.455.178,19**	**2.229.810.511,39**
Net exchange position	**638.757.390,46**	**162.204,01**	**255.782,07**	**(451.069.255,76)**	**(173.083,56)**	**187.933.037,22**

39.3 INTEREST RATE RISK

As "interest rate risk" is defined the investment risk that arises from the changes in market interest rates. Such changes in interest rates can affect the financial position of the Group, since it can change also:

- The net interest rate result
- The value of income and expenses, sensitive to interest rate changes
- The value of Assets and Liabilities. The present value of future cash flows (and often the cash flows itself) is changed since the interest rates change.

The Group follows on a systematic basis the interest rate risk and uses various derivative financial instruments for its hedging.
The attached table presents the Group's exposure to interest rate risks with the analysis of the interest rate gap.

INTEREST RATE RISK
(Amounts reported in €) **31/12/2005**

DESCRIPTION	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Accounts no subject to interest rate risk	Total
Cash and balances with Central Bank	29.653.916,87					63.656.881,32	**93.310.798,19**
Due from other financial institutions	341.463.234,81		1.154.927,34			2.100.557,36	**344.718.719,51**
Trading portfolio		920.996,98		1.973.850,00		15.528.827,51	**18.423.674,49**
Derivative financial instruments - assets						91.862,50	**91.862,50**
Loans and advances to customers (after provisions)	1.809.665.589,29	20.510.004,59	(2.748.811,83)	52.918.802,83	9.945.299,70	(102.748.897,83)	**1.787.541.986,75**
Investment portfolio	16.795.000,00	34.710.654,40	29.248.190,80	22.302.930,28		42.890.868,34	**145.947.643,82**
Investments in subsidiaries						125.437,37	**125.437,37**
Intangible assets						7.084.034,47	**7.084.034,47**
Property, plant and equipment						31.848.837,98	**31.848.837,98**
Deferred tax assets						21.945.042,99	**21.945.042,99**
Other assets	5.081.549,78	102.950,00	304.403,14	3.158.414,49		55.452.698,81	**64.100.016,22**
Assets	**2.212.659.290,75**	**46.244.605,97**	**27.958.709,45**	**80.353.997,60**	**9.945.299,70**	**137.976.150,82**	**2.515.138.054,29**
Due to other financial institutions	168.929.136,40		2.886.977,25			902.222,67	**172.718.336,32**
Deposits due to customers and similar liabilities	1.613.770.649,83	209.626.084,96	116.689.278,60	423.776,00		13.643.948,69	**1.954.153.738,08**
Derivative financial instruments – liabilities						14.367,62	**14.367,62**
Issued bonds and other borrowings	49.625.260,00		99.360.371,66				**148.985.631,66**
Provisions for employee retirement benefits						37.436.420,45	**37.436.420,45**
Other provisions for risks and liens						2.205.431,35	**2.205.431,35**
Deferred tax liabilities						713.135,89	**713.135,89**
Other liabilities	2.637.044,80	877.791,08	219.939,81			41.958.766,92	**45.693.542,61**
Liabilities	**1.834.962.091,03**	**210.503.876,04**	**219.156.567,32**	**423.776,00**	**0,00**	**96.874.293,59**	**2.361.920.603,98**
Interest rate gap	**377.697.199,72**	**(164.259.270,07)**	**(191.197.857,87)**	**79.840.261,60**	**9.945.299,70**	**41.101.857,23**	**153.217.450,31**

INTEREST RATE RISK
(Amounts reported in €)

31/12/2004

DESCRIPTION	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Accounts no subject to interest rate risk	Total
Cash and balances with Central Bank	85.863.075,64						**85.863.075,64**
Due from other financial institutions	355.707.614,72	1.393.600,00	1.334.035,08	4.537.062,77		5.219.318,79	**368.191.631,36**
Trading portfolio	8.084.453,00	21.369.049,71	934.869,48	3.181.500,00		13.210.780,33	**46.780.652,52**
Derivative financial instruments - assets						5.604,46	**5.604,46**
Loans and advances to customers (after provisions)	1.749.092.464,89	19.031.768,35	11.307.960,46	18.419.343,00		(70.977.792,36)	**1.726.873.744,34**
Investment portfolio	17.713.329,94	17.195.630,11	28.491.735,83	19.236.786,14		6.968.192,43	**89.605.674,45**
Investments in subsidiaries							**0,00**
Intangible assets						6.518.953,01	**6.518.953,01**
Property, plant and equipment						28.393.239,96	**28.393.239,96**
Deferred tax assets						16.166.218,21	**16.166.218,21**
Other assets	16.127.229,43	728.382,45	4.786.462,19	2.185.106,93		25.517.573,66	**49.344.754,66**
Assets	**2.232.588.167,62**	**59.718.430,62**	**46.855.063,04**	**47.559.798,84**	**0,00**	**31.022.088,49**	**2.417.743.548,61**
Due to other financial institutions	85.265.588,21		2.068.158,94			683.635,99	**88.017.383,14**
Deposits due to customers and similar liabilities	1.683.618.712,07	210.850.321,06	152.483.382,41	1.200.125,36		17.647.547,76	**2.065.800.088,66**
Derivative financial instruments – liabilities						32.912,12	**32.912,12**
Issued bonds and other borrowings			10.000.000,00				**10.000.000,00**
Provisions for employee retirement benefits						36.751.742,93	**36.751.742,93**
Other provisions for risks and liens						3.128.087,80	**3.128.087,80**
Deferred tax liabilities						352.941,03	**352.941,03**
Other liabilities	4.229.101,94	517.927,57	4.912.934,43	603.961,84		15.463.429,93	**25.727.355,71**
Liabilities	**1.773.113.402,22**	**211.368.248,63**	**169.464.475,78**	**1.804.087,20**	**0,00**	**74.060.297,56**	**2.229.810.511,39**
Interest rate gap	**459.474.765,40**	**(151.649.818,01)**	**(122.609.412,74)**	**45.755.711,64**	**0,00**	**(43.038.209,07)**	**187.933.037,22**

39.4 CREDIT RISK

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The Group's management defines credit policy. Credit exposures from related accounts are aggregated and are monitored on a consolidated basis. The methods for valuating the credit rating of the counterparties differ depending on the categories of the borrowers and rely on quantity as on quality data. Portfolio monitoring is carried out on the basis of customers' creditworthiness, sector of the economy and guarantees from the customers and is regularly audited by Credit Department and Risk Management Department. The Group's credit risk is spread out in various sectors of the economy. The Group's general policy is to require from its customers as guarantee certain types of collaterals such as mortgages over real estate, pledges and assignment of receivables

40. EFFECTS OF TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

40.1 BALANCE SHEET RECONCILIATION 31 DECEMBER 2004 AND 1 JANUARY 2004

(Amounts reported in €)						
		31/12/2004			**01/01/2004**	
	Greek GAAP	Effects of transition	International Financial Reporting Standards	Greek GAAP	Effects of transition	International Financial Reporting Standards
Cash and balances with the Central Bank	72.717.315,20	13.145.760,44	85.863.075,64	68.740.780,19	19.628.080,52	88.368.860,71
Due from other financial institutions	369.653.158,65	(1.461.527,29)	368.191.631,36	260.042.561,22	(1.685.709,88)	258.176.851,34
Trading and investment portfolio	137.350.394,84	(964.067,87)	136.386.326,97	164.501.024,46	1.683.909,81	166.184.934,26
Derivative financial instruments - assets	0,00	5.604,46	5.604,46	0,00	265.053,44	265.053,44
Loans and advances to customers (after provisions)	1.670.243.969,00	56.629.775,34	1.726.873.744,34	1.430.735.686,28	(11.078.240,60)	1.419.657.445,68
Investments in subsidiaries	0,00	0,00	0,00	599.960,00	0,00	599.960,00
Intangible assets	8.666.433,66	(2.147.480,65)	6.518.953,01	10.538.487,32	(3.014.322,60)	7.524.164,72
Property, plant and equipment	89.557.682,41	(61.164.442,45)	28.393.239,96	53.912.868,82	(26.405.792,06)	27.507.076,76
Deferred tax assets	(3.566.512,99)	19.732.731,20	16.166.218,21	0,00	21.148.456,50	21.148.456,50
Treasury shares	0,00	0,00	0,00	9.625.836,54	(9.625.836,54)	0,00
Other assets	66.156.301,38	(16.811.546,72)	49.344.754,66	58.301.767,80	(5.245.619,55)	53.056.148,25
Assets	**2.410.778.742,15**	**6.964.806,46**	**2.417.743.548,61**	**2.056.998.972,62**	**(14.510.020,96)**	**2.042.488.951,66**
Due to financial institutions	88.020.570,36	3.187,22	88.017.383,14	75.834.057,65	(849,62)	75.833.208,03
Deposits due to customers and similar liabilities	2.059.542.751,66	6.257.337,00	2.065.800.088,66	1.700.739.876,33	7.857.541,04	1.708.597.417,37
Derivative financial instruments - liabilities	0,00	32.912,12	32.912,12	0,00	0,00	0,00
Issued bonds and other borrowings	10.000.000,00	0,00	10.000.000,00	0,00	0,00	0,00
Provisions for employee retirement benefits	8.388.240,11	28.363.502,82	36.751.742,93	2.032.288,80	32.992.044,21	35.024.333,01
Other provisions for risks and liens	3.128.087,80	0,00	3.128.087,80	0,00	0,00	0,00
Deferred tax liabilities	0,00	352.941,03	352.941,03	0,00	2.781.846,50	2.781.846,50
Other liabilities	29.732.591,31	(4.005.235,60)	25.727.355,71	51.012.667,61	(10.215.016,34)	40.797.651,27
Liabilities	**2.198.812.241,24**	30.998.270,15	**2.229.810.511,39**	**1.829.618.890,39**	**33.415.565,79**	**1.863.034.456,18**
Share capital	28.902.268,50	0,00	28.902.268,50	29.468.113,50	0,00	29.468.113,50
Less: Treasury shares	0,00	0,00	0,00	0,00	(9.625.836,54)	(9.625.836,54)
Share premium	157.527.001,45	0,00	157.527.001,45	161.962.551,78	0,00	161.962.551,78
Accumulated profit/losses	14.623.784,59	(67.343.102,83)	(52.719.318,25)	(2.539.563,15)	(52.068.540,28)	(54.608.103,43)
Reserves	(17.143.836,13)	43.516.191,20	26.372.355,06	10.748.848,00	14.009.898,25	24.758.746,25
Minority interest	28.057.282,50	(206.552,06)	27.850.730,45	27.740.132,10	(241.108,17)	27.499.023,93
Total equity	**211.966.500,91**	**(24.033.463,69)**	**187.933.037,22**	**227.380.082,23**	**(47.925.586,74)**	**179.454.495,49**
Total liabilities and equity	**2.410.778.742,15**	**6.964.806,46**	**2.417.743.548,61**	**2.056.998.972,62**	**(14.510.020,96)**	**2.042.488.951,66**

40.2 TABLE OF ADJUSTMENTS OF THE PERIOD OPENING NET EQUITY BETWEEN THE GENERAL ACCOUNTING POLICIES EFFECTIVE UNTIL THE 1st ADOPTION (GREEK GAAP) AND THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (I.F.R.S.)

(Amounts reported in €)	**1 January 2005**	**1 January 2004**
Equity at the beginning of the period (Greek GAAP)	**211.966.500,91**	**227.380.082,23**
Less: Treasury shares	0,00	(9.625.836,54)
Provisions for retirement benefit obligations	1.315.719,27	(3.175.977,21)
Pensions and other post-retirement obligations	(30.679.222,09)	(29.986.067,00)
Adjustment due to revaluation of property, plant and equipment	165.726,51	6.938.625,13
Adjustment due to revaluation of useful life of property, plant and equipment	2.565.068,50	752.047,44
Write-off of intangible items in Assets	(2.926.497,21)	(2.740.880,99)
Impairment of investments	0,00	0,00
Increase/decrease of available for sale investment securities	(1.487,62)	494.744,82
Adjustment for loan provisions	0,00	(20.000.000,00)
Provision for tax liabilities	(2.500.000,00)	(1.700.000,00)
Recognition for deferred tax assets/ liabilities	7.809.894,58	14.465.709,82
Increase/decrease of reserves of available for sale investment securities	197.719,90	(425.296,64)
Trading portfolio (at market values)	0,00	289.068,43
Adjustment of the value of investment securities held to maturity at amortized cost	(14.608,15)	(12.872,15)
Adjustment of the value of securities due to transfer to other assets	(100.384,41)	(99.661,93)
Impairment of other assets	137.023,12	(741.376,83)
Write-off of the value of other assets	(2.416,09)	(1.757.813,09)
Adjustment of the provision for litigious claims	0,00	(600.000,00)
Equity at the beginning of the period (according to IFRS)	**187.933.037,22**	**179.454.495,49**

40.3 RECONCILIATION OF INCOME STATEMENT 31 DECEMBER 2004

ENTRIES OF ADJUSTMENTS AND RESTATEMENT

(Amounts reported in €)		**31/12/2004**		
	Note	Greek GAAP	Effects of transition	International Financial Reporting Standards
Interest and similar income	a	122.511.016,77	4.415.621,24	126.926.638,01
Less: Interest expense and similar charges	b	(52.036.642,45)	(588.766,03)	(52.625.408,48)
Net interest income		**70.474.374,32**	**3.826.855,21**	**74.301.229,53**
Fee and commission income	c	36.690.773,90	(94.807,04)	36.595.966,86
Less: Fee and commission expenses	d	(513.546,05)	(11.913,42)	(525.459,47)
Net fee and commission income		**36.177.227,85**	**(106.720,46)**	**36.070.507,39**
Gains (losses) from trading	e	7.935.725,56	(5.347.254,62)	2.588.470,94
Gains (losses) from investment securities	f	0,00	1.735.868,33	1.735.868,33
Dividend income	g	712.289,34	(22.406,58)	689.882,76
Other operating income	h	21.182.555,52	(18.041.761,96)	3.140.793,56
Loss from loans and advances		(22.000.000,00)	0,00	(22.000.000,00)
Operating expenses	i	(100.331.938,99)	15.938.995,39	(84.392.943,60)
Profit/loss before taxes		**14.150.233,60**	**(2.016.424,69)**	**12.133.808,91**
Less taxes	j	(4.469.859,52)	(1.397.395,03)	(5.867.254,55)
Profit/loss after taxes		**9.680.374,08**	**(3.413.819,72)**	**6.266.554,36**
Attributable to:				
Equity holders of the Bank		9.363.353,63		5.957.901,20
Minority interest		317.020,45		308.653,16

40.4 EXPLANATION OF ADJUSTMENTS TO INCOME OF 31 DECEMBER 2004

a. ***Interest and similar income***

Balance according to Greek GAAP	122.511.016,77
Application of effective rate method to available for sale investments and held to maturity portfolio	74.205,68
Transfer from other operating income to the category of interest and similar income	1.296.210,33
Transfer from other operating income (income from leasing) to the category of interest and similar income	3.063.470,41
Transfer from interest and similar income to the category of gains (losses) on disposal of investment securities	(18.265,18)
Balance according to IFRS	126.926.638,01

b. ***Interest expense and similar charges***

Balance according to Greek GAAP	(52.036.642,459
Transfer from operating expenses (extraordinary and non-operating results) to the category of interest and similar charges	(600.679,45)
Transfer from interest and similar charges (commissions from letters of guarantee) to the category of fee and commission expenses	11.913,42
Balance according to IFRS	(52.625.408,48)

c. ***Fee and commission income***

Balance according to Greek GAAP	36.690.773,90
Transfer from Fee and commission income to the category gains (losses) from trading	(94.807,04)
Balance according to IFRS	36.595.966,86

d. ***Fee and commission expenses***

Balance according to Greek GAAP	(513.546,05)
Transfer from Interest expense and similar charges (commissions from letters of guarantee) to the category of fee and commission expenses	(11.913,42)
Balance according to IFRS	525.459,47

e. ***Gains (losses) from trading***

Balance according to Greek GAAP	7.935.725,56
Transfer from gains (losses) from trading to the category of gains (losses) on disposal of investment securities	(2.954.254,43)
Valuation of trading stocks	(2.310.453,24)
Valuation of trading securities	66.296,97
Transfer from Fee and commission income to the category of gains (losses) from trading	94.807,04
Transfer from dividend income to the category of gains (losses) from trading	22.406,58
Transfer from operating expenses to the category of gains (losses) from trading	(282.364,06)
Transfer from other operating income to the category of gains (losses) from trading	16.306,52
Balance according to IFRS	2.588.470,94

f. ***Gains (losses) on disposal of investment securities***

Balance according to Greek GAAP	0,00
Transfer from gains (losses) from trading to the category of gains (losses) on disposal of investment securities	2.954.254,43
Impairment of available for sale investments	(766.604,70)
Transfer of reserves of available for sale portfolio (stocks) to income statement	(112.775,09)
Transfer of reserves of available for sale portfolio (bonds) to income statement	(357.271,49)
Transfer from interest and similar income to the category of gains (losses) on disposal of investment securities	18.265,18
Balance according to IFRS	1.735.868,33

g. ***Dividend income***

Balance according to Greek GAAP	712.289,34
Transfer from dividend income to the category of gains (losses) from trading	(22.406,58)
Balance according to IFRS	689.882,76

h. ***Other operating income***

Balance according to Greek GAAP	21.182.555,52
Transfer from other operating income to the category of interest and similar income	(1.294.108,72)
Reversal because of depreciation adjustment	635,35
Transfer from other operating income (income from leasing) to the category of interest and similar income	(3.063.470,41)
Write off of income from leasing (and provisions) according to the Greek standards and credit interest from financial leases	(13.668.511,66)
Transfer from other operating income to the category of gains (losses) from trading	(16.306,52)
Balance according to IFRS	3.140.793,56

i. ***Operating expenses***

Balance according to Greek GAAP	(100.331.938,99)
Transfer from operating expenses (extraordinary and non-operating results) to the category of interest expense and similar charges	600.679,45
Reversal of lease payment	1.996,40
Depreciation adjustment of property, plant and equipment (because of calculation of useful life)	(111.436,34)
Depreciation adjustment because of write off of intangible assets	2.122.450,65
Other provisions	(893.155,09)
Loss from impairment of property	(1.000,00)
Write off of uncollected receivables	(6.300,19)
Reversal of valuation of property, plant and equipment from foreclosures because of sale	357.795,25
Transfer from operating expenses to the category of gains (losses) from trading	282.364,06
Provisions for retirement benefits	(165.367,51)
Reversal of depreciation of assets of finance lease contracts	13.025.885,08
Write off of formation expenses	32.133,63
Write off of doubtful accounts	692.950,00
Balance according to IFRS	(84.392.943,60)

j. ***Taxes***

Balance according to Greek GAAP	(4.469.859,52)
Deferred tax	(1.397.395,03)
Balance according to IFRS	(5.867.254,55)

41. POST BALANCE SHEET EVENTS

There are no important events.

42. CAPITAL ADEQUACY

The Bank's solvency is calculated in accordance with PD/BOG 2053/92 and PD/BOG 2397/96 (modified PD/BOG 2494/02) "Solvency ratio for credit institutions" and the ETPTH 198/17.5.2005 "Supervisory treatment of accounting data & revaluation reserves arising on application of International Accounting Standards".

According to the above financial sizes of the Group, it is estimated that solvency ratio will be 9,70% for the Group as of 31 December 2005.