PROSPECTUS DATED 31st October, 2005

EFG Hellas Funding Limited

(incorporated with limited liability in Jersey)

€400,000,000 Series B Fixed to Floating Rate Non-cumulative Guaranteed Non-voting Preferred Securities

having the benefit of a subordinated guarantee of

EFG Eurobank Ergasias S.A.

(incorporated with limited liability in the Hellenic Republic)

Issue price: €50,000 per Preferred Security

Unless expressly indicated otherwise, capitalised terms and expressions used herein have the same meaning as given to them in "Description of the Preferred Securities".

The €400,000,000 Series B Fixed to Floating Rate Non-cumulative Guaranteed Non-voting Preferred Securities (the "Preferred Securities") each with a par value and a liquidation preference of €50,000 (the "Liquidation Preference") are proposed to be issued by EFG Hellas Funding Limited (the "Issuer") on 2nd November, 2005 (the "Closing Date"). All obligations of the Issuer to make payments in respect of the Preferred Securities will be guaranteed on a subordinated basis by EFG Eurobank Ergasias S.A. (the "Bank") pursuant to a subordinated guarantee to be dated the Closing Date (the "Guarantee"), all as more fully described herein under "Subordinated Guarantee".

The Preferred Securities will entitle Holders to receive (subject as described herein under "Description of the Preferred Securities") non-cumulative preferential cash dividends, payable annually in arrear on 2nd November in each year up to and including 2nd November, 2015 at a rate of 4.565 per cent. per annum and thereafter payable quarterly in arrear on 2nd February, 2nd May, 2nd August and 2nd November in each year (with the first such payment being made on 2nd February, 2016), subject to adjustment for non-business days, at a rate equal to 3 month EURIBOR plus 2.22 per cent. per annum, all as more fully described herein under "Description of the Preferred Securities".

The Preferred Securities are perpetual securities and have no fixed redemption date. However, the Preferred Securities may be redeemed, at the option of the Issuer, in whole but not in part, (1) on the Preferred Dividend Payment Date falling on 2nd November, 2015 (the "First Call Date") or on any Preferred Dividend Payment Date falling thereafter or (2) at any time prior to the First Call Date (a) in the event of certain changes in tax law resulting in the Issuer or the Bank being required to pay Additional Amounts or (b) in the event of certain changes in tax laws, if the Issuer or the Bank, in relation to the Preferred Securities, the Guarantee and/or any associated transactions is or would be required to pay Jersey Tax (other than in respect of Jersey source income) or Greek Tax or (c) in the event of a Capital Disqualification Event, in any such case upon not less than 30 nor more than 60 days' notice. Any such redemption is subject to the consent of the Bank and the Bank of Greece and shall be at the prices set out herein.

In the event of a liquidation, dissolution or winding-up of the Issuer, Holders will be entitled to receive, for each Preferred Security, the Liquidation Preference plus accrued and unpaid Preferred Dividends for the then current applicable Preferred Dividend Period to the date of payment, as more fully described in "Description of the Preferred Securities".

Application has been made to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 (the "UK Listing Authority" and the "FSMA", respectively) for the Preferred Securities to be admitted to the official list of the UK Listing Authority (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for the Preferred Securities to be admitted to trading on the London Stock Exchange's Gilt-Edged and Fixed Interest Market. References in this Prospectus to the Preferred Securities being "listed" (and all related references) shall mean that such Preferred Securities have been admitted to the Official List and have been admitted to trading on the London Stock Exchange's Gilt-Edged and Fixed Interest Market. The London Stock Exchange's Gilt-Edged and Fixed Interest Market is a regulated market for the purposes of the Investment Services Directive (Directive 93/22/EC).

In making an investment decision, potential investors should have particular regard to the "Risk Factors" on pages 14 to 21 of this Prospectus. In particular, Preferred Dividends are not required to be paid on the Preferred Securities in certain circumstances, as more fully described under "Description of the Preferred Securities – Limitations on Payments of Preferred Dividends on Preferred Securities", including when all of the dividend paid on the Bank's ordinary shares is the minimum required by the mandatory operation of Greek law from time to time (see "Description of the Preferred Securities – Exceptions to Compulsory Payments").

The Preferred Securities will be represented on issue by a single global certificate in registered form (the "Global Certificate"). On or about the Closing Date, the Global Certificate will be deposited with Deutsche Bank AG, London Branch (the "Common Depositary") as common depositary for Euroclear Bank S.A./N.V. as operator of the Euroclear system ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg"). Such Global Certificate will be issued, and the Preferred Securities will be registered, in the name of BT Globenet Nominees Limited as nominee of the Common Depositary.

Joint Lead Managers

Credit Suisse First Boston **Deutsche Bank**
Merrill Lynch International **UBS Investment Bank**

Co-Lead Managers

Emporiki Bank **Greek Postal Savings Bank S.A.** **Natexis Banques Populaires**

This Prospectus comprises a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC (the "Prospectus Directive").

Each of the Issuer and the Bank accepts responsibility for the information contained in this Prospectus. Having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of the knowledge of each of the Issuer and the Bank, in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation other than those contained or incorporated by reference in this Prospectus in connection with the offering of the Preferred Securities and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer, the Bank or the Managers (as defined under "Subscription and Sale" below). Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer, the Bank or the Bank and its Subsidiaries (as defined herein) as a whole (the "Group") since the date hereof. This Prospectus does not constitute an offer of, or an invitation by, or on behalf of, the Issuer, the Bank or the Managers to subscribe for, or purchase, any of the Preferred Securities. This Prospectus does not constitute an offer, and may not be used for the purpose of an offer to, or a solicitation by, anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful. This Prospectus may only be used for the purposes for which it has been published.

The Managers have not separately verified the information contained or incorporated by reference herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers or any of them as to the accuracy or completeness of the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer or the Bank in connection with the Preferred Securities.

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Bank or the Managers that any recipient of this Prospectus should purchase any of the Preferred Securities. Each investor contemplating purchasing Preferred Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Bank. No person is authorised to give information other than contained herein and in the documents referred to herein and which are made available for inspection by the public at the specified office of each Paying and Transfer Agent.

The Preferred Securities and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "Securities Act") and are subject to U.S. tax law requirements. Subject to certain exceptions, the Preferred Securities may not be offered, sold or delivered within the United States or to U.S. persons. For a further description of certain restrictions on the offering and sale of the Preferred Securities and on distribution of this Prospectus, see "Subscription and Sale" below.

A copy of this Prospectus has been delivered to the Registrar of Companies in accordance with Article 5 of the Companies (General Provisions) (Jersey) Order 2002 as amended and he has given, and has not withdrawn, his consent to its circulation. The Jersey Financial Services Commission has given, and has not withdrawn, its consent under Article 4 of the Control of Borrowing (Jersey) Order 1958, as amended to the issue of the Preferred Securities by the Issuer. It must be distinctly understood that, in giving these consents, neither the Registrar of Companies nor the Jersey Financial Services Commission takes any responsibility for the financial soundness of the Issuer or for the correctness of any

statements made, or opinions expressed with regard to it. The Jersey Financial Services Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against any liability arising from the discharge of its functions under that law.

An investment in the Preferred Securities is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses which may result from such investment.

Prospective purchasers who are in any doubt about the contents of this Prospectus should consult their stockbroker, bank manager, solicitor, accountant or other financial adviser.

It should be remembered that the price of securities and the income from them can go down as well as up.

Nothing in this Prospectus or anything communicated to Holders of, or investors in, the Preferred Securities (or any such potential Holders or investors) by the Issuer is intended to constitute or should be construed as advice on the merits of the purchase of or subscription for the Preferred Securities or the exercise of any rights attached thereto for the purposes of the Financial Services (Jersey) Law 1998, as amended.

Certain figures in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

EACH OF CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED, DEUTSCHE BANK AG, LONDON BRANCH, MERRILL LYNCH INTERNATIONAL AND UBS LIMITED (OR PERSONS ACTING ON THEIR BEHALF) MAY OVER-ALLOT PREFERRED SECURITIES (PROVIDED THAT THE AGGREGATE PRINCIPAL AMOUNT OF PREFERRED SECURITIES ALLOTTED DOES NOT EXCEED 105 PER CENT. OF THE AGGREGATE PRINCIPAL AMOUNT OF THE PREFERRED SECURITIES) OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE PREFERRED SECURITIES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT ANY OF CREDIT SUISSE FIRST BOSTON (EUROPE) LIMITED, DEUTSCHE BANK AG, LONDON BRANCH, MERRILL LYNCH INTERNATIONAL AND UBS LIMITED (OR PERSONS ACTING ON THEIR BEHALF) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE PREFERRED SECURITIES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE PREFERRED SECURITIES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE PREFERRED SECURITIES.

All references in this Prospectus to “Euro”, “EUR”, “euro” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community (signed in Rome on 25th March, 1957), as amended, and all references to “Sterling” and “£” refer to the currency of the United Kingdom.

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SUMMARY OF THE OFFERING

The following summary is qualified in its entirety by the more detailed information included elsewhere in this Prospectus. Capitalised terms used but not defined in this summary shall bear the respective meanings ascribed to them under "Description of the Preferred Securities" and references herein to a "paragraph" shall be to the corresponding paragraph in "Description of the Preferred Securities". Prospective investors should also consider carefully, amongst other things, the factors set out under "Risk Factors" below.

Issuer: EFG Hellas Funding Limited, a wholly-owned subsidiary of the Bank, incorporated in Jersey with registration number 89637. The registered office of EFG Hellas Funding Limited is Whiteley Chambers, Don Street, St Helier, Jersey JE4 9WG, Channel Islands.

The Issuer is a general finance vehicle of the EFG Group.

Guarantor: EFG Eurobank Ergasias S.A. (referred to herein as the "Bank"), a public company limited by shares incorporated under the laws of the Hellenic Republic with registration number 6068/06/B/86/07. The registered office of the Bank is at 8 Othonos Street, Athens 10557, Greece.

The Bank operates in the retail banking, small and medium-sized enterprises ("SMEs"), investment banking, capital markets, private banking and asset management sectors, providing a wide range of banking and financial services to its individual and corporate clients. The Bank is also active in the wider financial services sector, with a presence in insurance, real estate and payroll services.

Issue Size: €400,000,000

Issue Details: €400,000,000 Series B Fixed to Floating Rate Non-cumulative Guaranteed Non-voting Preferred Securities each with a par value and a liquidation preference of €50,000.

Preferred Dividends: For each Preferred Dividend Period, Preferred Dividends on the Preferred Securities will be declared by the Directors and paid by the Issuer subject to certain limitations (see "Limitations on Payments" below).

In respect of each Preferred Dividend Period during the period from and including the Closing Date to but excluding 2nd November, 2015, the Preferred Securities will accrue Preferred Dividends at a rate of 4.565 per cent. per annum which Preferred Dividends will be payable annually in arrear, subject as provided below, on 2nd November in each year.

For each subsequent Preferred Dividend Period, the Preferred Securities will accrue Preferred Dividends at a rate calculated by the Principal Paying and Transfer Agent equal to the 3 month EURIBOR rate plus 2.22 per cent. per annum, which Preferred Dividends will be payable quarterly in arrear, subject as provided below, on 2nd February, 2nd May, 2nd August and 2nd November in each year.

Guarantee:

The Bank will guarantee payments on the Preferred Securities in respect of (a) any declared but unpaid Preferred Dividends for the most recent Preferred Dividend Period, (b) any compulsory Preferred Dividends described in "Compulsory Payments" below, (c) the Optional Redemption Price or Make Whole Redemption Price, as the case may be, (each as defined below) payable with respect to any Preferred Security to be redeemed, (d) payments on liquidation of the Issuer and (e) any Additional Amounts (as defined below).

The Bank's obligations under the Guarantee will be subordinated so that they rank junior to the claims of Senior Creditors (as defined in the Guarantee), *pari passu* with the Parity Obligations, if any, of the Bank, and senior to all Junior Obligations of the Bank.

Limitations on Payments:

Subject to the Law and to the provisions relating to compulsory payments below (see "Compulsory Payments"), Preferred Dividends may be declared by the Directors of the Issuer, in their sole discretion, and paid by the Issuer out of funds legally available therefor.

However, subject to the provisions relating to compulsory payments below (see "Compulsory Payments"), the Directors of the Issuer will not declare, and the Issuer will not be permitted to pay, any Preferred Dividend on the Preferred Securities if:

(a) such Preferred Dividend, together with the amount of:

(i) any Preferred Dividends previously paid in respect of the Preferred Securities and distributions previously paid in respect of Preferred Dividend Parity Obligations in the then current financial year; and

(ii) any Preferred Dividends proposed or scheduled to be paid in respect of the Preferred Securities and distributions proposed or scheduled to be paid in respect of any Preferred Dividend Parity Obligations in the then current financial year,

would exceed Distributable Funds; or

(b) sufficient Distributable Funds are available, but the Issuer has been notified that a resolution of the directors of the Bank has been passed that states that in the opinion of the directors of the Bank payment of such Preferred Dividends would cause the Bank to breach Greek banking regulations affecting banks which fail to meet their capital adequacy ratios on a consolidated basis, as applicable and in force at the relevant time.

For the avoidance of doubt, the Directors of the Issuer will only be required to declare, and the Issuer will only be required to pay, a Preferred Dividend in the circumstances set out in “Compulsory Payments” below.

If the Issuer does not pay Preferred Dividends in respect of any Preferred Dividend Period, the Issuer shall notify the London Stock Exchange, so long as the Preferred Securities are listed thereon, and the Holders.

Preferred Dividends non-cumulative:

If the Directors of the Issuer do not declare a Preferred Dividend payable on a Preferred Dividend Payment Date either by virtue of the limitations set out above (see “Limitations on Payments”) or otherwise, then subject to the provisions relating to compulsory payments and redemption below (see “Compulsory Payments”, “Optional Redemption”, “Capital Disqualification Redemption” and “Redemption for Tax Reasons” below) and without affecting the rights of the Holders under the Guarantee, the entitlement of the Holders to such Preferred Dividend will be lost. Accordingly no payment will need to be made at any time by the Issuer or the Bank in respect of any such missed payment.

Compulsory Payments:

Payment on Junior Obligations

If the Bank, the Issuer or any other Subsidiary pays any distribution(s) on or in respect of any class of Junior Obligations then, subject to the Law and the provisions of “Exceptions to Compulsory Payments” below, the Issuer will be required to declare and pay Preferred Dividends on the Preferred Securities as follows:

(a) payment of the full amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date (or, after the First Call Date, the next four Preferred Dividend Payment Dates) if the distribution(s) on the Junior Obligations is made in respect of an annual period (or, before the First Call Date, in respect of two semi-annual periods or four quarterly periods);

(b) payment of three quarters of the amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution(s) on the Junior Obligations is made in respect of three quarterly periods before the First Call Date;

(c) payment of (i) half of the amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution(s) on the Junior Obligations is made in respect of a semi-annual period (or two quarterly periods) or (ii) after the First Call Date, the full amount of the Preferred Dividend payable on the next two Preferred Dividend Payment Dates if the distribution(s) on the Junior Obligations is made in respect of a semi-annual period; and

(d) payment of a quarter of the amount (or, after the First Call Date, the full amount) of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution on the Junior Obligations is made in respect of a quarterly period.

Redemption of Junior Obligations

Subject to the Law, the Issuer will be required to declare and make payment of the full amount of Preferred Dividends payable on the next Preferred Dividend Payment Date (or, after the First Call Date, the next four Preferred Dividend Payment Dates) contemporaneous with, or following, any date on which the Bank or any Subsidiary has redeemed, repurchased or otherwise acquired any Junior Obligations for any consideration (or any moneys are paid to or made available for a sinking fund for, or for redemption of, any such securities), except by conversion into or in exchange for other Junior Obligations unless (a) such acquisition is effected in accordance with the provisions of Article 16 paragraphs 2(b) to (f) or paragraph 5 et seq. of Greek Codified Law 2190/1920 and (b) following such acquisition and any other measure taken by the Bank:

(i) the solvency ratio of the Bank, on an unconsolidated and consolidated basis, remains above 8 per cent.; and

(ii) the ratio of "upper tier 1 capital" items of own funds (namely tier 1 capital excluding the Preferred Securities and similar instruments) to risk weighted assets of the Bank remains above 5 per cent. as required by Circular 21/2004 of the Bank of Greece, as in force and amended or supplemented from time to time.

Payment on Preferred Dividend Parity Obligations

If the Bank, the Issuer or any other Subsidiary pays any distribution(s) on or in respect of any class of Preferred Dividend Parity Obligations then, subject to the Law and to the provisions of "Exceptions to Compulsory Payments" below, the Issuer will be required to declare and make *pro rata* payments of Preferred Dividends on the Preferred Securities as follows:

(a) *pro rata* payment of the full amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date (or, after the First Call Date, the next four Preferred Dividend Payment Dates) if the distribution(s) on the Preferred Dividend Parity Obligations is made in respect of an annual period (or, before the First Call Date, two semi-annual periods or four quarterly periods);

(b) *pro rata* payment of three quarters of the amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution(s) on the Preferred Dividend Parity Obligations is made in respect of three quarterly periods before the First Call Date;

(c) *pro rata* payment of (i) half of the amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution(s) on the Preferred Dividend Parity Obligations is made in respect of a semi-annual period (or two quarterly periods) or (ii) after the First Call Date, the full amount of the Preferred Dividend payable on the next two Preferred Dividend Payment Dates if the distribution(s) on the Preferred Dividend Parity Obligations is made in respect of a semi-annual period; and

(d) *pro rata* payment of a quarter of the amount (or, after the First Call Date, *pro rata* payment of the full amount) of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution on the Preferred Dividend Parity Obligations is made in respect of a quarterly period.

When a distribution on Preferred Dividend Parity Obligations requires *pro rata* payment of Preferred Dividends as described above, the amount of the required payment will be in the same proportion to the aggregate specified amount of Preferred Dividends payable on the Preferred Securities as the aggregate payment that was made on such Preferred Dividend Parity Obligations bears to the amount that was payable on such Preferred Dividend Parity Obligations at the time of such payment.

Aggregation of Preferred Dividends in Preferred Dividend Period

Subject to the Law, compulsory payments of Preferred Dividends to be made by virtue of paragraph 4(a), 4(b) or 4(c) shall be aggregated on any Preferred Dividend Payment Date with any discretionary payments made or to be made following a declaration as described in paragraph 3 in respect of any relevant Preferred Dividend Period, provided that in any relevant Preferred Dividend Period the aggregate amount paid in respect of Preferred Dividends on the Preferred Securities shall not exceed the scheduled amount of the Preferred Dividends.

Exceptions to Compulsory Payments

Notwithstanding "Compulsory Payments" above, a payment of Preferred Dividends will not be compulsory if the Bank, the Issuer or any other Subsidiary:

(1) pays a dividend or other distribution on any ordinary shares of the Bank (i) which dividend or other distribution is solely in the form of Junior Obligations or (ii) the whole of which dividend or other distribution is mandatorily required to be paid by mandatory operation of Greek law from time to time; or

(2) pays a dividend or other distribution on the €200,000,000 Series A CMS-Linked Non-Cumulative

Guaranteed Non-Voting Preferred Securities issued in March 2005, which payment is triggered by payment on any ordinary shares of the Bank and the whole of which payment on such ordinary shares is mandatorily required by mandatory operation of Greek law from time to time.

Withholding Tax and Additional Amounts:

The Preferred Securities will contain a gross up provision in respect of any imposition of Jersey or Greek withholding taxes. The Guarantee will contain a gross up provision in respect of any imposition of Greek withholding taxes. Each gross up provision will be subject to customary exceptions.

Under the gross up provisions, subject to customary exceptions, the Issuer, or the Bank pursuant to the Guarantee, will pay to each Holder such additional amounts ("Additional Amounts") as may be necessary in order that every net payment in respect of the Preferred Securities, after withholding for any taxes imposed by Jersey or Greece, as the case may be, upon or as a result of such payment, will not be less than the amount otherwise required to be paid.

The obligations of the Issuer and the Bank to pay any such Additional Amounts will be subject to limitations described in "Limitation on Payments" above.

Optional Redemption:

Subject to the Law, the Preferred Securities are redeemable, at the option of the Issuer, in whole but not in part, on the First Call Date and on any Preferred Dividend Payment Date falling thereafter upon not less than 30 or more than 60 days' notice to the Holders, at the Optional Redemption Price.

Such optional redemption will be subject to the prior consent of the Bank and the Bank of Greece.

Capital Disqualification Redemption:

Subject to the Law, if, at any time falling prior to but excluding the First Call Date, a Capital Disqualification Event has occurred and is continuing, the Preferred Securities will be redeemable, at the option of the Issuer, in whole but not in part, at any time, upon not less than 30 or more than 60 days' notice to the Holders at the Make Whole Redemption Price.

Any such redemption will be subject to the prior consent of the Bank and the Bank of Greece.

Redemption for Tax Reasons:

Subject to the Law, if, at any time falling prior to but excluding the First Call Date, as a result of a change in the laws or regulations of Jersey or Greece, the Issuer or the Bank is or would be required to pay Additional Amounts in respect of payments due on the Preferred Securities or under the Guarantee, the Preferred Securities will be redeemable, at the option of the Issuer, in whole but not in part, at any time, upon not less than 30 or more than 60 days' notice to the Holders at the Optional Redemption Price.

Subject to the Law, if, at any time falling prior to but excluding the First Call Date, as a result of a change in the laws or regulations of Jersey or Greece, the Issuer or the Bank, in relation to the Preferred Securities, the Guarantee and/or any associated transactions (including, but not limited to, any loan or deposit from the Issuer to the Bank, any loan or deposit from a Subsidiary to the Bank or any loan or deposit from the Issuer to any other Subsidiary), is or would be required to pay (a) Jersey Tax (other than in respect of Jersey source income) or (b) Greek Tax, then the Preferred Securities will be redeemable, at the option of the Issuer, in whole but not in part, at any time, upon not less than 30 or more than 60 days' notice to the Holders at the Make Whole Redemption Price.

Any redemption for tax reasons will be subject to the prior consent of the Bank and the Bank of Greece.

Rights upon Liquidation: In the event of any bankruptcy, winding-up, liquidation or dissolution of the Issuer, Holders will be entitled to receive the Liquidation Distribution per Preferred Security held out of assets of the Issuer available for distribution to shareholders.

Notwithstanding the availability of sufficient assets of the Issuer to pay any Liquidation Distribution, if at the time such Liquidation Distribution is to be paid, proceedings are pending or have been commenced for the liquidation, dissolution or winding-up of the Bank, the Liquidation Distribution per Preferred Security paid to Holders and the liquidation distribution paid to the holders of Liquidation Parity Obligations shall not exceed the amount that would have been paid as the liquidation distribution from the assets of the Bank had the Preferred Securities and Liquidation Parity Obligations been issued by the Bank and ranked (i) junior to all Senior Creditors (as defined in the Guarantee), (ii) *pari passu* with the Parity Obligations, if any, of the Bank, and (iii) senior to all Junior Obligations of the Bank.

In the event of liquidation, dissolution or winding-up of the Bank, the Directors of the Issuer shall convene an extraordinary general meeting of the Issuer for the purpose of proposing a Special Resolution to put the Issuer in winding-up and the amount to which Holders shall be entitled as a Liquidation Distribution will be as described above.

The Bank will undertake in the Guarantee that, so long as any of the Preferred Securities is outstanding, it will not permit, or take any action to cause, the liquidation, dissolution or winding-up of the Issuer unless the Bank of Greece has given its prior approval, or the Bank itself is in liquidation.

Voting Rights: Generally, Holders will not be entitled to receive notice of or attend or vote at any general meeting of shareholders of the Issuer.

Holders (together with the holders of any other preferred securities or preference shares of the Issuer having the right to vote for the election of Directors in such event) are entitled to elect two additional Directors to the Issuer's Board of Directors if, in respect of one Preferred Dividend Period (or, after the First Call Date, four Preferred Dividend Periods),

	Preferred Dividends (whether or not declared) on the Preferred Securities or any Additional Amounts in respect thereof have not been paid in full, or if the Bank breaches its payment obligations under the Guarantee in respect of such Preferred Dividends or Additional Amounts.
	Subject to the terms of such other preferred securities or preference shares, if, in respect of one Preferred Dividend Period (or, after the First Call Date, four Preferred Dividend Periods), Preferred Dividends on the Preferred Securities and any Additional Amounts in respect of such Preferred Dividends have been paid in full on the Preferred Securities by the Issuer or the Bank has made payment of all amounts guaranteed in respect of such Preferred Dividends (whether or not declared) and any Additional Amounts, any Director(s) so appointed shall vacate the office.
Form of the Preferred Securities:	The Preferred Securities will be represented on issue by a single global certificate in registered form, which will be registered in the name of a nominee of, and will be deposited with, the Common Depositary.
Tradeable Amounts:	So long as the Preferred Securities are represented by a global certificate and Euroclear and Clearstream, Luxembourg so permit, the Preferred Securities shall be tradeable in minimum principal amounts of €50,000 per Preferred Security and integral multiples of €1,000 per Preferred Security in excess thereof.
Governing Law:	The Preferred Securities will be governed by, and construed in accordance with, Jersey law.
	The Guarantee will be governed by, and construed in accordance with, English law, save that the provisions concerning the ranking of the Guarantee and the rights upon liquidation, each as described above, will be governed by, and construed in accordance with, Greek law.
Use of proceeds:	The net proceeds from the issue of the Preferred Securities will be used by the Issuer to meet the general financing requirements of the Bank and its Subsidiaries.
Listing:	Application has been made to the UK Listing Authority for the Preferred Securities to be admitted to the Official List and to the London Stock Exchange for the Preferred Securities to be admitted to trading on the London Stock Exchange's Gilt-Edged and Fixed Interest Market.
Rating:	The Preferred Securities are expected to be rated Baa1 by Moody's Investors Service, BBB by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc. and BBB+ by Fitch Ratings Limited. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.
Risk Factors:	The purchase of the Preferred Securities involves substantial risks. These include the exposure of the Bank to credit risk,

market risk, operational risk and liquidity risk. Failure to control these risks could result in material adverse effects on the Bank's financial performance and reputation. See "Risk Factors" below.

RISK FACTORS

Prospective investors should consider carefully the following information in conjunction with the other information contained in this Prospectus before investing in the Preferred Securities.

The Issuer and the Bank believe that the following factors may affect their ability to fulfil their obligations under the Preferred Securities and the Guarantee, respectively. All of these factors are contingencies which may or may not occur and neither the Issuer nor the Bank is in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer and the Bank believe may be material for the purpose of assessing the market risks associated with the Preferred Securities are also described below.

The Issuer and the Bank believe that the factors described below represent the principal risks inherent in investing in the Preferred Securities, but the Issuer or the Bank may be unable to pay Preferred Dividends (as defined under "Description of the Preferred Securities") on the Preferred Securities for other reasons and none of the Issuer and the Bank represents that the statements below regarding the risks of holding any Preferred Securities are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision as these risk factors cannot be deemed complete.

The purchase of Preferred Securities involves substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Preferred Securities. Before making an investment decision, prospective purchasers of Preferred Securities should ensure that they understand the nature of the Preferred Securities and the extent of their exposure to risks and that they consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth herein.

Investment in the Preferred Securities is only suitable for investors who:

(1) have the requisite knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained herein and the merits and risks of an investment in the Preferred Securities in the context of such investors' financial position and circumstances;

(2) are capable of bearing the economic risk of an investment in the Preferred Securities for an indefinite period of time; and

(3) recognise that it may not be possible to make any transfer of the Preferred Securities for a substantial period of time, if at all.

Further, each prospective purchaser of the Preferred Securities must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Preferred Securities (i) is fully consistent with its (or if it is acquiring the Preferred Securities in a fiduciary capacity, the beneficiary's/ beneficiaries') financial needs, objectives and condition; (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Preferred Securities as principal or in a fiduciary capacity); and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Preferred Securities in a fiduciary capacity, for the beneficiary/beneficiaries), notwithstanding the clear and substantial risks inherent in investing in or holding the Preferred Securities.

Factors that may affect the Issuer's ability to fulfil its obligations under the Preferred Securities

The Issuer is a Finance Vehicle

An investment in the Preferred Securities will have substantially the same economic risks as an investment in non-cumulative perpetual preference shares issued directly by the Bank having the same liquidation preference and rate of distribution as the Preferred Securities. The Issuer is a finance vehicle which does not have any trading assets and does not generate trading income. The Preferred Securities are guaranteed on a limited and subordinated basis by the Bank pursuant to the terms of the Guarantee. Accordingly, if the Bank's financial condition were to deteriorate, the Issuer and the Holders may suffer direct and materially adverse consequences, including non-payment of Preferred Dividends on the Preferred Securities or of payments under the Guarantee.

Factors that may affect the Bank's ability to fulfil its obligations under the Guarantee

Economic Activity in Greece

The Bank's business activities are dependent on the level of banking, finance and financial services required by its customers. In particular, levels of borrowing are heavily dependent on customer confidence, employment trends, the state of the economy and market interest rates at the time. As the Bank currently conducts the majority of its business in Greece, its performance is influenced by the level and cyclical nature of business activity in Greece, which is in turn affected by both domestic and international economic and political events. There can be no assurance that a weakening in the Greek economy will not have a material effect on the Bank's future results.

Risks Related to the Bank's Business

As a result of its business activities, the Bank is exposed to a variety of risks, the most significant of which are credit risk, market risk, operational risk and liquidity risk. Failure to control these risks could result in material adverse effects on the Bank's financial performance and reputation.

Credit Risk

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Bank's businesses. Adverse changes in the credit quality of the Bank's borrowers and counterparties or a general deterioration in the Greek, US or global economic conditions, or arising from systematic risks in the financial systems, could affect the recoverability and value of its assets and require an increase in the Bank's provision for bad and doubtful debts and other provisions.

Market Risk

The most significant market risks the Bank faces are interest rate, foreign exchange and bond and equity price risks. Changes in interest rate levels, yield curves and spreads may affect the interest rate margin realised between lending and borrowing costs. Changes in currency rates affect the value of assets and liabilities denominated in foreign currencies and may affect income from foreign exchange dealing. The performance of financial markets may cause changes in the value of the Bank's investment and trading portfolios. The Bank has implemented risk management methods to mitigate and control these and other market risks to which the Bank is exposed and exposures are constantly measured and monitored. However, it is difficult to predict with accuracy changes in economic or market conditions and to anticipate the effects that such changes could have on the Bank's financial performance and business operations.

Operational Risk

The Bank's businesses are dependent on the ability to process a very large number of transactions efficiently and accurately. Operational risk and losses can result from fraud, errors by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of external systems, for example, those of the Bank's suppliers or counterparties. Although the Bank has implemented risk controls and loss mitigation actions, and substantial resources are devoted to developing efficient procedures and to staff training, it is not possible to implement procedures which are fully effective in controlling each of the operational risks.

Liquidity Risk

The inability of a bank, including the Bank, to anticipate and provide for unforeseen decreases or changes in funding sources could have an adverse effect on such bank's ability to meet its obligations when they fall due.

Impact of Regulatory Changes

The Bank is subject to financial services laws, regulations, administrative actions and policies in each location that the Bank operates. Changes in supervision and regulation, in particular in Greece, could materially affect the Bank's business, the products and services offered or the value of its assets. Although the Bank works closely with its regulators and continually monitors the situation, future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Bank.

International Financial Reporting Standards

The Bank has adopted IFRS for reporting periods beginning 1st January, 2005 and thereafter. These standards are, in a number of ways, different from existing generally accepted accounting principles in Greece and their implementation may have a significant effect on the presentation of the Bank's financial statements.

The independent auditor's reports relating to the Bank's financial statements for the years ended 31st December, 2003 and 31st December, 2004 were qualified since in certain cases the Bank applied IFRS and diverged from the requirements of Greek Company Law 2190/1920. An explanation of the nature of the qualifications is given in the audit report relating to each respective financial period as set out on pages F-1 to F-22.

Factors which are material for the purpose of assessing the market risks associated with the Preferred Securities

Preferred Dividends not cumulative; certain dividends to ordinary shareholders are mandatory

Preferred Dividends on the Preferred Securities are not cumulative. Subject to the provisions relating to compulsory payments as set out in "Description of the Preferred Securities", Preferred Dividends on the Preferred Securities will not be paid on each Preferred Dividend Payment Date unless the Directors of the Issuer declare, in their sole discretion, that they are payable. If the Bank has insufficient Distributable Funds the Issuer will not make such a declaration and no Preferred Dividends will be payable or paid. Subject as provided above, if Preferred Dividends on the Preferred Securities for any Preferred Dividend Period are not declared or paid, Holders will not be entitled to receive any such Preferred Dividends (or any payment under the Guarantee in respect of any Preferred Dividends) whether or not sufficient funds are, or subsequently become, available.

If the Bank, the Issuer or any Subsidiary (as defined under "Description of the Preferred Securities") pays any distribution(s) on or in respect of any class of Junior Obligations (as defined under "Description of the Preferred Securities") then, subject to Jersey law and to the provisions of paragraph 4(e) of "Description of the Preferred Securities", the Issuer will be required to declare and pay Preferred Dividends on the Preferred Securities in accordance with paragraph 4(a) of "Description of the Preferred Securities". However, a payment of Preferred Dividends will not be compulsory if the Bank, the Issuer or any other Subsidiary:

(1) pays a dividend or other distribution on any ordinary shares of the Bank (i) which dividend or other distribution is solely in the form of Junior Obligations (as defined under "Description of the Preferred Securities") or (ii) the whole of which dividend or other distribution is mandatorily required to be paid by mandatory operation of Greek law from time to time; or

(2) pays a dividend or other distribution on the €200,000,000 Series A CMS-Linked Non-Cumulative Guaranteed Non-Voting Preferred Securities issued in March 2005, which payment is triggered by payment on any ordinary shares of the Bank and the whole of which payment on such ordinary shares is mandatorily required by mandatory operation of Greek law from time to time.

Greek company law requires dividends to be paid to ordinary shareholders as follows:

The Bank pays dividends out of:

(i) distributable profits for the year (i.e. profits net of: (a) tax, (b) losses carried forward, and (c) prior years tax audit differences); and

(ii) retained earnings, special reserves or ordinary reserves to the extent they exceed the amount required to be maintained by law.

Before paying dividends, the Bank must allocate between 5 per cent. and 20 per cent. of its net profits to an ordinary reserve until this reserve equals at least one-half of the Bank's share capital. According to the Bank's Articles of Association and Greek corporate law, and subject to the limitations described below, each year the Bank is required to pay a minimum dividend out of the net profits for the year, if any, equal to the greater of:

(a) 6 per cent. of the Bank's share capital; or

(b) 35 per cent. of the net profits for the year (after the deduction of statutory reserves and any profits resulting from the sale of equity participations that represent at least 20 per cent. of the paid-up share capital of a subsidiary company in which the Bank has held an equity participation for at least ten years).

Calculation of all such amounts is currently based on the financial statements of the Bank prepared in accordance with Greek corporate law.

Any distribution of the remainder of the distributable profits must be approved by a "General Meeting of the Shareholders" (the "General Meeting"), with ordinary quorum and majority voting requirements, following a proposal of the Bank's board of directors (the "Board of Directors" or the "Board").

No distribution whatsoever (including dividends) can be effected if, on the closing date of the last financial year, the total shareholders' equity (comprising paid-up share capital, reserves and profits/losses from previous years) is, or will become after that distribution, lower than the aggregate of the paid-up share capital and non-distributable reserves, the distribution of which is prohibited by Greek law or the Bank's Articles of Association. In any event, dividends may not exceed net profits of the last financial year, as increased by distributable reserves, the distribution of which is permitted as resolved at the General Meeting, and profits carried forward from previous years, and as decreased by any loss in the previous financial year and any compulsory reserves required by law or the Bank's Articles of Association.

In the event that the obligatory dividend payments equal 35 per cent. of the net profits for the year (after the deduction of statutory reserves and any profits resulting from the sale of equity participations that represent at least 20 per cent. of the paid-up share capital of a subsidiary company in which the Bank has held an equity participation for at least ten years), the Bank's shareholders have two options. According to Greek Emergency Law 148/1967, as amended by Greek Law 2753/1999, a majority representing at least 65 per cent. of the paid-up share capital may vote to waive this dividend payment at a General Meeting. Undistributed dividends must then be transferred under a special reserve and must be capitalised within four years following the General Meeting. Furthermore, a majority representing 70 per cent. of the Bank's paid-up capital may vote to distribute the lower amount, i.e., 6 per cent. of the Bank's share capital.

Once approved, dividends must be paid to shareholders within two months of the date on which the Bank's annual financial statements are approved. Normally, dividends are declared and paid in the year subsequent to the reporting period. Dividends are forfeited to the Hellenic Republic if they are not claimed by shareholders within five years following 31st December of the year in which they were declared.

Perpetual Nature of the Preferred Securities

The Preferred Securities have no fixed final redemption date and Holders have no rights to require the redemption of the Preferred Securities. Although the Issuer may elect to redeem the Preferred Securities in whole, but not in part, in certain circumstances including at its option on the First Call Date or any Preferred Dividend Payment Date thereafter or following the occurrence of certain tax events or a Capital Disqualification Event (as set out in "Description of the Preferred Securities"), such election is discretionary and subject to certain limitations. An optional redemption feature is likely to limit the market value of the Preferred Securities. After the First Call Date, the market value of the Preferred Securities will not rise substantially above the price at which they can be redeemed. This may also be true prior to the First Call Date.

The Issuer may be expected to redeem the Preferred Securities when its cost of borrowing is lower than the rate of cash dividends payable on the Preferred Securities. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective rate as high as the rate on the Preferred Securities being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Any early redemption by the Issuer is subject to the prior consent of the Bank and the Bank of Greece. It is currently expected that such consent of the Bank of Greece will be given only in cases where, after such redemption of the Preferred Securities by the Issuer, (i) the solvency ratio of the Bank, on an unconsolidated and consolidated basis, remains after such redemption above 8 per cent. and (ii) the ratio of "upper tier 1 capital" items of own funds (namely tier 1 capital excluding the Preferred Securities and similar instruments) to risk weighted assets of the Bank, remains above 5 per cent. as required by Circular 21/2004 of the Bank of Greece.

The Issuer's obligations under the Preferred Securities and the Bank's obligations under the Guarantee are subordinated

In the event of any bankruptcy, winding-up, liquidation or dissolution of the Issuer, Holders will be entitled to receive the Liquidation Distribution (as defined under "Description of the Preferred Securities") per Preferred Security held out of assets of the Issuer available for distribution to shareholders. Notwithstanding the availability of sufficient assets of the Issuer to pay any Liquidation Distribution, if at the time such Liquidation Distribution is to be paid, proceedings are pending or have been commenced for the liquidation, dissolution or winding-up of the Bank, the Liquidation Distribution per Preferred Security paid to Holders and the liquidation distribution paid to the holders of Liquidation Parity Obligations (as defined under "Description of the Preferred Securities") shall not exceed the amount that would have been paid as the liquidation distribution from the assets of the Bank) (after payment in full in accordance with Greek law of all creditors of the Bank, including holders of its subordinated debt but excluding holders of any liability ranking *pari passu* with or junior to the Bank's obligations under the Guarantee) had the Preferred Securities and all such Liquidation Parity Obligations been issued by the Bank and ranked (i) junior to all liabilities of the Bank (other than any liability ranking *pari passu* with or junior to the Bank's obligations under the Guarantee) ("Senior Creditors"), (ii) *pari passu* with the Parity Obligations (as defined under "Description of the Preferred Securities"), if any, of the Bank, and (iii) senior to all Junior Obligations of the Bank.

Voting Rights

Except as provided under "Voting Rights" under "Description of the Preferred Securities", holders will not be entitled to receive notice of or attend or vote at any general meeting of shareholders of the Issuer.

No Limitation on Future Debt

The Bank is not prohibited from issuing, guaranteeing or otherwise incurring further debt ranking *pari passu* with, or senior to, its obligations under the Guarantee.

Risks related to the Preferred Securities generally

Trading in the Clearing Systems

So long as the Preferred Securities are represented by the global certificate and the relevant clearing system(s) so permit, the Preferred Securities shall be tradeable in minimum principal amounts of €50,000 per Preferred Security and integral multiples of €1,000 per Preferred Security in excess thereof. Should definitive Preferred Securities be required to be issued, a holder who does not have an integral multiple of €50,000 in his account with the relevant clearing system at the relevant time may not receive all of his entitlement in the form of definitive Preferred Securities unless and until such time as his holding becomes an integral multiple of €50,000.

Modification and waivers

The terms of the Preferred Securities contain provisions for calling meetings of Holders of Preferred Securities to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders of the Preferred Securities including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1st July, 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland) with effect from the same date.

If, following implementation of this Directive, a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Preferred Security as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent following implementation of this Directive, the Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the Directive.

Change of law

The Preferred Securities are based on Jersey law in effect as at the date of issue of the Preferred Securities. The Guarantee is based on English law (save that paragraphs 3 and 9(b) shall be governed by, and construed in accordance with, Greek law) in effect as at the date of issue of the Preferred Securities. In addition, the provisions of the paragraph entitled "Exceptions to Compulsory Payments" under "Description of the Preferred Securities" are subject to mandatory operation of Greek law from time to time. No assurance can be given as to the impact of any possible judicial decision or change to Jersey law, English law or Greek law or administrative practice after the date of issue of the Preferred Securities.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

Absence of Prior Public Markets

The Preferred Securities constitute a new issue of securities by the Issuer. Prior to this issue, there will have been no public market for the Preferred Securities. Although application has been or will be made for the Preferred Securities to be admitted to the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange's Gilt-Edged and Fixed Interest Market, there can be no assurance that an active public market for the Preferred Securities will develop and, if such a market were to develop, the Managers are under no obligation to maintain such a market. The liquidity and the market prices for the Preferred Securities can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Bank and other factors that generally influence the market prices of securities.

Exchange rate risks and exchange controls

The Issuer will pay the Preferred Dividends on the Preferred Securities and the Bank will make any payments under the Guarantee in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease (i) the Investor's Currency-equivalent yield on the Preferred Securities and (ii) the Investor's Currency-equivalent market value of the Preferred Securities.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less of a return on the Preferred Securities than expected.

Interest rate risks

Prior to the First Call Date, the Preferred Securities will accrue Preferred Dividends at a fixed rate. Investment in fixed rate instruments involves the risk that subsequent changes in market interest rates may adversely affect the value of the fixed rate instruments.

Credit ratings may not reflect all risks

The Preferred Securities are expected to be rated Baa1 by Moody's Investors Service, BBB by Standard & Poor's Rating Services, a division of The McGraw-Hill Companies Inc. and BBB+ by Fitch Ratings Limited. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Preferred Securities.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Preferred Securities are legal investments for it, (ii) the Preferred Securities can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Preferred Securities. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Preferred Securities under any applicable risk-based capital or similar rules.

DESCRIPTION OF THE PREFERRED SECURITIES

The following summary sets forth the material terms and provisions of the Preferred Securities. It is qualified in its entirety by reference to the terms and conditions of the Issuer's Articles of Association. Copies of the Issuer's Articles of Association and other documents relating to the Preferred Securities are available as described under "General Information — Documents". The wording set out in italics at the end of paragraph 3 shall not form part of the terms and conditions of the Issuer's Articles of Association.

1. Definitions and Interpretation

In this description of the Preferred Securities, except to the extent that the context requires otherwise:

"Additional Amounts" means the additional amounts which may be payable in respect of the Preferred Securities as described in paragraph 11;

"Agency Agreement" means the agency agreement dated 2nd November, 2005 relating to the Preferred Securities between the Bank, the Issuer, the Principal Paying and Transfer Agent, the Registrar and the other agents named therein;

"Bank" means EFG Eurobank Ergasias S.A. and its successors and assigns;

"Business Day" means any day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, Athens and Jersey and which is a TARGET Settlement Day;

"Capital Disqualification Event" means a change in any applicable law or regulation (including the provisions of Circular 21/2004 of the Bank of Greece on tier 1 instruments), or in the official interpretation or application thereof, as a result of which for the purposes of capital adequacy requirements applicable to banks in Greece, at that time an amount equal to, and in respect of, the aggregate liquidation preference of the Preferred Securities outstanding (being €50,000 per Preferred Security) will not be included in the tier 1 capital of the Bank on a consolidated basis;

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme or its successor;

"Closing Date" means 2nd November, 2005;

"Common Depositary" means Deutsche Bank AG, London Branch;

"Directors" means some or all of the directors of the Issuer acting as a board and includes a duly appointed committee of the directors of the Issuer;

"Distributable Funds" means, in respect of a particular financial year, the aggregate amount, as calculated as of the end of the immediately preceding financial year of the Bank, of the profit and any accumulated retained earnings and any other reserves and surpluses of each member of the Group available for distribution in such particular financial year as cash dividends to ordinary shareholders of the Bank under the companies laws of, and accounting standards applicable in, Greece, but before deduction of the amount of any dividend or other distribution declared on the Bank's ordinary share capital in respect of such particular financial year;

"Dividend Determination Date" means, with respect to any Preferred Dividend Period after the First Call Date, the second TARGET Settlement Day prior to the first day of such Preferred Dividend Period;

"Dividend Rate" means in respect of a relevant Preferred Dividend Period, the percentage rate determined pursuant to paragraph 2(b);

"Euroclear" means Euroclear Bank S.A./N.V. as operator of the Euroclear System;

“First Call Date” means the Preferred Dividend Payment Date falling on 2nd November, 2015;

“Global Certificate” has the meaning set out in paragraph 13;

“Greek Tax” means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Greece or any political sub-division thereof or by any authority therein or thereof having power to tax;

“Group” means the Bank together with its Subsidiaries;

“Guarantee” means the subordinated guarantee in favour of the Holders (as defined in the Guarantee) to be executed by the Bank on 2nd November, 2005 as a deed poll;

“Holder” means, in relation to any Preferred Security, the member of the Issuer whose name is entered in the Register as the holder of such Preferred Security;

“Jersey Tax” means any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Jersey or any political sub-division thereof or by any authority therein or thereof having power to tax;

“Junior Obligations” means (a) ordinary shares of the Bank; (b) any preferred or preference shares or securities or other obligations of the Bank that rank junior to the Guarantee; and (c) any preferred or preference shares or securities or other obligations of a Subsidiary including the Issuer entitled to the benefit of a guarantee, support agreement or other similar undertaking of the Bank that ranks junior to the Guarantee and any such guarantees, support agreements or similar undertakings of the Bank;

“Law” means the Companies (Jersey) Law, 1991 as the same may be amended from time to time;

“Liquidation Distribution” means the Liquidation Preference plus (a) any accrued and unpaid Preferred Dividends (whether or not declared) calculated from and including the immediately preceding Preferred Dividend Payment Date (or, if none, the Closing Date) to but excluding the date of payment, and (b) any Additional Amounts, in each case payable in cash only;

“Liquidation Parity Obligations” means the most senior preferred or preference shares or securities or other obligations of the Bank and any guarantee, support agreement or other similar undertaking of the Bank, in each case ranking *pari passu* with the Guarantee as regards entitlement to distributions on liquidation thereunder and any preferred or preference shares or securities or other obligations of a Subsidiary including the Issuer entitled to the benefit of a guarantee, support agreement or other similar undertaking of the Bank which guarantee, support agreement or other similar undertaking ranks *pari passu* with the Guarantee as regards entitlement to distributions on liquidation thereunder;

“Liquidation Preference” means the liquidation preference of €50,000 per Preferred Security;

“Make Whole Redemption Price” means, in respect of each Preferred Security, the price, as determined by the Calculation Agent three dealing days before the relevant Redemption Date, equal to (i) the present value of the Liquidation Preference of the Preferred Security discounted from the First Call Date, plus (ii) the present values of scheduled non-cumulative Preferred Dividends from (and including) the relevant Redemption Date to (but excluding) the First Call Date plus (iii) any accrued and unpaid Preferred Dividends calculated from (and including) the immediately preceding Preferred Dividend Payment Date (or, if none, the Closing Date) to (but excluding) the Redemption Date plus (iv) any Additional Amounts remaining unpaid.

The present values calculated in (i) and (ii) above shall be calculated by discounting the relevant amounts to the date when the Preferred Security is to be redeemed on an annual basis at the Adjusted Yield.

For the purposes of determining the Make Whole Redemption Price:

"Adjusted Yield" means the Bond Yield, plus 0.40 per cent.;

"Bond Yield" means the rate per annum equal to the annual yield to maturity of the Reference Bond;

"Calculation Agent" means an investment bank or financial institution of international standing selected by the Bank; and

"Reference Bond" means such European government bond as the Calculation Agent may, with the advice of three brokers of, and/or market makers in, European government bonds selected by the Calculation Agent determine to be appropriate for determining the Make Whole Redemption Price;

"Margin" means 2.22 per cent. per annum;

"Optional Redemption Price" means €50,000 per Preferred Security plus accrued and unpaid Preferred Dividends calculated from (and including) the immediately preceding Preferred Dividend Payment Dates (or, if none, the Closing Date) to (but excluding) the Redemption Date whether or not declared, and any Additional Amounts remaining unpaid;

"Parity Obligations" means Liquidation Parity Obligations and Preferred Dividend Parity Obligations;

"Paying and Transfer Agent" means each of the Principal Paying and Transfer Agent and Deutsche Bank Luxembourg S.A. and/or any other entity appointed as paying and transfer agent by the Issuer and notified to the Holders;

"Preferred Dividends" means the non-cumulative dividends in respect of the Preferred Securities as described under paragraph 2;

"Preferred Dividend Parity Obligations" means (a) the most senior preferred or preference shares or securities or other obligations qualifying as tier 1 capital of the Bank on a consolidated basis and ranking *pari passu* as regards entitlement to distributions thereunder with the Bank's obligations under the Guarantee and (b) all preferred or preference shares or securities or other obligations of Subsidiaries, including of the Issuer, qualifying as tier 1 capital of the Bank on a consolidated basis and entitled to the benefit of any guarantee, support agreement or similar undertaking of the Bank in each case ranking *pari passu* with the Bank's obligations under the Guarantee as regards entitlement to distributions thereunder, and any such guarantee, support agreement or other similar undertaking of the Bank;

"Preferred Dividend Payment Date" means each date on which a Preferred Dividend is payable in accordance with the provisions of paragraph 2(a);

"Preferred Dividend Period" means the period from and including the Closing Date to but excluding the first Preferred Dividend Payment Date and each successive period from and including a Preferred Dividend Payment Date to but excluding the next succeeding Preferred Dividend Payment Date;

"Preferred Securities" means the €400,000,000 Series B Fixed to Floating Rate Non-cumulative Guaranteed Non-voting Preferred Securities of the Issuer outstanding, each with a "par value" Liquidation Preference, and including any further Preferred Securities of the Issuer of the same series issued pursuant to paragraph 10;

"Principal Paying and Transfer Agent" means Deutsche Bank AG, London Branch or such other entity appointed by the Issuer and notified to the Holders;

"Redemption Date" means the date on which the Preferred Securities are redeemed by the Issuer;

"Reference Banks" means any four major banks in the euro-zone interbank market selected by the Principal Paying and Transfer Agent in consultation with the Bank;

"Register" means the register of Holders maintained by the Registrar outside the United Kingdom on behalf of the Issuer;

"Registrar" means Deutsche Bank Luxembourg S.A. or such other entity appointed by the Issuer and notified to the Holders;

"Special Resolution" means a resolution of the Issuer passed as a special resolution in accordance with the Law;

"Stock Exchange" means the London Stock Exchange plc and/or such other stock exchange on which the Preferred Securities may be listed and/or admitted to trading from time to time;

"Subsidiary" means any corporation or other person or entity more than 50 per cent. of whose equity share capital is owned by the Bank, or 20 per cent., at least, of whose equity share capital is directly or indirectly controlled by the Bank and whose board of directors is controlled by the Bank or which is consolidated in the most recent annual audited consolidated financial statements of the Bank or which will be so consolidated in the next annual audited consolidated financial statements of the Bank;

"TARGET Settlement Day" means any day on which the TARGET System is operating; and

"TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer System or any successor thereto.

2. Preferred Dividends on Preferred Securities

(a) Preferred Dividend Payment Dates

Preferred Dividends on the Preferred Securities are non-cumulative and will be deemed to accrue on a day by day basis whether or not declared. Subject to the Law, the Preferred Dividends will be payable (i) annually in arrear on 2nd November in each year up to and including 2nd November, 2015 (each a "Preferred Dividend Payment Date"); and thereafter (ii) quarterly in arrear on 2nd February, 2nd May, 2nd August and 2nd November in each year commencing on 2nd February, 2016 (each a "Preferred Dividend Payment Date"), provided that if any such Preferred Dividend Payment Date in this sub-clause (ii) would otherwise fall on a day which is not a Business Day, such Preferred Dividend Payment Date shall be postponed to the next day which is a Business Day unless it would then fall into the next calendar month in which event it shall be brought forward to the immediately preceding Business Day.

(b) Dividend Rate

In respect of each Preferred Dividend Period during the period from and including the Closing Date to but excluding 2nd November, 2015 the Dividend Rate shall be 4.565 per cent. per annum. The Preferred Dividend amounts payable on 2nd November in each year in respect of such Preferred Dividend Periods shall be €2,282.50 per Preferred Security. To the extent that it is necessary before 2nd November, 2015 to calculate the amount of Preferred Dividend per Preferred Security for a period other than a Preferred Dividend Period, such amount shall be calculated on the basis of (i) the actual number of days in the period from, and including, the date from which the Preferred Dividend begins to accrue (the "Accrual Date") to, but excluding, the date on which it falls due divided by (ii) the actual number of days from, and including, the Accrual Date to, but excluding, the next following Preferred Dividend Payment Date.

Thereafter, the Dividend Rate will be determined by the Principal Paying and Transfer Agent for each subsequent Preferred Dividend Period on the basis of the following provisions. In relation to a Preferred Dividend Period commencing on the First Call Date or any Preferred Dividend Payment Date thereafter, the Dividend Rate shall be the sum of Three Month

EURIBOR and the Margin. For these purposes, "Three Month EURIBOR" means the 3-month EURIBOR rate (expressed as a rate per annum) published on page 248 of the Telerate Monitor (or such other screen page of Telerate or such other information service that is designated as the successor to page 248 of the Telerate Monitor for the purpose of displaying such rates (the "Screen Page")) at or about 11.00 a.m. (Brussels time) as the rate offered in the interbank market in the euro-zone for deposits in euro for the relevant Preferred Dividend Period, on the Dividend Determination Date for such Preferred Dividend Period.

If such rate does not appear on the Screen Page on the relevant Dividend Determination Date, then Three Month EURIBOR for the relevant Preferred Dividend Period will be determined on the basis of the rates at which deposits in euro are offered by the Reference Banks at approximately 11.00 a.m. (Central European Time) on the relevant Dividend Determination Date to leading banks in the euro-zone interbank market for a period of three months commencing on the first day of the relevant Preferred Dividend Period and in an amount that is representative for a single transaction in the relevant market at the relevant time. The Principal Paying and Transfer Agent shall request the principal euro-zone office of each of the Reference Banks to provide a quotation of its rate. If at least two quotations are provided, Three Month EURIBOR shall be the arithmetic mean of such quotations.

If fewer than two quotations are provided as requested, Three Month EURIBOR in respect of such Preferred Dividend Period shall be the arithmetic mean of the rates quoted by major banks in the euro-zone selected by the Principal Paying and Transfer Agent, at approximately 11.00 a.m. (Central European Time), on such Dividend Determination Date for loans in euro to leading banks in the euro-zone interbank market for a period of three months commencing on the first day of such Preferred Dividend Period and in an amount that is representative for a single transaction in the relevant market at the relevant time except that, if the banks so selected by the Principal Paying and Transfer Agent are not quoting as mentioned above, the Dividend Rate for such Preferred Dividend Period shall be either (i) the Dividend Rate in effect for the last preceding Preferred Dividend Period to which one of the paragraphs of this definition of Three Month EURIBOR shall have applied or (ii) if none, 4.565 per cent. per annum.

The Principal Paying and Transfer Agent will, as soon as practicable after 11.00 a.m. (Central European Time) on each Dividend Determination Date, determine the Dividend Rate in respect of the relevant Preferred Dividend Period and calculate the amount of the Preferred Dividend payable per Preferred Security on the Preferred Dividend Payment Date for the relevant Preferred Dividend Period (the "Dividend Amount") by applying the Dividend Rate for such Preferred Dividend Period to the Liquidation Preference, multiplying such sum by the number of days elapsed in the period using a calendar year of 360 days consisting of 12 months of 30 days each (unless the last day of the Preferred Dividend Period is the 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month) divided by 360 and rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

In respect of each Preferred Dividend Period beginning on and after the First Call Date, the Principal Paying and Transfer Agent shall cause the relevant Dividend Rate, the relevant Preferred Dividend Payment Date and each Preferred Dividend payable in respect of the relevant Preferred Dividend Period to be notified to the Issuer, the Bank and the London Stock Exchange (for so long as the Preferred Securities are listed thereon) and be available to the Holders at the specified office of each Paying and Transfer Agent as soon as possible after their determination but in any event not later than the fourth Business Day thereafter. The Dividend Amounts and the Preferred Dividend Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of proven or manifest error.

3. Limitations on Payments of Preferred Dividends on Preferred Securities

(a) Limitations

Subject to the Law and to the provisions of paragraph 4 below, Preferred Dividends on the Preferred Securities may be declared by the Directors, in their sole discretion, and paid by the Issuer out of funds legally available therefor.

However, subject to the provisions of paragraph 4 below, the Directors will not declare, and the Issuer will not be permitted to pay, any Preferred Dividend on the Preferred Securities if:

(i) such Preferred Dividend, together with the amount of:

(A) any Preferred Dividends previously paid in respect of the Preferred Securities and distributions previously paid in respect of Preferred Dividend Parity Obligations in the then current financial year; and

(B) any Preferred Dividends proposed or scheduled to be paid in respect of the Preferred Securities and distributions proposed or scheduled to be paid in respect of Preferred Dividend Parity Obligations in the then current financial year,

would exceed Distributable Funds; or

(ii) sufficient Distributable Funds are available, but the Issuer has been notified that a resolution of the directors of the Bank has been passed that states that in the opinion of the directors of the Bank payment of such Preferred Dividends would cause the Bank to breach Greek banking regulations affecting banks which fail to meet their capital adequacy ratios on a consolidated basis, as applicable and in force at the relevant time.

For the avoidance of doubt, the Directors will only be required to declare, and the Issuer will only be required to pay, a Preferred Dividend in the circumstances set out in paragraph 4.

References to Preferred Dividends in this paragraph include Additional Amounts.

If the Issuer does not pay Preferred Dividends in respect of any Preferred Dividend Period, the Issuer shall notify the London Stock Exchange, so long as the Preferred Securities are listed thereon, and the Holders.

(b) Preferred Dividends non-cumulative

If the Directors do not declare a Preferred Dividend payable on a Preferred Dividend Payment Date in respect of the Preferred Securities then, subject to paragraphs 4 and 5 and without affecting the rights of the Holders under the Guarantee, the entitlement of the Holders to receive such Preferred Dividend will be lost. The Issuer will have no obligation to pay the Preferred Dividend accrued for such Preferred Dividend Period or to pay any interest thereon, whether or not Preferred Dividends on the Preferred Securities are declared in respect of any future Preferred Dividend Period.

Whilst paragraph 3(a) provides that Preferred Dividends will only be paid if so declared by the Directors in their sole discretion and paid by the Issuer out of funds legally available therefor, Preferred Dividends are required to be paid by the Issuer in the circumstances set out in paragraph 4 and it is the intention of the Bank to procure that the Directors of the Issuer do declare Dividends if there are funds legally available therefor and such declaration or payment of such Preferred Dividends would not breach or cause any breach of any applicable law or regulation. However, this statement of intention is not, and is not intended to create, a legally binding agreement, undertaking, promise or representation regarding the Bank's future conduct.

4. Compulsory payment of Preferred Dividends on Preferred Securities

(a) Compulsory payment as a result of payment on Junior Obligations

If the Bank, the Issuer or any other Subsidiary pays any distribution(s) on or in respect of any class of Junior Obligations, then, subject to the Law and to the provisions of paragraph 4(e) below, the Issuer will be required to declare and pay Preferred Dividends on the Preferred Securities as follows:

(i) payment of the full amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date (or, after the First Call Date, the next four Preferred Dividend Payment Dates) if the distribution(s) on the Junior Obligations is made in respect of an annual period (or, before the First Call Date, in respect of two semi-annual periods or four quarterly periods);

(ii) payment of three quarters of the amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution(s) on the Junior Obligations is made in respect of three quarterly periods before the First Call Date;

(iii) payment of (i) half of the amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution(s) on the Junior Obligations is made in respect of a semi-annual period (or two quarterly periods) or (ii) after the First Call Date, the full amount of the Preferred Dividend payable on the next two Preferred Dividend Payment Dates if the distribution(s) on the Junior Obligations is made in respect of a semi-annual period; and

(iv) payment of a quarter of the amount (or, after the First Call Date, the full amount) of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution on the Junior Obligations is made in respect of a quarterly period.

(b) Compulsory payment as a result of redemption of Junior Obligations

Subject to the Law, the Issuer will be required to declare and make payment of the full amount of the Preferred Dividends payable on the next Preferred Dividend Payment Date (or, after the First Call Date, the next four Preferred Dividend Payment Dates) contemporaneous with, or following, any date on which the Bank or any Subsidiary has redeemed, repurchased or otherwise acquired any Junior Obligations for any consideration (or any moneys are paid to or made available for a sinking fund for, or for redemption of, any such securities) except by conversion into or in exchange for other Junior Obligations unless (a) such acquisition is effected in accordance with the provisions of Article 16 paragraphs 2(b) to (f) or paragraph 5 *et seq*. of Greek Codified Law 2190/1920 and (b) following such acquisition and any other measure taken by the Bank:

(i) the solvency ratio of the Bank, on an unconsolidated and consolidated basis, remains above 8 per cent.; and

(ii) the ratio of "upper tier 1 capital" items of own funds (namely tier 1 capital excluding the Preferred Securities and similar instruments) to risk weighted assets of the Bank remains above 5 per cent. as required by Circular 21/2004 of the Bank of Greece as in force and amended or supplemented from time to time.

(c) Compulsory payment as a result of payment on Preferred Dividend Parity Obligations

If the Bank, the Issuer or any other Subsidiary pays any distribution(s) on or in respect of any class of Preferred Dividend Parity Obligations, then, subject to the Law and to the provisions of paragraph 4(e) below, the Issuer will be required to declare and make *pro rata* payments of Preferred Dividends on the Preferred Securities as follows:

(i) *pro rata* payment of the full amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date (or, after the First Call Date, the next four Preferred Dividend Payment Dates) if the distribution(s) on the Preferred Dividend Parity Obligations is made in respect of an annual period (or, before the First Call Date, two semi-annual periods or four quarterly periods);

(ii) *pro rata* payment of three quarters of the amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution(s) on the Preferred Dividend Parity Obligations is made in respect of three quarterly periods before the First Call Date;

(iii) *pro rata* payment of (i) half of the amount of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution(s) on the Preferred Dividend Parity Obligations is made in respect of a semi-annual period (or two quarterly periods) or (ii) after the First Call Date, the full amount of the Preferred Dividend payable on the next two Preferred Dividend Payment Dates if the distribution(s) on the Preferred Dividend Parity Obligations is made in respect of a semi-annual period; and

(iv) *pro rata* payment of a quarter of the amount (or, after the First Call Date, the *pro rata* payment of the full amount) of the Preferred Dividend payable on the next Preferred Dividend Payment Date if the distribution on the Preferred Dividend Parity Obligations is made in respect of a quarterly period.

When a distribution on Preferred Dividend Parity Obligations requires *pro rata* payment of Preferred Dividends as described above, the amount of the required payment will be in the same proportion to the aggregate specified amount of Preferred Dividends payable on the Preferred Securities as the aggregate payment that was made on such Preferred Dividend Parity Obligations bears to the amount that was payable on such Preferred Dividend Parity Obligations at the time of such payment.

(d) *Aggregation of Preferred Dividends in Preferred Dividend Period*

Subject to the Law, compulsory payments of Preferred Dividends to be made by virtue of paragraph 4(a), 4(b) or 4(c) shall be aggregated on any Preferred Dividend Payment Date with any discretionary payments made or to be made following a declaration as described in paragraph 3 in respect of any relevant Preferred Dividend Period, provided that in any relevant Preferred Dividend Period the aggregate amount paid in respect of Preferred Dividends on the Preferred Securities shall not exceed the scheduled amount of the Preferred Dividends.

Save as described in paragraph 5, after payment of any compulsory Preferred Dividend payable by virtue of this paragraph, the Holders will have no right to participate in the profits of the Issuer.

(e) *Exceptions to Compulsory Payments*

Notwithstanding the provisions of paragraphs 4(a), 4(b), 4(c) and 4(d) above, a payment of Preferred Dividends will not be compulsory if the Bank, the Issuer or any other Subsidiary:

(i) pays a dividend or other distribution on any ordinary shares of the Bank (i) which dividend or other distribution is solely in the form of Junior Obligations or (ii) the whole of which dividend or other distribution is mandatorily required to be paid by mandatory operation of Greek law from time to time; or

(ii) pays a dividend or other distribution on the €200,000,000 Series A CMS-Linked Non-cumulative Guaranteed Non-Voting Preferred Securities issued in March 2005, which payment is triggered by payment on any ordinary shares of the Bank and the whole of which payment on such ordinary shares is mandatorily required by mandatory operation of Greek law from time to time.

5. Redemption of Preferred Securities

(a) Optional redemption

Subject to the Law and paragraph (d) below, the Preferred Securities are redeemable, at the option of the Issuer, in whole but not in part, on the First Call Date and on any Preferred Dividend Payment Date falling thereafter, upon not less than 30 or more than 60 days' notice to the Holders (which notice shall be irrevocable). Upon the expiry of such notice, the Issuer shall be bound to redeem each Preferred Security accordingly at the Optional Redemption Price.

(b) Redemption for tax reasons

(i) Subject to the Law and paragraph (d) below, if, at any time falling prior to but excluding the First Call Date, as a result of any amendment to or change in the laws or regulations of Jersey or Greece or any political subdivision thereof or any authority or agency therein or thereof having power to tax or any change in the application of or official interpretation or administration of any such laws or regulations, which amendment or change becomes effective on or after 31st October, 2005, the Issuer is or would be required to pay Additional Amounts, or the Bank would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay Additional Amounts under the Guarantee, then the Preferred Securities will be redeemable, at the option of the Issuer, in whole but not in part, at any time, upon not less than 30 or more than 60 days' notice to the Holders (which notice shall be irrevocable). Upon the expiry of such notice, the Issuer shall be bound to redeem each Preferred Security at the Optional Redemption Price.

(ii) Subject to the Law and paragraph (d) below, if, at any time falling prior to but excluding the First Call Date, as a result of any amendment to or change in the laws or regulations of Jersey or Greece or any political subdivision thereof or any authority or agency therein or thereof having power to tax or any change in the application of or official interpretation or administration of any such laws or regulations, which amendment or change becomes effective on or after 31st October, 2005 the Issuer or the Bank, in relation to the Preferred Securities, the Guarantee and/or any associated transactions (including, but not limited to, any loan or deposit from the Issuer to the Bank, any loan or deposit from a Subsidiary to the Bank or any loan or deposit from the Issuer to any other Subsidiary), is or would be required to pay (i) Jersey Tax, other than in respect of Jersey source income, or (ii) Greek Tax, then the Preferred Securities will be redeemable, at the option of the Issuer, in whole but not in part, at any time, upon not less than 30 or more than 60 days' notice to the Holders (which notice shall be irrevocable). Upon the expiry of such notice, the Issuer shall be bound to redeem each Preferred Security at the Make Whole Redemption Price.

(c) Redemption for Capital Disqualification Event

Subject to the Law and paragraph (d) below, if, at any time falling prior to but excluding the First Call Date, a Capital Disqualification Event has occurred and is continuing, the Preferred Securities will be redeemable, at the option of the Issuer, in whole but not in part, at any time, upon not less than 30 or more than 60 days' notice to the Holders (which notice shall be irrevocable). Upon the expiry of such notice, the Issuer shall be bound to redeem each Preferred Security at the Make Whole Redemption Price.

(d) *Precondition to redemption*

Any redemption under paragraph 5(a), (b) or (c) will be subject to the prior consent of the Bank and the Bank of Greece.

The notice to the Holders under paragraph 5(a), (b) or (c) will specify the Redemption Date and the Optional Redemption Price or the Make Whole Redemption Price, as the case may be. For so long as the Preferred Securities are listed on the London Stock Exchange, the Issuer will notify the London Stock Exchange of any redemption under paragraph 5(a), (b), or (c).

6. Payments

Preferred Dividends declared on the Preferred Securities will be payable on the relevant Preferred Dividend Payment Date (or where the relevant Preferred Dividend Payment Date is not a Business Day, on the next Business Day (without adjustment for interest in respect of such delay)) and any Optional Redemption Price or Make Whole Redemption Price, as the case may be, will be payable on the relevant Redemption Date (or where the relevant Redemption Date is not a Business Day, on the next Business Day (without adjustment for interest in respect of such delay)) by the Issuer to the Holders of record as they appear on the Register on the relevant record date, which will be 15 days prior to the relevant Preferred Dividend Payment Date or Redemption Date, as the case may be.

Whilst the Preferred Securities are represented by the Global Certificate, payments in respect of the Preferred Securities will be made to or as directed by the Common Depositary. Payments so made shall be made by wire transfer, and Euroclear or Clearstream, Luxembourg, as applicable, will credit the relevant accounts of their participants on the applicable Preferred Dividend Payment Dates or Redemption Date. Each holder of a beneficial interest in the Global Certificate must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made by the Issuer to the Holder and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be. Such persons shall have no claim directly against the Issuer in respect of payments due on the Preferred Securities for so long as the Preferred Securities are represented by the Global Certificate and such obligations of the Issuer will be discharged by payment to the Holder in respect of each amount so paid.

If definitive Preferred Securities are issued, payments of the Optional Redemption Price or the Make Whole Redemption Price, as the case may be, in respect thereof will be made at the office of any Paying and Transfer Agent, in each case against presentation and surrender of the relevant definitive Preferred Security. Subject to any applicable fiscal or other laws and regulations, each payment in respect of Preferred Dividends on definitive Preferred Securities may, at the Issuer's option, be made by euro cheque drawn on a bank in a principal financial centre in the euro-zone and mailed to the Holder at such Holder's address as it appears on the Register on the relevant record date or by wire transfer if the Issuer (or its agent) so agrees with such Holder and if appropriate wire transfer instructions have been received by the Principal Paying and Transfer Agent not less than 30 days prior to the date of any such payments.

If the Issuer does not pay a Preferred Dividend which has been declared and is payable, a Holder's right to receive payment of such Preferred Dividend will be satisfied if and to the extent that the Bank pays such Preferred Dividend pursuant to the Guarantee.

If the Issuer gives a notice of redemption in respect of the Preferred Securities, then, by 10.00 a.m., Brussels time, on the Redemption Date, the Issuer will irrevocably deposit with the Principal Paying and Transfer Agent funds sufficient to pay the aggregate Optional Redemption Prices or Make Whole Redemption Prices, as the case may be, and will give the Principal Paying and Transfer Agent irrevocable instructions and authority to pay the Optional Redemption Price or the Make Whole Redemption Price, as the case may be, in respect of each Preferred Security to each

Holder. If notice of redemption shall have been given and funds deposited as required, then upon the date of such deposit, all rights of the Holders will be extinguished, except the right of the Holder to receive the Optional Redemption Price or the Make Whole Redemption Price, as the case may be, in respect of each Preferred Security and the Preferred Securities will cease to be outstanding.

In the event that deposit is not made as aforesaid or payment of the Optional Redemption Price or the Make Whole Redemption Price, as the case may be, in respect of any Preferred Security is improperly withheld or refused and not paid either by the Issuer or by the Bank pursuant to the Guarantee, Preferred Dividends on such Preferred Security, subject as described above, will continue to accrue, at the then applicable rate, from the Redemption Date to the date of actual payment of such Optional Redemption Price or Make Whole Redemption Price, as the case may be.

7. Purchase of Preferred Securities

Subject to the foregoing and to applicable law (including, without limitation, Greek and Jersey securities and banking laws and regulations) and to the requirements of the rules of the London Stock Exchange (for so long as the Preferred Securities are listed thereon), the Issuer or the Bank or any Subsidiary may at any time and from time to time purchase outstanding Preferred Securities by tender, in the open market or by private agreement.

Any such purchase to be made by the Issuer or by the Bank or by any Subsidiary shall be subject to the prior consent of the Bank of Greece. Any purchase to be made by the Issuer shall be made in such manner and in such terms as the Issuer shall approve in a general meeting.

The restrictions contained in this paragraph 7 shall not apply to any purchase of Preferred Securities where such purchase is made (i) in the ordinary course of a business of dealing in securities and (ii) for the account of a person other than the Issuer, the Bank or any Subsidiary.

8. Liquidation Distributions

In the event of any bankruptcy, winding-up, liquidation or dissolution of the Issuer, the Holders will be entitled to receive the Liquidation Distribution in respect of each Preferred Security held out of the assets of the Issuer available for distribution to shareholders.

Such entitlement will arise before any distribution of assets is made to holders of ordinary shares or any other class of shares of the Issuer ranking junior as regards participation in assets to the Preferred Securities, but such entitlement will rank equally with the entitlement of the holders of any other preferred or preference shares or securities or other obligations, if any, of the Issuer and which, in any such case, rank *pari passu* with the Preferred Securities as regards participation in the assets of the Issuer.

Notwithstanding the availability of sufficient assets of the Issuer to pay any Liquidation Distribution to the Holders, if, at the time such Liquidation Distribution is to be paid, proceedings are pending or have been commenced for the liquidation, dissolution or winding-up of the Bank, the Liquidation Distribution in respect of each Preferred Security paid to Holders and the liquidation distribution paid to the holders of Liquidation Parity Obligations shall not exceed the amount that would have been paid as the liquidation distribution from the assets of the Bank (after payment in full in accordance with Greek law of all creditors of the Bank, including holders of its subordinated debt but excluding holders of any liability ranking *pari passu* with or junior to the Bank's obligations under the Guarantee) had the Preferred Securities and all such Liquidation Parity Obligations been issued by the Bank and ranked (i) junior to Senior Creditors (as defined in the Guarantee), (ii) *pari passu* with the Parity Obligations, if any, of the Bank and (iii) senior to all Junior Obligations of the Bank.

If the Liquidation Distributions and any other such liquidation distributions cannot be made in full by reason of the limitation described above, such amounts will be payable *pro rata* in the proportion that the amount available for payment bears to the full amount that would have been payable but for such limitation. After payment of the Liquidation Distribution, as adjusted if applicable, the Holders will have no right or claim to any of the remaining assets of the Issuer or the Bank.

In the event of the liquidation, dissolution or winding-up of the Bank, the Directors of the Issuer shall convene an extraordinary general meeting of the Issuer for the purpose of proposing a Special Resolution to put the Issuer into winding-up and the amount to which each Holder shall be entitled as a Liquidation Distribution will be as set out above.

9. Voting Rights

Except as provided in this paragraph, Holders will not be entitled to receive notice of or attend or vote at any general meeting of shareholders of the Issuer.

If in respect of one Preferred Dividend Period (or, after the First Call Date, four Preferred Dividend Periods):

(a) Preferred Dividends (whether or not declared) or any Additional Amounts in respect of such Preferred Dividends on the Preferred Securities have not been paid in full by the Issuer in accordance with the terms and provisions of the Preferred Securities; or

(b) the Bank breaches any of its payment obligations under the Guarantee in respect of such Preferred Dividends or Additional Amounts,

then the Holders of the outstanding Preferred Securities, together with the holders of any other preferred securities or preference shares of the Issuer having the right to vote for the election of Directors in such event, acting as a single class without regard to series, will be entitled, by written notice to the Issuer given by the holders of a majority in liquidation preference of such securities and shares or by ordinary resolution passed by the holders of a majority in liquidation preference of such securities and shares present in person or by proxy at a separate general meeting of such holders convened for the purpose, to appoint two additional persons to act as Directors of the Issuer, and to remove any such Director from office and to appoint another person in place of such Director.

Not later than 30 days after such entitlement arises, if the written notice of the Holders and the holders of any other preferred securities or preference shares of the Issuer having the right to vote for the election of Directors in the circumstances described in the preceding sentence has not been given as provided for in the preceding sentence, the Directors will convene a separate general meeting for the above purpose. If the Directors fail to convene such meeting within such 30 day period, the holders of not less than 10 per cent. by liquidation preference of the outstanding Preferred Securities and such other preferred securities or preference shares will be entitled to convene such meeting. The provisions of the Articles concerning the convening and conduct of general meetings of shareholders shall apply with respect to such meeting. Subject to the terms of such other preferred securities or preference shares, if, in respect of one Preferred Dividend Period (or, after the First Call Date, four Preferred Dividend Periods), Preferred Dividends and any Additional Amounts in respect of such Preferred Dividends have been paid in full on the Preferred Securities by the Issuer or the Bank has made payment of all amounts guaranteed in respect of such Preferred Dividends (whether or not declared) and any Additional Amounts, any Directors so appointed shall vacate the office.

Any variation or abrogation of the rights, preferences and privileges of the Preferred Securities by way of amendment of the Issuer's Articles or otherwise (including, without limitation, the authorisation or issuance of any shares of the Issuer ranking, as to participation in the profits or assets of the Issuer, senior to the Preferred Securities) shall not be effective (unless otherwise required by applicable law) except with the consent in writing of the Holders of not less than two-thirds in liquidation preference of the outstanding Preferred Securities or with the sanction of a resolution, passed by a majority of not less than two-thirds in liquidation preference of the Holders of the outstanding Preferred Securities, present or represented at a separate meeting at which the quorum shall be Holders present or represented holding at least one-third in liquidation preference of the outstanding Preferred Securities.

No such sanction shall be required if, as determined by the Directors of the Issuer, the change is solely of a formal, minor or technical nature or is to correct an error or cure an ambiguity, provided that any such change does not reduce the amounts payable to or impose any obligation on the Holders or adversely affect their voting rights or cause any modification of the terms of the Preferred Securities pursuant to paragraph 10.

Notwithstanding the foregoing, no vote of the Holders will be required for the Issuer to redeem the Preferred Securities in accordance with the Issuer's Articles.

In addition to the voting rights referred to above, no resolution may be proposed for adoption by the holders of the Issuer's ordinary shares providing for the winding-up, liquidation or dissolution of the Issuer, unless the Holders of a simple majority by liquidation preference of the outstanding Preferred Securities and holders of any other preferred or preference shares or securities or other obligations ranking *pari passu* as regards participation in profits or assets with the Preferred Securities have approved such resolution. Such approval may only be given by the consent in writing of the holders of at least a simple majority in liquidation preference of the outstanding Preferred Securities and such other preferred or preference shares or securities or other obligations or with the sanction of a resolution passed by not less than a simple majority in liquidation preference at a meeting of the holders of the Preferred Securities and such other preferred or preference shares or securities or other obligations present and voting at such meeting. Such approval shall not be required if the winding-up, liquidation or dissolution of the Issuer is proposed or initiated because of the winding-up, liquidation or dissolution of the Bank.

Notwithstanding that Holders are entitled to vote under any of the limited circumstances described above, any Preferred Security outstanding at such time that is owned by the Bank, or any Subsidiary of the Bank, shall not carry a right to vote and shall, for voting purposes, be treated as if it were not outstanding.

The Issuer will cause a notice of any meeting at which Holders are entitled to vote to be mailed to each Holder. Each such notice will include a statement setting forth (a) the date, time and place of such meeting, (b) a description of any resolution to be proposed for adoption at such meeting on which the Holders are entitled to vote and (c) instructions for the delivery of proxies.

10. Further Issues

Notwithstanding paragraph 9, provided that the most recent Preferred Dividend payable on the Preferred Securities has been paid in full by the Issuer (or the Bank pursuant to the Guarantee), the holders of the Issuer's ordinary shares or the Directors of the Issuer may, without the consent or sanction of the Holders, take such action as is required in order to amend the Issuer's Articles:

(a) to increase the authorised amount of Preferred Securities or to create and issue one or more other series of preferred securities or preference shares of the Issuer ranking *pari passu* with the Preferred Securities as regards participation in the profits and assets of the Issuer; or

(b) to authorise, create and issue one or more other classes of shares or securities of the Issuer ranking junior, as regards participation in the profits and assets of the Issuer, to the Preferred Securities.

Thereafter, the Issuer may, provided that, in the case of (a) above the Issuer has declared and paid in full the Preferred Dividend on the Preferred Securities in respect of the immediately preceding Preferred Dividend Payment Date and, in the case of (b) above, without any pre-condition, without the consent of the Holders issue any such further securities either having the same terms and conditions as the Preferred Securities in all respects (or in all respects except for the first payment of Preferred Dividends on them) and so that such further issue shall be consolidated and form a single series with the Preferred Securities then in issue or upon such other terms as aforesaid.

Notwithstanding the foregoing, the Issuer may only issue further Preferred Securities if, at the same time, the Bank issues in respect of the further Preferred Securities a guarantee having terms and conditions that are substantially identical to the Guarantee (or extends the Guarantee to cover the further Preferred Securities).

11. Additional Amounts

All payments in respect of the Preferred Securities by the Issuer will be made without withholding or deduction for, or on account of, any Jersey Tax or Greek Tax, unless the withholding or deduction of such Jersey Tax or Greek Tax is required by law. In that event, the Issuer will pay as further dividends such additional amounts (the "Additional Amounts") as may be necessary in order that the net amounts received by the Holders after such withholding or deduction shall equal the amounts which would have been receivable in respect of the Preferred Securities in the absence of such withholding or deduction; except that no such Additional Amounts will be payable to a Holder (or to a third party on his behalf) with respect to any Preferred Security (i) to the extent that such Jersey Tax or Greek Tax is imposed or levied by virtue of the Holder (or the beneficial owner of such Preferred Security) having some connection with Jersey or Greece, other than being a Holder (or beneficial owner) of such Preferred Security or (ii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive (iii) where such withholding or deduction would not have been imposed if the Holder (or beneficial owner) of such Preferred Security had complied with a statutory requirement or made a declaration of non-residence or other similar claim for exemption but failed to do so, or (iv) who would, where presentation of the Preferred Security is required, have been able to avoid such withholding or deduction by presenting the Preferred Securities to another Paying and Transfer Agent in a Member State of the European Union, and except that the Issuer's obligations to make any such payments are subject to the limitations on payments provisions under paragraph 3.

12. Prescription

Any moneys paid by the Issuer to the Principal Paying and Transfer Agent for the payment of Preferred Dividends or on a redemption of the Preferred Securities and remaining unclaimed at the end of two years following the date on which such Preferred Dividends or redemption proceeds become payable shall be returned to the Issuer at the Issuer's request, and the Holders shall thereafter look only to the Issuer for the payment thereof.

13. Form, Registration and Transfer of Preferred Securities

The Preferred Securities will be in registered form and evidenced by a single global certificate (the "Global Certificate") deposited with the Common Depositary as common depositary for Euroclear and Clearstream, Luxembourg. On the Closing Date, the Preferred Securities will be registered in the name of BT Globenet Nominees Limited, as nominee for the Common Depositary. Euroclear and Clearstream, Luxembourg will make payment of any amounts received by them to their accountholders in accordance with their published rules and regulations. Except as set forth below, no definitive Preferred Securities will be issued.

Beneficial interests in the Preferred Securities will be shown only on, and transfers thereof will be effected only through, book-entry records maintained by Euroclear and Clearstream, Luxembourg and their respective participants and, except in the limited circumstances described below, Preferred Securities in definitive registered form will not be issued. Holders of beneficial interests in the Global Certificate must rely on the procedures of Euroclear and Clearstream, Luxembourg and (if applicable) their respective participants to exercise any rights of a Holder under the Global

Certificate. None of the Bank, the Issuer, any Paying and Transfer Agent and the Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in the Global Certificate or for maintaining, supervising or reviewing any records relating to such beneficial ownership interest.

The Global Certificate will cease to represent the Preferred Securities, and Preferred Securities in definitive registered form in aggregate Liquidation Preference equal to the Liquidation Preference of the Global Certificate will be exchangeable therefor, only if:

(i) either of Euroclear and Clearstream, Luxembourg is or are closed for business for a continuous period of 14 days or more (other than for the purposes of a public holiday) or announces an intention permanently to cease business or does in fact so cease business other than in connection with a merger of Euroclear and Clearstream, Luxembourg; or

(ii) as a result of a change in law, transfer duties or similar taxes become payable on transfers of the Preferred Securities in Euroclear and/or Clearstream, Luxembourg.

Such definitive Preferred Securities will be in denominations of €50,000 (and integral multiples thereof) and will be registered in such names as Euroclear and Clearstream, Luxembourg shall direct (such instructions being expected to be based upon directions received by Euroclear and Clearstream, Luxembourg from their participants with respect to ownership of beneficial interests in the Preferred Securities).

If definitive Preferred Securities are issued, they may be exchanged or transferred in whole or in part by surrendering such definitive Preferred Securities at the office of the Registrar or any Paying and Transfer Agent with a written instrument of transfer (which may be obtained at any such office) duly executed by the Holder thereof or its attorney duly authorised in writing. In exchange for any definitive Preferred Security properly presented for transfer, the Registrar or such Paying and Transfer Agent will promptly authenticate and deliver or cause to be authenticated or delivered at the office of the Registrar or such Paying and Transfer Agent, to the Holder entitled to such Preferred Security, or send by mail (at the risk of such Holder) to such address as such Holder may request, a definitive Preferred Security or Preferred Securities.

Registration of transfers of Preferred Securities will be effected without charge by or on behalf of the Issuer, but only upon payment by the transferor of any tax or other governmental charges that may be imposed in connection with any transfer or exchange. The Issuer will not be required to register or cause to be registered the transfer of Preferred Securities after such Preferred Securities have been called for redemption.

14. Paying and Transfer Agents and Registrar

Each of the Paying and Transfer Agents and the Registrar shall be permitted to resign as Paying and Transfer Agents or Registrar, as the case may be, upon 30 days' written notice to the Issuer. In the event that Deutsche Bank AG, London Branch shall no longer be the Principal Paying and Transfer Agent, the Issuer shall appoint a successor (which shall be a financial institution or trust company acceptable to the Issuer) to act as Principal Paying and Transfer Agent. For so long as the Preferred Securities are admitted to trading on the regulated market of any Stock Exchange, the Issuer will maintain a Paying Agent and a Transfer Agent in such location as is required to maintain such admission. The Issuer will give notice in the manner described under paragraph 15 when any new paying and transfer agent is appointed. For so long as any Preferred Securities are outstanding, the Issuer will maintain (i) a Registrar having its office outside the United Kingdom and (ii) a Paying and Transfer Agent having its specified office in a European Union Member State that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained whether by the Reference Banks (or any of them), the Principal Paying and Transfer Agent or the Registrar will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Reference Banks, the Principal Paying and Transfer Agent, the Registrar and all Holders and (in the absence of any such wilful default, bad faith or manifest error) no liability to the Issuer, the Registrar or the Holders shall attach to the Reference Banks, the Principal Paying and Transfer Agent or the Registrar in connection with the exercise or non-exercise by them of their powers, duties and discretions.

15. Notices

Any notice to Holders will be deemed validly given if sent to them at their respective addresses in the Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing or, if posted from another country, on the fifth such day. In addition, notices to Holders will be given by the Issuer, for so long as the Preferred Securities are admitted to trading on the regulated market of a Stock Exchange, in accordance with the regulations relating to such admission. Any notice published in a newspaper shall be deemed to have been given on the date of publication or, if published on different dates, on the date of the first such publication.

In addition to such publications (if so required) notices may also be given by the Issuer by mail to Euroclear and Clearstream, Luxembourg. Such notices to Euroclear and Clearstream, Luxembourg shall be deemed to have been given on the fourth day after the date of mailing.

In accordance with their respective published rules and regulations, each of Euroclear and Clearstream, Luxembourg will notify holders of securities accounts with it to which any Preferred Securities are credited of any such notices received by it.

16. Governing Law

Being shares in a Jersey company, the Preferred Securities shall be governed by, and construed in accordance with, Jersey law.

In addition, the Articles of Association of the Issuer contain, *inter alia*, provisions (with the exception of sections in italics) to the following effect:

All the Issuer's ordinary shares are owned by the Bank. In any year, subject to Jersey law and the provisions of paragraph 4, the Issuer may, without the consent of the Holders, declare and pay dividends on the ordinary shares to the Bank as the holder of the ordinary shares. Such dividends will be paid out of the Issuer's funds, if any, available after payment of the Preferred Dividends on the Preferred Securities if and as due in accordance with the terms and conditions of the Preferred Securities. *No dividend has been paid on the ordinary shares of the Issuer since its incorporation.*

SUBORDINATED GUARANTEE

Set forth below is the text of the Guarantee in or substantially in the form to be executed by the Bank:

"THIS DEED OF GUARANTEE (the "Guarantee"), dated 2nd November, 2005, is executed and delivered by EFG Eurobank Ergasias S.A., a company incorporated under the laws of Greece (the "Bank") for the benefit of the Holders (as defined below).

WHEREAS the Bank desires to cause the Issuer to issue the Preferred Securities and the Bank desires to issue this Guarantee for the benefit of the Holders, as provided herein.

NOW THEREFORE the Bank executes and delivers this Guarantee for the benefit of the Holders.

1. Definitions and Interpretation

As used in this Guarantee, capitalised terms not defined herein shall have the meanings ascribed to them in the Issuer's Articles of Association and otherwise the following terms shall, unless the context otherwise requires, have the following meanings:

"Additional Amounts" means, except where otherwise defined in relation to the Issuer, the additional amounts which may be payable in respect of the Preferred Securities as described in paragraph 4;

"Common Depositary" means Deutsche Bank AG, London Branch;

"Distributable Funds" means, in respect of a particular financial year, the aggregate amount, as calculated as of the end of the immediately preceding financial year of the Bank, of the profit and any accumulated retained earnings and any other reserves and surpluses of each member of the Group available for distribution in such particular financial year as cash dividends to ordinary shareholders of the Bank under the companies laws of, and accounting standards applicable in, Greece; but before deduction of the amount of any dividend or other distribution declared on the Bank's ordinary share capital in respect of such particular financial year;

"Group" means the Bank together with its Subsidiaries;

"Guarantee Payments" means (without duplication) payments under this Guarantee in respect of (a) any declared but unpaid Preferred Dividends on the Preferred Securities for the most recent Preferred Dividend Period; (b) any compulsory Preferred Dividends pursuant to, and in accordance with, Article 12 of the Issuer's Articles of Association (whether or not declared); (c) the Optional Redemption Price or the Make Whole Redemption Price, as the case may be, payable with respect to any Preferred Security due to be redeemed by the Issuer; (d) the Liquidation Distributions due on the Liquidation Date; and (e) any Additional Amounts (as defined in the Issuer's Articles of Association) payable by the Issuer;

"Holder" means, in relation to any Preferred Security, the member of the Issuer whose name is entered in the Register as holder of such Preferred Security, or for as long as the Preferred Securities are represented by the Global Certificate which is deposited with the Common Depositary as common depositary for Euroclear and Clearstream, Banking, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of any Preferred Securities in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg, as the case may be, as to the number of the Preferred Securities standing to the account of any person shall be conclusive and binding for all purposes;

"Issuer" means EFG Hellas Funding Limited, a wholly-owned Subsidiary of the Bank incorporated in Jersey;

"Junior Obligations" means (a) ordinary shares of the Bank; (b) any preferred or preference shares or securities or other obligations of the Bank that rank junior to this Guarantee; and (c) any preferred or preference shares or securities or other obligations of a Subsidiary including the Issuer entitled to the benefit of a guarantee, support agreement or other similar undertaking of the Bank that ranks junior to this Guarantee and any such guarantees, support agreements or similar undertakings of the Bank;

"Liquidation Date" means the date of final distribution of the assets of the Issuer in the case of a bankruptcy, liquidation, dissolution or winding-up of the Issuer;

"Liquidation Distribution" means the Liquidation Preference plus (a) any accrued and unpaid Preferred Dividends (whether or not declared) calculated from and including the immediately preceding Preferred Dividend Payment Date (or, if none, the Closing Date) to but excluding the date of payment, and (b) any Additional Amounts, in each case payable in cash only;

"Liquidation Parity Obligations" means the most senior preferred or preference shares or securities or other obligations of the Bank and any guarantee, support agreement or other similar undertaking of the Bank, in each case ranking *pari passu* with this Guarantee as regards entitlement to distributions on liquidation thereunder and any preferred or preference shares or securities or other obligations of a Subsidiary including the Issuer entitled to the benefit of a guarantee, support agreement or other similar undertaking of the Bank which guarantee, support agreement or other similar undertaking ranks *pari passu* with this Guarantee as regards entitlement to distributions on liquidation thereunder;

"Liquidation Preference" means the liquidation preference of €50,000 per Preferred Security;

"Make Whole Redemption Price" means, in respect of each Preferred Security, the price, as determined by the Calculation Agent three dealing days before the relevant Redemption Date, equal to (i) the present value of the Liquidation Preference of the Preferred Security discounted from the First Call Date, plus (ii) the present values of scheduled non-cumulative Preferred Dividends from (and including) the relevant Redemption Date to (but excluding) the First Call Date, plus (iii) any accrued and unpaid Preferred Dividends calculated from (and including) the immediately preceding Preferred Dividend Payment Date (or, if none, the Closing Date) to (but excluding) the Redemption Date, plus (iv) any Additional Amounts remaining unpaid.

The present values calculated in (i) and (ii) above shall be calculated by discounting the relevant amounts to the date when the Preferred Security is to be redeemed on an annual basis at the Adjusted Yield.

For the purposes of determining the Make Whole Redemption Price:

> "Adjusted Yield" means the Bond Yield, plus 0.40 per cent.;
>
> "Bond Yield" means the rate per annum equal to the annual yield to maturity of the Reference Bond;
>
> "Calculation Agent" means an investment bank or financial institution of international standing selected by the Bank; and
>
> "Reference Bond" means such European government bond as the Calculation Agent may, with the advice of three brokers of, and/or market makers in, European government bonds selected by the Calculation Agent determine to be appropriate for determining the Make Whole Redemption Price;

"Optional Redemption Price" means €50,000 per Preferred Security plus accrued and unpaid Preferred Dividends calculated from and (including) the immediately preceding Preferred Dividend Payment Dates (or, if none the Closing Date) to (but excluding) the Redemption Date whether or not declared, and any Additional Amounts remaining unpaid;

"Preferred Dividends" means the non-cumulative dividends in respect of the Preferred Securities as described in the Articles of Association of the Issuer;

"Preferred Securities" means the €400,000,000 Series B Fixed to Floating Rate Non-cumulative Guaranteed Non-voting Preferred Securities of the Issuer outstanding, each with a "par value" Liquidation Preference, and including any further Preferred Securities of the Issuer of the same series issued pursuant to Article 54 of the Issuer's Articles of Association;

"Redemption Date" means the Preferred Dividend Payment Date on which the Preferred Securities are redeemed by the Issuer;

"Register" means the register of Holders maintained by the Registrar outside the United Kingdom on behalf of the Issuer;

"Senior Creditors" means the senior creditors of the Bank as described in paragraph 3;

"Stock Exchange" means the London Stock Exchange plc and/or such other stock exchange on which the Preferred Securities may be listed and/or admitted to trading from time to time; and

"Subsidiary" means any corporation or other person or entity more than 50 per cent. of whose equity share capital is owned by the Bank or 20 per cent., at least, of whose equity share capital is directly or indirectly controlled by the Bank and whose board of directors is controlled by the Bank or which is consolidated in the most recent annual audited consolidated financial statements of the Bank or which will be so consolidated in the next annual audited consolidated financial statements of the Bank.

2. Guarantee

Subject to the limitations contained in the following paragraphs, the Bank irrevocably and unconditionally agrees to pay in full to the Holders the Guarantee Payments (except to the extent paid by the Issuer), as and when due, regardless of any defence, right of set-off or counterclaim which the Issuer may have or assert. This Guarantee is continuing, irrevocable and absolute.

3. Liquidation Distributions

Notwithstanding paragraph 2 above, if, at the time that any Liquidation Distribution is to be paid in respect of the Preferred Securities, proceedings are pending or have been commenced for the liquidation, dissolution or winding-up of the Bank, payment under this Guarantee of such Liquidation Distributions and payment by the Bank in respect of any liquidation distributions payable with respect to Liquidation Parity Obligations, shall not exceed the amount that would have been paid as the liquidation distribution from the assets of the Bank (after payment in full in accordance with the Greek law of all creditors of the Bank, including holders of its subordinated debt but excluding holders of any liability ranking *pari passu* with or junior to the Bank's obligations under this Guarantee) had the Preferred Securities and all such Liquidation Parity Obligations been issued by the Bank and ranked (a) junior to all liabilities of the Bank (other than any liability ranking *pari passu* with or junior to the Bank's obligators under this Guarantee) ("Senior Creditors"), (b) *pari passu* with the Parity Obligations, if any, of the Bank and (c) senior to all Junior Obligations of the Bank.

4. Additional Amounts

All Guarantee Payments made hereunder in respect of the Preferred Securities by the Bank will be made without withholding or deduction for, or on account of, any Greek Tax, unless the withholding or deduction of such Greek Tax is required by law. In that event, the Bank will pay such additional amounts (the "Additional Amounts") as may be necessary in order that the net amounts received by the Holders after such withholding or deduction shall equal the amounts which would have been receivable in respect of the Preferred Securities in the absence of such withholding or deduction; except that no such Additional Amounts will be payable to a Holder (or to a third party on his behalf) with respect to any Preferred Security (i) to the extent that such Greek Tax is imposed or levied by virtue of the Holder (or the beneficial owner of such Preferred Security) having some connection with Greece, other than being a Holder (or beneficial owner) of such Preferred Security, or (ii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; (iii) where such withholding or deduction would not have been imposed if the Holder or (beneficial owner) of such Preferred Security had complied with a statutory requirement or made a declaration of non-residence or other similar claim for exemption but failed to do so, or (iv) who would, where presentation of the Preferred Security is required, have been able to avoid such withholding or deduction by presenting the Preferred Securities to another Paying and Transfer Agent in a Member State of the European Union.

5. Continuing Guarantee

The obligations, undertakings, agreements and duties of the Bank under this Guarantee shall in no way be affected or impaired by reason of the happening from time to time of any of the following:

(a) the release or waiver, by operation of law or otherwise, of the performance or observance by the Issuer of any express or implied agreement, covenant, term or condition relating to the Preferred Securities to be performed or observed by the Issuer; or

(b) the extension of time for the payment by the Issuer of all or any portion of the Preferred Dividends, any Optional Redemption Price or any Make Whole Redemption Price (as the case may be), Liquidation Distributions or any other sums payable under the terms of the Preferred Securities or the extension of time for the performance of any other obligation under, arising out of, or in connection with, the Preferred Securities; or

(c) any failure, omission, delay or lack of diligence on the part of Holders to enforce, assert or exercise any right, privilege, power or remedy conferred on the Holders pursuant to the terms of the Preferred Securities, or any action on the part of the Issuer granting indulgence or extension of any kind; or

(d) the liquidation, dissolution, amalgamation, reconstruction, sale of any collateral, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganisation, arrangement, composition or readjustment of debt of, or other similar proceedings affecting, the Issuer or any of the assets of the Issuer; or

(e) any invalidity of, or defect or deficiency in, the Preferred Securities; or

(f) the settlement or compromise of any obligation guaranteed hereby or hereby incurred.

There shall be no obligation on the Holders to give notice to, or obtain consent of, the Bank with respect to the happening of any of the foregoing.

6. Deposit of Guarantee

This Guarantee shall be deposited with and held by Deutsche Bank AG, London Branch as Principal Paying and Transfer Agent until all the obligations of the Bank have been discharged in full. The Bank hereby acknowledges the right of every Holder to the production of, and the right of every Holder to obtain a copy of, this Guarantee.

It is specifically agreed that the place of performance of any and all obligations of the Bank under this Guarantee shall be London, England and consequently any and all payments of the Bank under this Guarantee shall be made out of bank accounts maintained with banks legally operating and situated in London, England.

7. Enforcement; rights of remedy

(a) A Holder may enforce this Guarantee directly against the Bank, and the Bank waives any right or remedy to require that any action be brought against the Issuer or any other person or entity before proceeding against the Bank. Subject to paragraph 8, all waivers contained in this Guarantee shall be without prejudice to the right to proceed against the Issuer. The Bank agrees that this Guarantee shall not be discharged except by payment of the Guarantee Payments in full and by complete performance of all obligations of the Bank under this Guarantee.

(b) Following a breach by the Bank of its payment obligations under this Guarantee, a Holder may petition for the winding-up of the Bank and claim in the liquidation of the Bank but no other remedy shall be available to the Holder.

(c) No Holder shall, following any breach by the Bank of any of its obligations under this Guarantee, be entitled to exercise any right of set-off or counterclaim which may be available to it against amounts owing by the Bank to such Holder. Notwithstanding the provisions of the foregoing sentence, if any of the said rights and claims of any Holder against the Bank is discharged by set-off, such Holder will immediately pay an amount equal to the amount of such discharge to the Bank or, in the event of its winding-up, the liquidator of the Bank and until such time as payment is made, will hold a sum equal to such amount in trust for the Bank or the liquidator of the Bank, as the case may be, and accordingly such discharge will be deemed not to have taken place.

(d) In the event of a winding-up of the Bank, if any payment or distribution of assets of the Bank of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Bank being subordinated to the payment of amounts owing under this Guarantee, shall be received by any Holders before the claims of Senior Creditors have been paid in full, such payment or distribution shall be held in trust by the Holder, as applicable, and shall be immediately returned by it to the liquidator of the Bank and in that event, the receipt by the liquidator shall be a good discharge to the relevant Holder. Thereupon, such payment or distribution will be deemed not to have been made or received.

8. Subrogation

The Bank shall be subrogated to any and all rights of the Holders against the Issuer in respect of any amounts paid to the Holders by the Bank under this Guarantee. The Bank shall not (except to the extent required by mandatory provisions of law) exercise any rights which it may acquire by way of subrogation or any indemnity, reimbursement or other agreement, in all cases as a result of a payment under this Guarantee, if, at the time of any such payment, any amounts are due and unpaid under this Guarantee. If any amount with respect to the Preferred Securities shall be paid to the Bank in violation of the preceding sentence, the Bank agrees to pay over such amount to the Holders.

9. Status

(a) The Bank acknowledges that its obligations hereunder are several and independent of the obligations of the Issuer with respect to the Preferred Securities and that the Bank shall be liable as principal and sole debtor hereunder to make Guarantee Payments pursuant to the terms of this Guarantee, notwithstanding the occurrence of any event referred to in paragraph 5.

(b) Subject to applicable law, the Bank agrees that the Bank's obligations hereunder constitute unsecured obligations of the Bank and rank and will at all times rank (i) junior to Senior Creditors, (ii) *pari passu* with the Parity Obligations, if any, of the Bank and (iii) senior to all Junior Obligations of the Bank.

10. Undertakings of the Bank

(a) The Bank undertakes that it will not issue any preferred securities or preference shares or enter into any contractual obligation in respect of securities or any other instrument or obligation which would qualify or be capable of qualifying as tier 1 capital of the Bank (a "Tier 1 Qualifying Obligation") which in any case would rank senior to its obligations under this Guarantee or give any guarantee or other support agreement or similar undertaking in respect of any Tier 1 Qualifying Obligation if such guarantee or other support agreement or similar undertaking would rank senior to its obligations under this Guarantee (including, without limitation, any guarantee or other support agreement or similar undertaking that would provide a priority of payment with respect to Distributable Funds) unless, in each case, (i) this Guarantee is changed to give the Holders such rights and entitlements as are contained in or attached to such Tier 1 Qualifying Obligation or such guarantee or other support agreement or similar undertaking with respect to a Tier 1 Qualifying Obligation so that this Guarantee ranks *pari passu* with, and contains substantially equivalent rights of priority as any such Tier 1 Qualifying Obligation or guarantee or other support agreement or similar undertaking with respect to a Tier 1 Qualifying Obligation and (ii) the most recent Preferred Dividend payment on the Preferred Securities has been paid in full either by the Issuer or by the Bank pursuant to this Guarantee.

(b) The Bank undertakes that any amount required to be paid pursuant to this Guarantee in respect of any Preferred Dividend payable in respect of the most recent Preferred Dividend Period will be paid before any payment or other distribution in respect of any dividends (except distributions in the form of Junior Obligations) upon Junior Obligations.

(c) The Bank undertakes that, if any Junior Obligations are redeemed, repurchased or otherwise acquired for any consideration (or any moneys are paid to or made available for a sinking fund for the redemption of any such Junior Obligations) by the Bank or any Subsidiary (except by conversion into or in exchange for other Junior Obligations), the Bank will procure that the Issuer will pay, or set aside payment with respect to, full Preferred Dividends on all outstanding Preferred Securities for a Preferred Dividend Period (or, after the First Call Date, four Preferred Dividend Periods) contemporaneous with or following the date of such redemption, repurchase or other acquisition, unless: (1) such redemption, repurchase or other acquisition is effected in accordance with the provisions of Article 16 paragraphs 2(b) to (f) or paragraph 5 *et seq.* of Greek Codified Law 2190/1920; and (2) following such redemption, repurchase or other acquisition and any other measure taken by the Bank: (i) the solvency ratio of the Bank, on an unconsolidated and consolidated basis, remains above 8 per cent.; and (ii) the ratio of "upper tier 1 capital" items of own funds (namely tier 1 capital excluding the Preferred Securities and similar instruments) to risk weighted assets or the Bank remains above 5 per cent. as required by Circular 21/2004 of the Bank of Greece as in force and amended or supplemented from time to time.

(d) The Bank undertakes to maintain the Issuer as a wholly-owned Subsidiary for so long as any Preferred Security remains outstanding. The Bank undertakes that, so long as any of the Preferred Securities is outstanding, unless the Bank of Greece has given its prior approval or unless the Bank is itself in liquidation, the Bank will not permit, or take any action to cause, the liquidation, dissolution or winding-up of the Issuer.

(e) The Bank undertakes to procure that the Issuer will maintain at all times whilst any of the Preferred Securities is outstanding, (i) for so long as the Preferred Securities are admitted to trading on a regulated market of any Stock Exchange, a Paying and Transfer Agent in such location as is required to maintain such admission, (ii) a Registrar having its office outside the United Kingdom and (iii) a Paying and Transfer Agent having its specified office in a European Union Member State that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive.

11. Termination

With respect to the Preferred Securities, this Guarantee shall terminate and be of no further force and effect upon payment of the Optional Redemption Price or the Make Whole Redemption Price, as the case may be, in respect of each Preferred Security in cash or purchase and cancellation of all Preferred Securities then outstanding or full payment of the Liquidation Distributions and liquidation of the Issuer, provided however that this Guarantee will continue to be effective or will be reinstated, as the case may be, if at any time payment of any sums paid under the Preferred Securities or this Guarantee must be restored by a Holder for any reason whatsoever.

12. Transfer

Subject to operation of law, all guarantees and agreements contained in this Guarantee shall bind the successors, assigns, receivers, trustees and representatives of the Bank and shall inure to the benefit of the Holders. The Bank shall not transfer its obligations hereunder without the prior written approval of the Holders of not less than two-thirds in liquidation preference of the outstanding Preferred Securities (excluding any Preferred Securities held by the Bank or any Subsidiary), or with the sanction of a resolution, passed in accordance with the provisions of the Issuer's Articles of Association for meetings of Holders by a majority of not less than two-thirds in liquidation preference of the Holders of the outstanding Preferred Securities, present or represented at a separate meeting at which the quorum shall be Holders present or represented holding at least one-third in liquidation preference of the outstanding Preferred Securities; provided, however, that the foregoing shall not preclude the Bank from merging or consolidating with, or transferring all or substantially all of its assets and liabilities to, a banking organisation organised under the laws of Greece or another European Union Member State, without obtaining any approval of such Holders.

13. Amendments

Except for those changes (a) required by paragraph 10(a) above, (b) which do not adversely affect the rights of Holders, or (c) necessary or desirable to give effect to any one or more transactions referred to in the proviso to paragraph 12 above (in any of which cases no agreement will be required), this Guarantee shall be changed only by agreement in writing signed by the Bank with the prior approval of the Holders of not less than two-thirds in liquidation preference of the outstanding Preferred Securities (excluding any Preferred Securities held by the Bank or any Subsidiary), or with the sanction of a resolution, passed in accordance with the provisions of the Issuer's Articles of Association for meetings of Holders by a majority of not less than two-thirds in liquidation preference of the Holders of the outstanding Preferred Securities, present or represented at a separate meeting at which the quorum shall be Holders present or represented holding at least one-third in liquidation preference of the outstanding Preferred Securities.

14. Notices

Any notice, request or other communication required or permitted to be given hereunder to the Bank shall be given in writing by delivering the same against receipt therefor or by facsimile transmission (confirmed by mail) addressed to the Bank, as follows (and if so given, shall be deemed given against receipt in the case of delivery or upon mailing of confirmation, if given by facsimile transmission), to:

EFG Eurobank Ergasias S.A.
8, Othonos Street
Athens 10557
Greece

Facsimile: +30 210 3337 230

Attention: Head of Treasury Operations

The address of the Bank may be changed at any time and from time to time and shall be the most recent such address furnished in writing by the Bank to Deutsche Bank AG, London Branch as Principal Paying and Transfer Agent.

Any notice, request or other communication required or permitted to be given hereunder to the Holders shall be given by the Bank in the same manner as notices sent by the Issuer to Holders.

15. Miscellaneous

(a) This Guarantee is solely for the benefit of the Holders and is not separately transferable from the Preferred Securities.

(b) The Bank will furnish any Holder, upon request of such Holder, with a copy of its annual report, and any interim reports made generally available by the Bank to holders of the ordinary shares of the Bank.

(c) The Bank hereby waives notice of acceptance of this Guarantee and of any liability to which it applies or may apply, presentment, demand for payment, protest, notice of non-payment, notice of dishonour, notice of redemption and all other notices and demands.

16. Governing Law and Jurisdiction

(a) This Guarantee shall be governed by, and construed in accordance with, English law save that paragraphs 3 and 9(b) shall be governed by, and construed in accordance with, Greek law.

(b) The Bank hereby irrevocably agrees for the benefit of the Holders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Guarantee and that accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as "Proceedings") may be brought in such courts.

(c) The Bank irrevocably and unconditionally waives and agrees not to raise any objection which it may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought in an inconvenient forum and further irrevocably and unconditionally agrees that a final judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Bank and may be enforced in the courts of any other jurisdiction. Nothing contained in this paragraph shall limit any right to take Proceedings against the Bank in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other competent jurisdictions, whether concurrently or not.

(d) The Bank will receive service of process in respect of this Guarantee at EFG Eurobank Ergasias London Branch, 24 Grafton Street, London W1S 4EZ in respect of any Proceedings.

IN WITNESS WHEREOF this Guarantee has been manually executed as a deed poll on behalf of the Bank.

Executed as a deed by

acting by

in the presence of:

Witness's signature

Name:

Address:

Dated 2nd November, 2005"

USE OF PROCEEDS

The net proceeds of the issue of the Preferred Securities, amounting to approximately €397,455,125, will be used by the Issuer to meet the general financing requirements of the Bank and its Subsidiaries.

EFG HELLAS FUNDING LIMITED

History

EFG Hellas Funding Limited (the "Issuer") was incorporated in Jersey on 4th March, 2005 for an unlimited duration and with limited liability under the laws of Jersey with registered number 89637.

The registered office of the Issuer is Whiteley Chambers, Don Street, St. Helier, Jersey JE4 9WG and its telephone number is +44 1534 504000. The Issuer has no place of business in Greece.

Business

The Issuer is a wholly-owned subsidiary of EFG Eurobank Ergasias S.A. (the "Bank"). The Issuer has no subsidiaries. It was formed to act as a general finance vehicle for the Group. It is accordingly dependent on the Bank paying interest on finance deposited with the Bank.

Capitalisation

(a) The existing issued ordinary shares of the Issuer are not listed on the London Stock Exchange or on any other stock exchange and are not dealt in on any other recognised market.

(b) The Issuer has an authorised share capital of up to €801,000,000 divided into 1,000,000 ordinary shares of €1 each, 400,000 Series A Non-cumulative Guaranteed Non-voting Preferred Securities of €1,000 each (the "Series A Preferred Securities") and 8,000 Series B Fixed to Floating Rate Non-cumulative Guaranteed Non-voting Preferred Securities of €50,000 each (the "Series B Preferred Securities").

At the date hereof 10,000 ordinary shares and €200,000,000 Series A Preferred Securities have been issued by the Issuer and are fully paid. The €200,000,000 Series A Preferred Securities were issued on 18th March, 2005 and are listed on the Luxembourg Stock Exchange and the Official Market of the Frankfurt Stock Exchange. The Series A Preferred Securities carry a non-cumulative preferred dividend of 6.75 per cent. per annum up until 18th March, 2007, after which time the non-cumulative preferred dividend will be the sum of the 10-year CMS mid-swap rate in EUR and 0.125 per cent. per annum, subject to a maximum rate of 8.00 per cent. per annum. Dividends on the Series A Preferred Securities may be declared by the directors of the Issuer in their sole discretion. Payment of preferred dividends are compulsory except that the directors of the Issuer are not required to declare a dividend on the Series A Preferred Securities in certain circumstances if, *inter alia*, in the opinion of the directors of the Bank payment of such preferred dividends would cause the Bank to breach certain Greek banking regulations. Holders of the Series A Preferred Securities are not, other than in certain specified circumstances, entitled to receive notice of or attend and vote at meetings of the shareholders of the Issuer. In the event of winding up, the holders of the Series A Preferred Securities are entitled to receive €1,000 per preferred security plus any accrued and unpaid preferred dividends. The Series A Preferred Securities are redeemable, in whole but not in part, at the option of the Issuer on 18th March, 2010 or any dividend payment date thereafter.

(c) The holders of the ordinary shares and of the Series A Preferred Securities of the Issuer have no rights of pre-emption or preferential subscription rights in respect of the Preferred Securities.

(d) No capital of the Issuer is under option or is agreed conditionally or unconditionally to be put under option.

Directors

The Directors of the Issuer and their principal activities outside the Issuer are as follows:

Name	*Function in the Issuer*	*Principal Activity Outside the Issuer*
Michael Lombardi	Director	Partner of Ogier & Le Masurier
Peter Gatehouse	Director	Director of Ogier SPV Services Limited
Nicholaos Karamouzis	Director	Deputy Chief Executive Officer, EFG Eurobank Ergasias S.A.
Yasmine Ralli	Director	Consultant to EFG Eurobank Ergasias S.A.
Fokion Karavias	Director	General Manager and Treasurer, EFG Eurobank Ergasias S.A.
Simon Jaquiss	Director	Treasurer, EFG Eurobank Ergasias London Branch
Julia Zavakos	Director	Head of Funding Origination, EFG Eurobank Ergasias S.A.

For the purpose of this Prospectus, the business address of each of the Directors is that of the Issuer's registered office.

There are no potential conflicts of interest between the duties to the Issuer of each of the members of the Board of Directors and his/her private interests or other duties.

The Issuer complies with the laws and regulations of Jersey regarding corporate governance.

The Directors do not, and it is not proposed that they will, have service contracts with the Issuer. No Director has entered into any transaction on behalf of the Issuer which is or was unusual in its nature of conditions or is or was significant to the business of the Issuer since its incorporation.

At the date of this Prospectus there were no loans granted or guarantees provided by the Issuer to any Director.

As at the date of this Prospectus, the Directors have not received, nor is it expected that they will receive, any remuneration for the provision of their services as directors of the Issuer. Michael Lombardi is a partner of Ogier & Le Masurier and Peter Gatehouse is a director of Ogier SPV Services Limited, both of which derive fees from the provision of legal and administrative services to the Issuer. Ogier & Le Masurier is associated with the Ogier Group Partnership, the owner of Ogier SPV Services Limited.

The Articles of Association of the Issuer provide that:

> Subject to the provisions of the Law, any Director may vote on any proposal, arrangement or contract in which he is materially interested provided he has disclosed the nature of his interest in it prior to its consideration and any vote thereon.
>
> The remuneration of the Directors shall from time to time be determined by ordinary resolution of the Issuer in general meeting.
>
> Subject to the provisions of the Articles of Association, a Director shall hold office until such time as he is removed from office by ordinary resolution of the Issuer in general meeting.
>
> For purposes of the Issuer's Articles of Association, “Law” means the Companies (Jersey) Law, 1991, as the same may be amended from time to time.

Secretary

The Secretary of the Issuer is Ogier SPV Services Limited of Whiteley Chambers, Don Street, St. Helier, Jersey JE4 9WG.

Corporate Objects

Paragraph 2 of the Issuer's Memorandum of Association states that the Issuer shall have unrestricted corporate capacity.

General

PricewaterhouseCoopers CI LLP, of Twenty Two Colomberie, St. Helier, Jersey JE1 4XA has been appointed as auditor to the Issuer.

No dividends been declared or paid since the Issuer was incorporated.

No transactions have occurred since incorporation of the Issuer other than (i) the allotment of the shares and the preferred securities described under "Capitalisation" above, (ii) the issuance of €200,000,000 Series A Preferred Securities (as described above) and (iii) the execution of documentation in relation thereto and in relation to the Series B Preferred Securities and the Series C Preferred Securities.

The Issuer does not have an audit committee.

Selected Financial Information

The following selected financial information has been extracted without material adjustment from the non-consolidated financial statements of the Issuer in respect of the period from 4th March, 2005 to 30th September, 2005, prepared in accordance with International Financial Reporting Standards ("IFRS").

Profit and Loss Account for the period from 04 March 2005 to 30 September 2005

	Period from 04 March 2005 to 30 September 2005 €'000
Interest income and similar income	7,351
Interest expense and similar expenses	(7,340)
Result before taxation	11
Taxation on result	–
Net result after taxation	**11**

Balance Sheet

	30 September 2005 €'000
Non-current assets	
Held-to-maturity investments, net	204,368
Current Assets	
Cash at banks and short-term deposits	10
Total Assets	**204,378**
Non-current liabilities	
Preferred Securities	204,357
Shareholder's equity	
Ordinary shares	10
Retained earnings	11
Total equity	21
Total equity and liabilities	**204,378**

EFG EUROBANK ERGASIAS S.A.

Overview

EFG Eurobank Ergasias S.A. ("EFG Eurobank" or the "Bank") is the third largest bank in Greece in terms of assets, loans and deposits. EFG Eurobank's registered office is at 8 Othonos Street, Athens 10557, Greece and its telephone number is +30 210 333 7000.

EFG Eurobank operates in the retail banking, small- and medium-sized enterprises ("SMEs"), investment banking, capital markets, private banking and asset management sectors, providing a wide range of banking and financial services to its individual and corporate clients. EFG Eurobank is also active in the wider financial services sector, with a presence in insurance, real estate and payroll services.

EFG Eurobank operates a distribution network that includes approximately 304 branches, 77 mini-branches, approximately 700 ATMs and telephone and electronic banking distribution channels. These provide EFG Eurobank with a nationwide distribution capability through which it offers an increasing array of products and services.

EFG Eurobank is part of the EFG Group, which consists of banks and financial services companies. The ultimate parent company is EFG Bank European Financial Group, a bank incorporated in Switzerland, which owns 41.3 per cent. of the shares in EFG Eurobank. The remainder of EFG Eurobank's shares are owned by private and institutional investors. All the voting power at general meetings of EFG Bank European Financial Group is held by Latsis family interests.

EFG Eurobank is a public company under Greek law, listed on the Athens Stock Exchange (the "ASE") since April 1999. It is subject to regulation and supervision by the Bank of Greece and, indirectly on a consolidated basis via the EFG Group, by the Federal Banking Commission of Switzerland. EFG Eurobank is also regulated by the Hellenic Capital Markets Commission.

History of EFG Eurobank

EFG Eurobank was incorporated in Greece on 11 December 1990 with a limited duration until 31 December 2100 under the name "Euromerchant Bank S.A.". It changed its name to "EFG Eurobank S.A." in 1997 when all the banks of the EFG Group were unified for marketing purposes under the "EFG" brand-name. Following the 7 September 2000 merger with Ergobank, EFG Eurobank changed its name to "EFG Eurobank Ergasias S.A.". EFG Eurobank is registered in the Company Registry of the Municipality of Athens under registration number 6068/06/B/86/07.

The financial services sector in Greece has undergone a period of significant deregulation, which commenced in the mid-1980s. In the context of the liberalisation of the Greek banking industry that had taken place by the end of 1990, EFG Eurobank was launched as a niche bank specialising in the merchant banking and private banking sectors in Greece. In this regard, EFG Eurobank concentrated on medium and large-sized enterprises, providing working capital facilities and trade finance services, and later, arranging syndicated loans and private placements of equity and debt, and advising upon and underwriting public offerings on ASE. EFG Eurobank's private banking and asset management activities also evolved, primarily supported by the expertise in these areas within the wider EFG Group.

With deregulation specifically targeted at retail lending in the mid-1990s, EFG Eurobank developed into a full-service bank with a focus on retail banking. In this context, EFG Eurobank commenced its expansion programme through its strategic acquisitions, which resulted in expansion of its then 7-branch network.

1990	Establishment of "Euromerchant Bank S.A.", specialising in investment and private banking services
1994	Acquisition of 75 per cent. of EFG Private Bank (Luxembourg) S.A.
1996	Acquisition of Interbank Greece S.A., with a network of 23 branches, from parent company Consolidated Eurofinance Holdings S.A. ("CEH")
1997	Eurobank – Interbank merger
	Acquisition of the branch network of Credit Lyonnais Grece S.A.
	Euromerchant Bank is renamed "EFG Eurobank S.A."
1998	Acquisition of a controlling stake in Bank of Athens
	CEH acquires 99.8 per cent. of Cretabank
	CEH and EFG Eurobank jointly acquire a stake of 18.4 per cent. in Ergobank
	Deutsche Bank acquires a 10 per cent. participation in EFG Eurobank
1999	Cretabank is transferred to EFG Eurobank
	EFG Eurobank – Bank of Athens merger through share exchange
	Initial Public Offering of EFG Eurobank shares and listing on the Athens Stock Exchange
	EFG Eurobank – Cretabank merger
	CEH acquires 50.1 per cent. in Ergobank following a public offering
2000	EFG Eurobank – Ergobank merger
	New entity is renamed "EFG Eurobank Ergasias S.A."
	Acquisition of a 19.25 per cent. participation in Banc Post S.A. Romania
2002	EFG Eurobank Ergasias – Telesis Investment Bank merger
	Participation in Banc Post Romania raised to 36.25 per cent.
	Acquisition of 50 per cent. in Alico/CEH Balkan Holdings leads to a 43 per cent. participation in Post Bank Bulgaria
	Announcement of intention to acquire listed closed-end funds Ergoinvest S.A. and Investment Development Fund S.A.
2003	Acquisition of a 68 per cent. controlling stake in Post Banka AD Serbia
	Merger through absorption of Ergoinvest S.A. by EFG Eurobank Ergasias
	Participation in Banc Post Romania raised to 53.25 per cent.
	Merger by absorption of Investment Development Fund S.A. by EFG Eurobank Ergasias
	Participation in Postbanka AD Serbia increased to 90.8 per cent., entity renamed "EFG Eurobank AG Beograd"
	Disposal of the Bank's stake held by Deutsche Bank. Participation of institutional investors raised to 22 per cent. of total
	Establishment of Euroline Retail Services (Romania) – 80 per cent. Eurobank Cards and 19.961 per cent. Banc Post
	Establishment of Eurocredit Retail Services (Cyprus) – 100 per cent. subsidiary of Eurobank Cards
2004	Participation in Post Bank Bulgaria raised to 96.74 per cent. through the acquisition of the remaining 50 per cent. of Alico/CEH Balkan Holdings
	Participation in EFG Eurobank Beograd AD raised to 93.54 per cent.
	Participation in Banc Post Romania raised to 55.3 per cent.

	Establishment of Euroline Retail Services AD (Serbia) – 100 per cent. subsidiary of Eurobank Cards
	Acquisition of INTERTRUST Mutual Fund Management Company
2005	Acquisition of Turkish HC Istanbul Holding A.S. – renamed "EFG Istanbul Holding A.S." ("EFG Istanbul Holding A.S." holds 100 per cent. of "EFG Istanbul Menkul Degerler A.S.")
	Acquisition of Attikis Kerdoos Ermis Brokerage Company
	Acquisition of Capital Securities S.A. in Romania
	Participation in Post Bank Bulgaria raised to 97.2 per cent.
	Participation in Banc Post Romania raised to 77.3 per cent. (including put option on the participations of the following companies: (a) 7.28 per cent. of European Bank for Reconstruction and Development (EBRD) and (b) 7.28 per cent. of International Financial Corporation (IFC), consolidated under IFRS).

Recent Developments

On 10th June, 2005 the management teams of the Bank and of closed-end investment company Greek Progress Fund S.A. announced their intention to merge. The absorption of the Greek Progress Fund by the Bank will be realised through the consolidation of the assets and liabilities of the two companies as at 13th July, 2005. The suggested share exchange ratio is 1 EFG Eurobank share for 7.9 Greek Progress Fund shares. Following the signing of the Draft Merger Agreement on 19th July, 2005, the merger is subject to ratification by the General Meetings of the Shareholders of both companies, as well as the required approvals by the relevant authorities. As at 30th June, 2005, the EFG Group held 48.4 per cent. of the shares in the Greek Progress Fund.

Strategy

The primary goal of EFG Eurobank is to be the bank of first choice in Greece and a strong regional player in order to create long-term value for its shareholders. To achieve this goal, EFG Eurobank maintains its customer focus, providing modern, flexible products and services that meet the constantly evolving needs of customers. The strategy of EFG Eurobank may be summarised as follows:

- emphasis on high-growth, high-margin market segments, such as retail banking, lending to small- and medium-sized enterprises, asset management and investment banking; and
- expansion of business model in selective countries of South Eastern Europe.

Banking Activities

The Bank's targeted client base includes retail clients, small- and medium-sized enterprises and companies, large corporations, high net worth individuals, private and institutional investors and the Greek Government.

Retail Banking

In Greece, liberalisation of the banking system and the recent rapid reduction of interest rates have stimulated the development of consumer credit, housing loans and small business start-ups.

EFG Eurobank's success in the Greek retail banking field is due to the innovative nature and the quality of its products, its initiative regarding alternative methods for rendering services and the provision of individualised client service. These competitive advantages have been gained with the support of state-of-the-art technological infrastructure, in which the Bank has made substantial investments over time, but mainly through the supremacy of EFG Eurobank's people in terms of know-how and productivity. The retail banking arm of EFG Eurobank is divided into the following product areas:

Consumer Lending – Loans and Credit Cards

EFG Eurobank is the leading consumer lending provider in the Greek market, according to aggregate statistics furnished by the Bank of Greece. The Bank holds the leading position in consumer finance with a 29 per cent. market share. Consumer finance services are offered through the branch network and EFG Eurobank's wholly-owned subsidiary, Eurobank Cards S.A. EFG Eurobank offers a variety of consumer finance solutions including revolving loans, amortised personal loans, consumer loans (vehicle and durable goods financing) and a wide range of credit card products (Visa, MasterCard, proprietary brand Euroline, co-branded, affinity, private label). EFG Eurobank's lending products rely on flexibility, service, speed and multiple channels of distribution. EFG Eurobank has developed affiliations with major retailers for the provision of "fast credit" to consumers who seek to purchase goods by opening credit on the spot at a given retailer's establishment. The retailers participating in EFG Eurobank's fast credit programme are able to fax or transfer via the internet consumer loan applications and information to EFG Eurobank's central credit centre and may receive approval in approximately 20 minutes for extending lines of credit, on behalf of EFG Eurobank. Loans and card applications are processed centrally, according to EFG Eurobank's approval procedure and credit policy. Facing consumer credit liberalisation, EFG Eurobank has in place advanced risk management tools in order to sustain and further enhance consumer portfolio quality. New rational relationship-based credit approval criteria incorporating total bank exposure, redefined risk thresholds, aggressive collections and legal/remedial management, as well as adequate provisioning, ensure predictable and sustainable earnings.

In line with EFG Eurobank's strategic international expansion, Eurobank Cards' successful business model is being replicated in South Eastern Europe. With fast growing, closely monitored consumer lending subsidiaries in Bulgaria, Romania, Serbia and Cyprus, EFG Eurobank is setting the foundation for profitable international expansion, establishing its position as a key market player in the region.

Mortgage Lending

EFG Eurobank is very active in mortgage lending, predominantly for residential real estate and, to a lesser extent, for commercial real estate of its corporate banking clients. EFG Eurobank began its mortgage lending activities in 1996. Since its inception, the mortgage lending business has been growing quickly. In mortgage financing Eurobank ranks third with a market share of 13 per cent., being quite close to the second position.

EFG Eurobank's range of mortgages spans a variety of fixed, variable and variable-fixed rate mortgages for maturities up to 30 years for residential mortgages and 10 years for commercial real estate. Mortgages may be prepaid subject to nominal penalties or refinanced. The Bank has its own team of specialist valuation experts under the supervision of EFG Eurobank Properties S.A., EFG Eurobank's real estate management subsidiary, that provides surveying services to prospective mortgage loan customers. The standard loan-to-value ratio with respect to EFG Eurobank's mortgage loans is up to 75 per cent. for residential properties and up to 65 per cent. for commercial properties. In some cases, the loan-to-value ratio may reach 100 per cent. The vast majority of mortgages give EFG Eurobank first lien over the relevant underlying property. Mortgage loans are not granted for development properties, which are generally dependent for a significant portion of their value on future payment streams and, therefore, represent a significantly higher credit risk than EFG Eurobank's residential and other commercial mortgage lending. As with its other lending processes, EFG Eurobank's mortgage loan approval and collection process is centralised and based on uniform criteria which take into account, among other factors, the source and size of repayment income, the employment, tax and credit history of the proposed borrower and the size of the loan relative to the commercial value of the property. EFG Eurobank's mortgage lending sector has had a strong record of non-default and timely payments.

Small Business and Professional Lending

EFG Eurobank was the first Greek bank to establish a Small Business Lending Unit, back in 1997, and actually enter this untapped market. Currently, it holds the leading position in the financing of small businesses with a market share in excess of 30 per cent. The target customer base comprises small commercial and service enterprises and self-employed professionals with annual turnover of up to €2.5 million. Products and services include revolving credit lines, amortising term loans, working capital facilities, financing of professional equipment and vehicles and mortgages for professional real estate. EFG Eurobank cross-sells other products and services, such as insurance, trade finance, letters of guarantee and point-of-sale (POS) services to its existing SBL clients.

Wealth Management

Mutual Funds

EFG Eurobank is the largest manager of mutual funds in Greece with a 34 per cent. market share and €10.5 billion AUM (assets under management). EFG Eurobank mutual funds have sustained their official rating by Standard & Poor's (S&P) for a third year in a row, and continue to be the only Greek mutual funds to receive a rating according to the international rating agency's high standards. EFG Eurobank's success in this field is attributed to the Bank's strategic decision to offer services that incorporate prudence and consistency in asset management by employing managers with experience and an in-depth knowledge of their respective fields, product innovation (including but not limited to products incorporating capital guarantees and/or high annual income), security and promptness in transactions and continuing investments both in technology as well as support and education schemes.

Insurance

In its life insurance business, EFG Eurobank has become the second most significant operator in only five years of involvement in the sector by selling bancassurance products through its branch network. The EFG Group's subsidiary insurance companies, EFG Life and EFG Insurance, have sound portfolios and maintain increased reserves, while their investments outweigh their total insurance liabilities. Intrinsic value is positive both in terms of existing portfolio and new production. Return on investment is high, and the management of the investment portfolio is effected through Asset Liability Matching techniques, as well as through advanced hedging techniques, maximising return.

EFG Eurobank offers integrated insurance solutions to specialised corporate and private client needs, through its subsidiary, EFG Insurance Services, one of the largest insurance brokers in the Greek market. EFG Insurance Services performs thorough market research surveys, in order to propose the most appropriate and competitive solutions.

Asset Management

EFG Eurobank Asset Management is a specialised subsidiary of the Bank that provides asset management services for institutional and private clients, along with investment advisory services to institutional clients in the Greek market. As at the date hereof, EFG Eurobank Asset Management has established a strong market position, with funds under management of around €700 million.

Private Banking

EFG Eurobank has offered private banking services since its inception in 1990 and currently has one of the largest domestic private banking operations in Greece. The Bank holds the leading position in private banking in Greece, managing €5 billion worth of assets. EFG Eurobank's private banking operations cater for the savings, investment and credit needs of high net worth individuals, with a minimum investment of €300,000 in assets placed with EFG Eurobank. Domestically, there are 10 independent private banking centres to cater specifically for the needs of its 5,000 private banking clients. EFG Eurobank's strategy is to ensure that it offers to its clients a comprehensive product portfolio, ranging from money market funds to more sophisticated products. Principal private banking services are international private banking, discretionary management and Europrofiles. The Bank offers also comprehensive "Total Wealth Management" facilities to its clients. It is the aim of Eurobank Private Banking to maintain the position of "trusted adviser" for its clients and to continuously upgrade its standards and quality of service, at par with international standards and similar to those provided by respected overseas houses.

Wholesale Banking

EFG Eurobank's activities for its business customers include traditional corporate banking products, leasing, factoring, syndicated loans, private placements of equity/debt and advisory services for mergers and acquisitions.

Large Corporates

This division of the Bank addresses the needs of customers with annual turnover greater than €25 million. EFG Eurobank's key products consist of short-term financing, factoring, forfeiting and offshore revolving credit facilities and term loans. Large corporates are served through the two corporate centres in Athens and Thessaloniki. The main objective of the Bank is to provide integrated services and specialised solutions to large corporate clients, catering to their credit, financial risk protection and investment management needs. Innovative products have been designed, combining long-term financing options, protection from interest and exchange rate risks and the use of bond/syndicated loans and leasing products. These are the financial solution packages "Eurobank MELON", which include Business Support, Foreign Exchange Risk Management, Interest Rate Risk Management and Business Development products.

Shipping Finance

EFG Eurobank has a relatively small exposure to the Greek shipping market (two per cent. of its loan book). This is attributable to the constraints of international competition and to the very large average size of shipping loans, which carry more risk exposure than most corporate loans. EFG Eurobank's loans and advances to shipping companies are comprised predominantly of secured shipping financings. EFG Eurobank expects to continue to target shipping clients primarily operating in Greece.

Lending to Medium-sized Enterprises (ME Lending)

EFG Eurobank is particularly strong in the financing of medium-sized enterprises. These are companies with annual turnover between €2.5 million and €25 million. The Bank's target sectors are manufacturing, trade, services and handicrafts companies; key products are trade finance, overdrafts, hedging, letters of credit and the financial solution packages "Eurobank MELON". The network consists of 43 dedicated credit units called Business Centres, which support lending to medium-sized enterprises.

Leasing Services

EFG Eurobank Ergasias Leasing has been active in the leasing industry for twelve years and has a leading position in the market. In each of the past four years it was ranked first among leasing companies, counting almost 5,500 clients throughout Greece. EFG Eurobank Ergasias Leasing provides a broad range of business leasing services, including leases for new and second-hand moveable capital equipment and the leasing of real estate property for business use (with a minimum duration of 10 years) and of commercial vehicles. Leasing activities are also targeted towards vendor leasing, such as providing lease-financing for vehicles and office equipment. EFG Eurobank has expanded its leasing activities in South Eastern Europe.

Factoring Services

EFG Eurobank offers factoring services through its subsidiary EFG Factors S.A., established in 2000. Products offered include forfeiting, reverse factoring and back-to-back factoring. In 2004, EFG Factors S.A. increased its market share by 3.5 per cent. to 27.6 per cent., consolidating its presence in the market, with approximately 310 suppliers and the number of acquirers reaching almost 6,000.

Investment Banking and Capital Markets

EFG Eurobank provides directly and/or indirectly through its subsidiaries and affiliates, EFG Eurobank Securities S.A., EFG Telesis Finance S.A. (Telesis) and Global Finance S.A., a wide range of investment banking and capital markets services, including underwriting, private placements, corporate finance, brokerage, asset management, treasury, venture capital and research coverage in Greece. It also provides project financing services for large infrastructure works.

EFG Telesis Finance S.A. ("Telesis") is the leading underwriter in the field of IPOs and private placements in Greece and it has a leading position in debt capital markets in the field of syndicated and bond loan corporate financing.

In equity brokerage, EFG Eurobank Securities S.A. holds a dominant market position, with a market share close to 18 per cent. The company acts as a market maker in the listed futures and options on all Athens Exchange Indices (FTSE/ASE20, FTSE/MID40, EPSI50) as well as in single stock derivatives. EFG Eurobank Securities S.A. has extended its activities as a broker not only in the Greek market but also in the largest international derivatives markets (EUREX, CME, CBOT, etc.).

Global Markets and Treasury Activities

EFG Eurobank's treasury activities include foreign exchange, interest rate derivatives and bonds as well as liquidity management through its dealing rooms in Athens and London and the treasury division of its subsidiary banks in South Eastern Europe. The sales group is structured according to international standards and has desks covering a wide range of customers and products. Customers include institutional customers, both in Greece and in Europe, large and medium-sized corporates and shipping clients, as well as individual clients of the private banking and retail divisions of EFG Eurobank. EFG Eurobank's global markets division has developed capital markets and investment products geared to specific customer needs.

EFG Eurobank has a leading position among Hellenic Republic primary dealers in the primary and secondary Greek sovereign bond market. EFG Eurobank is also active in exchange-traded interest rate and bond derivatives on EUREX, as well as in bond trading through EuroMTS. The Global Markets Division maintains an active participation in trading Western European corporate bonds and South Eastern European sovereign bonds. At the same time through the dealing rooms of its subsidiary banks in Bulgaria, Romania and Serbia, EFG Eurobank is developing similar strengths in the primary and secondary trading of sovereign bonds.

The EFG Group has set strict trading limits on proprietary trading, which are monitored daily by the risk management division. Trading limits include counterparty exposure (according to credit risk assessment of each counterparty) as well as foreign country exposure limits and limits of concentrations of various maturities. Exposure concentration is controlled through exposure limits and a grading system for country exposures established by the Group Risk Unit. Market risk management guidelines include the close management of foreign exchange exposures and interest rate gaps in relation to EFG Eurobank's capital. EFG Eurobank has in place a risk management system to permit the use of value-at-risk models to monitor risk in addition to the existing limits.

Operations in South Eastern Europe

The international strategy of EFG Eurobank aims at establishing the Bank's leadership in South Eastern Europe, through the implementation of its successful domestic business model abroad, in a market of more than 50 million potential customers. The region shows substantial growth rates, which are expected to be sustained in the forthcoming years, since these countries are under transition to market economies, while some of them are poised for EU entry in the next expansion wave. Subsequent convergence is expected to cause further deregulation of individual sectors of the region's economy, and to stabilise political conditions in these countries, turning them into attractive destinations for new commercial activities and investment initiatives.

EFG Eurobank has already deployed major operations in three countries: Bulgaria, Romania and Serbia-Montenegro. In all three countries, the Bank's expansion strategy has been based on low-cost acquisitions of local banks with extended branch networks. EFG Eurobank's strategy for expansion in these countries is based on three pillars: the export of products, services and Greek know-how in human resources management; the optimisation and development of distribution networks; and the consolidation and upgrading of local infrastructure in line with European banking standards.

Presently, EFG Eurobank holds 97.2 per cent. of Post Bank Bulgaria, 77.3 per cent. of Bancpost Romania and 93.5 per cent. of EFG Eurobank Beograd. EFG Eurobank intends to continue to expand its banking activities outside of Greece.

Distribution Channels

Branch Network

EFG Eurobank currently operates through approximately 304 branches. EFG Eurobank's branches are located throughout Greece, in all major cities and in many towns, covering the major population centres in Greece. In addition, there is an active branch in London, operating in the local market.

EFG Eurobank has adopted a multi-channel approach to branch banking whereby certain branches are developed to cater specifically for special market sectors, such as retail banking, private banking and business lending to SMEs.

EFG Eurobank views branch specialisation as a competitive advantage, allowing EFG Eurobank's clients to have access to customised services and assistance from bank employees who are trained to meet their particular requirements.

Open 24

EFG Eurobank also has a distribution network in Greece under the brand name "Open 24". Small window-service outlets, numbering 77, are located around supermarkets, shopping centres and other public areas throughout Greece, offering cash withdrawal transactions, promotional information regarding EFG Eurobank's consumer lending, mortgage lending, savings and mutual fund products and introductory guidance on internet banking, as well as the capability to service quickly certain types of credit card and loan applications. All approval processes for applications are centralised.

Risk Management

EFG Eurobank follows international best practices with a well-defined credit approval process, independent credit reviews and an overall effective risk management function. Segregation of duties dictates independence among staff responsible for the relationship, credit approval, disbursement and credit monitoring over the life of the loan or advance to customers. Executives of the EFG Group review EFG Eurobank's policies formally on an annual basis.

In the retail business, EFG Eurobank uses a credit scoring system. There are separate databases for consumer loans and credit cards, purchased from external providers and adapted to reflect

EFG Eurobank's own experience. In the case of consumer credit, a credit scoring system has been in operation since 1997.

In mortgage lending, EFG Eurobank employs strict lending criteria, including centralised approval, independent appraisals and reasonable repayment schedules based upon the borrower's annual income. All valuations are performed by independent engineers and checked against values assessed by tax authorities. These tax valuations range from 20 per cent. to 50 per cent. below market value. Mortgage loan amounts are, on average, 75 per cent. of the market valuations, depending upon the independent appraisal and the borrower's wherewithal. Most properties are located in Athens or the surrounding region.

With respect to small business loans, credit approval is based on centralised approval guidelines, clear guidelines on collateral, working capital financing through assignment of credit card receivables and foreign currency lending on a fully collateralised basis. All credit proposals are signed by both the small business lending managing officer and the branch manager. Approval at the branch level is from €75,000 to €350,000 depending on the branch. For larger facilities, central approval is required.

In wholesale lending, greater use is made of financial analysis. As regards large corporations, liquidity and financial strength are evaluated and unanimous committee approval is required. Most credit facilities are short-term. Collateral in respect of such credit facilities consists mainly of post-dated cheques. For Business Centre customers (medium-sized enterprises) the approval authority at the Business Centre level is up to €400,000 depending upon the quality of the collateral and for larger facilities, central approval is required. Collateral in respect of loans to medium-sized enterprises consists of mortgages, post-dated cheques and bills of exchange. The maximum approval limit of the Central Credit Committee for Corporate and Shipping clients is €85 million on an unsecured basis plus €30 million on a fully secured basis, for a total of €115 million. Larger facilities must be approved by three Executive Risk Committee members. All ship finance facilities are secured by mortgage of a vessel, assignment of revenues and insurance proceeds, corporate guarantees and, in most cases, the personal guarantee of the principal.

The evaluation of the wholesale lending portfolio is based on a credit rating system. Under EFG Eurobank's risk rating system, wholesale borrowers are assigned designations of one out of nine risk categories, with the top four indicating satisfactory credit risks, the fifth category indicating that the borrower enters the watchlist (for potential creditworthiness problems), the categories from sixth to eighth indicating significant financial troubles or non-performing loans and the ninth relating to total loss loans.

Risk categories are assigned to borrowers based primarily upon the following criteria:

- viability of the business;
- financial results and structure of the borrower, based on indicators such as equity/debt ratio, liquidity and profitability ratios;
- quality of management; and
- industry sector prospects.

In anticipation of the Basel 2 guidelines, for wholesale credits, EFG Eurobank is adopting the credit rating methodology of Moody's Rating Advisor (MRA).

EFG Eurobank's credit exposure to each borrower is subject to detailed reviews. In particular, the Credit Control Sector performs aggregate field reviews. Each individual case is reviewed at least once a year and if it enters the watchlist, it is reviewed once at least every six months. Credit reviews include consideration of the customer's historical and forecast financial performance, balance sheet strength and cash flow, together with relevant local or industry trends and other external influences. These matters are considered in relation to the size, structure and maturity of the entire lending process.

EFG Eurobank Management Team

The Board of Directors of EFG Eurobank determines EFG Eurobank's guiding philosophy and strategy and sets its operational goals. At the Ordinary General Meeting on 5 April 2004, shareholders elected a new Board of Directors of EFG Eurobank for a term of three years, which term is renewable.

At the above Ordinary General Meeting two independent non-executive directors of the Board of Directors were also appointed in accordance with the provisions concerning corporate governance (L.3016/ 2002). On 5 April 2004, the Board of Directors approved the constitution of the Board of Directors into a body and the appointment of executive and non-executive members to the Board of Directors, in accordance with the above provisions concerning corporate governance. The above resolutions by the Ordinary General Meeting and the Board of Directors are ratified by the Ministry of Development.

Following the above, the Directors of EFG Eurobank, their respective positions and principal activities outside EFG Eurobank are as follows:

		Principal activities outside EFG Eurobank (31.12.2004)	
Name	*Position*	*Company*	*Position*
Xenofon K. Nikitas	Chairman (Executive Director)	–	–
George C. Gondicas	Honorary Chairman (Non-Executive Director)	Global Finance S.A.	Chairman
		Global Fund Management S.A.	Director
		Global Finance International Ltd	Director
		EFG Telesis Finance S.A.	Director
		Eurobank Cards S.A.	Director
Anna Maria Louisa J. Latsis	First Vice Chairman (Non-Executive Director)	SI Quadrilatere	Director
		Arima S.A	Director
		EFG Bank European Financial Group	Director
		Societe D'Etudes Technique & Economiques S.A.	Director
Lazaros D. Efraimoglou	Second Vice Chairman (Non-Executive Director)	Foundation of the Hellenic World	Chairman
		Ardittos T.C. Holding S.A.	Chairman & CEO
		Vivodi Telecommunications S.A.	Director
Nicholas C. Nanopoulos	Chief Executive Officer (Executive Director)	Eurobank Cards S.A.	First Vice Chairman
		S & B Industrial Minerals S.A.	Director
		EFG Private Bank (Luxembourg) S.A.	Director
		EFG Internet Services S.A.	Director
Byron N. Ballis	Deputy Chief Executive Officer (Executive Director)	EFG Mutual Funds Mgt. Co. S.A.	Chairman
		Eurobank Cards S.A.	Chairman
		EFG Eurolife Life Insurance S.A.	Chairman
		EFG Eurolife General Insurance S.A.	Chairman
		EFG Insurance Services S.A. of Insurance Brokerage	Chairman
		EFG Business Services S.A.	Director
		EFG Internet Services S.A.	Director
		Open 24 S.A.	Director
		Unitfinance S.A.	Vice Chairman
		Tefin S.A.	Vice Chairman

		Principal activities outside EFG Eurobank (31.12.2004)	
Name	*Position*	*Company*	*Position*
Nicholaos V. Karamouzis	Deputy Chief Executive Officer (Executive Director)	EFG Telesis Finance S.A.	Chairman
		EFG Eurobank Securities S.A.	Chairman
		EFG Eurobank Asset Management S.A.	Vice Chairman
		EFG Hellas Plc	Director
		EFG Hellas (Cayman Islands) Ltd	Director
		EFG Private Bank (Luxembourg) S.A.	Director
		Global Finance S.A.	Director
		Global Fund Management S.A.	Director
		Baring Hellenic Financial Investment	Director
		Kantor Management Consultants	Director
		Hellenic Exchanges Holding S.A.	Director
		Federation of Greek Industries	Director
Stamos P. Fafalios	Independent Non-Executive Director	Nea Tyhi S.A.	Chairman
Panagiotis K. Lambropoulos	Independent Non-Executive Director	–	–
Fotis S. Antonatos	Non-Executive Director	Butler Controls S.A.	Director
		Consolidated Lamda Holdings S.A.	Director
		EFG Consolidated Holdings S.A.	Director
		EFG Eurofinanciére d’Investissements S.A.M.	Director
		EFG Exchange Holdings Limited	Director
		General Construction & Development Holdings S.A.	Director
		Interlatsco Luxembourg S.A.	Director
		Ile de France Investissements S.A.	Director
		Investissements Immobiliers Kirchberg S.A.	Director
		Lamda Development S.A.	Director
		Latsco Shipping Limited	Director
		Matela Offshore Ltd	Director
		Paneuropean Oil & Industrial Holdings S.A.	Director
		Paneuropean Oil Holdings S.A.	Director
		POIH Holdings Limited	Director
		PrivatAir Holding S.A.	Director
		PrivatAir S.A.	Director
		Private Financial Investments Holding Limited	Director
		SI Quadrilatere S.A.	Director
		Stapleford Insurance Company	Director
		Terrebourne Financial and Investment Corporation S.A.	Director
		Unidale Investments Limited	Director
		Vendome Overseas Investments S.A.	Director
		Wimbledow International S.A.	Director
Emmanuel L. Bussetil	Non-Executive Director	Consolidated Lamda Holdings S.A.	Director
		EFG Asset Management Limited	Director
		EFG Consolidated Holdings S.A.	Director
		EFG Corporate Finance Limited	Director
		EFG Eurofinanciere d’Investissements SAM	Director
		EFG Exchange Holdings Limited	Director
		EFG Private Bank Limited	Director
		EFG Bank S.A. (ex. EFG Private Bank S.A.)	Director
		European Financial Group Limited	Director

		Principal activities outside EFG Eurobank (31.12.2004)	
Name	*Position*	*Company*	*Position*
		General Constructions & Development Holdings S.A.	Director
		Goodwater Limited	Director
		Hayward Investments Limited	Director
		Ile de France Investissements S.A.	Director
		Lamda Development S.A.	Director
		Latsco Shipping Limited	Director
		Matela Offshore Ltd	Director
		Ora Holdings Limited	Director
		Paneuropean Oil & Industrial Holdings S.A.	Director
		Paneuropean Oil Holdings S.A.	Director
		POIH Holdings Limited	Director
		PrivatAir Holding S.A.	Director
		Private Financial Holdings Limited	Director
		Private Financial Investments Holding Limited	Director
		PrivatSea Holding S.A.	Director
		Rosemead Finance Limited	Director
		St Catherine Foundation	Director
		Stapleford Insurance Company	Director
		Terrebourne Financial and Investment Corporation S.A.	Director
		Tierralta Holdings Corp.	Director
		Vendome Overseas Investments S.A.	Director
		Wimbledow International S.A.	Director
Antonios G. Bibas	Non-Executive Director	Greek Progress Fund	Chairman
		ELANET S.A.	Director
Dr. Spiros J. Latsis	Non-Executive Director	Consolidated Lamda Holdings S.A.	Director
		EFG Bank European Financial Group	Chairman
		Paneuropean Oil & Industrial Holdings S.A.	Director
		PrivatSea Holding S.A.	Director
		Societe d’Etudes Techniques et Economiques S.A.	Director
		EFG Bank S.A.	Director
		EFG Consolidated Holdings S.A.	Director
		EFG Eurofinanciere d’ Investissements SAM	Director
		EFG Private Bank Limited	Director
		Investissements Immobiliers Kirchberg S.A.	Director
		POIH Holdings Limited	Director
		Private Financial Holdings Limited	Director
		Private Financial Investments Holdings Limited	Director
		SGI-IC	Director
Pericles Petalas	Non-Executive Director	EFG Private Bank Limited	Director
		EFG Private Bank S.A., Zurich	Director
		EFG Private Bank (Luxembourg) S.A.	Director
		Private Financial Holdings Limited	Director
		Private Financial Investments Holdings Limited	Director
		EFG Consolidated Holdings S.A.	Director
		EFG Exchange Holdings Limited	Director
		Terrebourne Financial and Investment Corporation S.A.	Director

Name	Position	*Principal activities outside EFG Eurobank (31.12.2004)* Company	Position
		EFG Investments (Guernsey) Limited	Director
		EFG Asset Management S.A.	Director
		Air Universal Ltd, BVI	Director
		St Catherine Foundation	Director
		European Financial Group EFG	Chairman
		EFG Representative Office Limited	Chairman
		Fondation du Centre Orthodoxe du Patriarcat Oecuménique	Director
		EFG Investment Bank AB	Director
Haralambos M. Kyrkos	Executive Director	EFG Eurobank Ergasias Leasing S.A.	Director
		EFG Eurobank Properties S.A.	Chairman
		Bancpost S.A.	Director
		Hellas on Line S.A.	Chairman
		Be-Business Exchanges S.A.	Chairman
		Eurobank Property Services S.A. (ex-Kydon)	Chairman
		Zenon Real Estate S.A.	Chairman
		ELDEPA S.A.	Chairman
Nicholas K. Pavlides	Executive Director	Open 24 S.A.	Director
		EFG Internet Services S.A.	Chairman
		Hellas on Line S.A.	Vice Chairman
		Logic-Dis	Director

The business address of each member of the Board of Directors of EFG Eurobank is 8 Othonos Street, Athens 10557, Greece.

The Board of Directors of EFG Eurobank has delegated management powers to an Executive Committee. The current members of the Executive Committee, their respective positions and principal activities outside EFG Eurobank are as follows:

Name	Position	*Principal activities outside EFG Eurobank (31.12.2004)* Company	Position
Nicholas C. Nanopoulos	Chairman	As shown above	
Byron N. Ballis	Member	As shown above	
Nicholaos V. Karamouzis	Member	As shown above	
George N. Alvertis	Member	EFG Eurobank Cards S.A.	CEO
		EFG Eurolife General Insurance S.A.	Director
		EFG Eurolife Life Insurance S.A.	Director
		Be-Business Exchanges S.A.	Director
		EFG Internet S.A.	Director
		Bancpost S.A.	Director
		EFG Eurobank AD BEOGRAD	Director
		Open 24 S.A.	Chairman
		Bulgarian Retail Services A.D.	Vice Chairman
		Euroline Retail Services A.D.	Chairman
		EuroCredit Retail Services Ltd	Director
		Euroline Retail Services S.A.	Chairman
		Visa Hellas S.A.	Director

		Principal activities outside EFG Eurobank (31.12.2004)	
Name	*Position*	*Company*	*Position*
		Europay / MasterCard	Director
		Unitfinance S.A.	Director
		Tefin S.A.	Director
		Cardlink S.A.	Director
Thimios Bouloutas	Member	EFG Asset Management Limited	Director
		EFG Private Bank Luxembourg S.A.	Director
		EFG Eurobank Asset Management S.A.	Director
Paula N. Hadjisotiriou	Member	EFG Eurobank Cards S.A.	Director
		Logic Data Information Systems A.E.	Director
Fokion Karavias	Member	EFG Eurobank Asset Management S.A.	Director
		EFG Telesis Finance S.A	Director
		EFG Hellas PLC	Director
		EFG Hellas (Cayman Islands) Limited	Director
Evangelos Kavvalos	Member	Open 24 S.A.	Vice Chairman
		EFG Eurobank Ergasias Leasing S.A.	Director
		EFG Factors S.A.	Director
		EFG Eurolife General Insurance S.A.	Director
Haralambos M. Kyrkos	Member	As shown above	
George Marinos	Member	Sofitel S.A.	Director
		EFG Factors S.A.	Director
		EFG Eurobank Ergasias Leasing S.A.	Vice Chairman
Nicholas K. Pavlides	Member	As shown above	
Michalis Vlastarakis	Member	EFG Mutual Funds Mgt. Co. S.A.	Director
		EFG Business Services S.A.	Director
		EFG Eurolife Life Insurance S.A.	Director
		EFG Eurolife General Insurance S.A.	Director
		EFG Eurobank AD BEOGRAD	Director
		Bulgarian Postbank A.D.	Director

The business address of each member of the Executive Committee of EFG Eurobank is 8 Othonos Street, Athens 10557, Greece.

There are no potential conflicts of interest between the duties to EFG Eurobank of each of the members of the Board of Directors and the members of the Executive Committee listed above and his/her private interests or other duties.

The management team has experience of successfully managing mergers and turning the merging banks into integrated banking units. EFG Eurobank's management team is successful in implementing cost control initiatives and in managing credit portfolios through business cycles while simultaneously focusing on customer service excellence.

Subsidiaries and Affiliates

In its effort to provide its clients with an active and competitive presence in all categories of financial products and services, EFG Eurobank has established specialised subsidiaries and forged alliances with other organisations for the joint development and distribution of products.

The shares in subsidiary undertakings held by EFG Eurobank as at 30 June 2005 are shown below:

Subsidiary Undertakings	*%*	*Country of Incorporation*	*Category of Business*
EFG Private Bank (Luxembourg) S.A.	75.0	Luxembourg	Financial institution
EFG Eurobank Ergasias Leasing S.A.	100.0	Greece	Leasing
EFG Eurobank Securities S.A.	100.0	Greece	Capital markets and investment services
Eurobank Cards S.A.	100.0	Greece	Credit card management
EFG Mutual Funds Mgt. Co. S.A.	87.5	Greece	Mutual fund management
Aristolux Investment Fund Management Company S.A.*	73.8	Luxembourg	Fund management
Intertrust Mutual Funds Mgt. Co. S.A.	100.0	Greece	Mutual fund management
EFG Hellas PLC	100.0	United Kingdom	Special purpose financing vehicle
EFG Hellas (Cayman Islands) Limited	100.0	Cayman Islands	Special purpose financing vehicle
EFG Factors S.A.	100.0	Greece	Factoring
EFG Telesis Finance S.A.	100.0	Greece	Investment banking
EFG Business Services S.A.	100.0	Greece	Payroll and advisory services
EFG Eurobank Properties S.A.	50.1	Greece	Real estate services
EFG Insurance Services S.A. of Insurance Brokerage	100.0	Greece	Insurance brokerage
EFG Eurolife Life Insurance S.A.	100.0	Greece	Insurance services
EFG Eurolife General Insurance S.A.	100.0	Greece	Insurance services
EFG Eurobank Ergasias International (C.I.) Ltd	100.0	Channel Islands	Off shore banking
EFG Autorental S.A.	100.0	Greece	Vehicle leasing and hire
OPEN 24 S.A.	100.0	Greece	Sundry services
Be-Business Exchanges S.A.	71.04	Greece	Business to business electronic commerce
EFG Internet Services S.A.	100.0	Greece	Internet and electronic banking
ELDEPA S.A.	50.1	Greece	Property rental
EFG Eurobank Asset Management S.A.	100.0	Greece	Asset management
Bancpost S.A.	77.3	Romania	Financial institution
Bulgarian Retail Services A.D.	100.0	Bulgaria	Credit card management
Hellas on Line S.A.	100.0	Greece	Internet and telecom services
EFG Eurobank AD BEOGRAD	93.5	Serbia & Montenegro	Financial institution
CEH/Balkan Holdings Limited	100.0	Cyprus	Holding company
Bulgarian Post Bank AD	97.2	Bulgaria	Financial institution
Berberis Investments Ltd	100.0	Channel Islands	Holding company
Eurocredit Retail Services Ltd	100.0	Cyprus	Credit card management
Euroline Retail Services A.D.	100.0	Serbia & Montenegro	Credit card management
Euroline Retail Service S.A.	95.4	Romania	Credit card management
EFG Leasing E.A.D.	100.0	Bulgaria	Leasing
Eurobank Property Services S.A.	100.0	Greece	Commercial property business

Subsidiary Undertakings	%	Country of Incorporation	Category of Business
EFG Hellas Funding Limited	100.0	Channel Islands	Special purpose vehicle
EFG Auto Leasing E.O.O.D.	100.0	Bulgaria	Leasing
ATTICA HERMES SECURITIES S.A.	100.0	Greece	Capital markets and investment services
EFG Istanbul Holding AS	100.0	Turkey	Holding company corporate finance activities
EFG Istanbul Menkul Degerler AS	100.0	Turkey	Equity trading
EFG Eurobank Leasing S.A.	100.0	Romania	Financial leasing
Capital S.A.	100.0	Romania	Holding company
Capital Securities S.A.	100.0	Romania	Financial services
EFG Property Services S.A.	80.0	Romania	Real estate services
Themeleion Mortgage Finance plc	0	United Kingdom	Special purpose financing vehicle
Themeleion II Mortgage Finance plc	0	United Kingdom	Special purpose financing vehicle

Notes:
* Not consolidated due to the immateriality of the company's figures.

Associates are accounted for in the consolidated financial statements using the equity method of accounting. Shown below are the principal associates of EFG Eurobank as at 30 June 2005:

Subsidiary Undertakings	%	Country of Incorporation	Category of Business
TEFIN S.A.	50.0	Greece	Motor vehicle sales financing
ZENON REAL ESTATE S.A.	25.0	Greece	Property rental business
Sofitel S.A.	20.2	Greece	Hotelier
Unitfinance S.A.	40.0	Greece	Financing company
Global Finance S.A.	49.9	Greece	Financing company
Global Fund Management S.A.	44.4	Greece	Investment advisers
Greek Progress Fund S.A.	48.4	Greece	Closed-End Fund
DIAS S.A. Investment Company	37.2	Greece	Closed-End Fund
Cardlink S.A.	50.0	Greece	Management of automated transaction processes
Logic Data Information Systems S.A.	29.1	Greece	Information Technology

Nature of EFG Bank European Financial Group's control over EFG Eurobank

EFG Eurobank and its material subsidiaries have been fully consolidated on the basis that the EFG Group exercises control over the Board of Directors, management, policies and strategies of EFG Eurobank. There are no shareholder agreements or any other similar arrangements in place governing the exercise of EFG Bank European Financial Group's control over EFG Eurobank. There are no arrangements existing or planned that would lead to a change in control of EFG Eurobank.

Legal Matters

In the ordinary course of business, EFG Eurobank usually has, at any particular time, a number of legal and other proceedings in which EFG Eurobank or its subsidiaries are involved. Certain of these actions allege damages in large amounts. It is not possible for EFG Eurobank to know or predict with certainty the ultimate outcomes of the actions pending. However, EFG Eurobank believes that none of these actions, if adversely determined, would, individually or in the aggregate, have a material adverse effect on its financial position.

REGULATION AND SUPERVISION OF BANKING IN THE HELLENIC REPUBLIC

The Bank of Greece, a member of the European Central Bank and of the European System of Central Banks, is the central bank in the Hellenic Republic. It is responsible for the licensing and supervision of credit institutions in the Hellenic Republic, in accordance with Law 2076/1992 *arid* Mandatory Law 1665/1951 (*Licensing, operations and supervision of credit institutions*), Law 2832/2000 (*Deposit Guarantee Fund*), Law 2331/1995 (*Anti-money laundering*) and other relevant laws of the Hellenic Republic, each as amended. It also has regulatory power in connection with the operations and supervision of credit institutions in the Hellenic Republic, by virtue of Law 1266/1982 (as amended and supplemented).

The principal objectives of the banking laws and regulations in the Hellenic Republic are the protection of depositors, the fulfilment of monetary policy objectives and the orderly distribution of credit. The EU Council's main directives on regulation of credit institutions have been adopted under Greek law, including:

(i) The first (77/780/EEC) and second (89/646/EEC) Directives and their successive amendments (including Directive 2000/12/EEC of the EU Parliament and of the Council) on the co-ordination of laws, regulations and administrative provisions relating to the taking up and pursuit of the business of credit institutions, which were implemented by Greek law 2076/01.08.1992;

(ii) the Own Funds Directive (EU Council Directive 89/299), which defines a credit institution's regulatory capital and was adopted under Greek law pursuant to Act No. 2053/18.03.1992 of the Governor of the Bank of Greece;

(iii) the Solvency Ratio Directive (EU Council Directive 89/647) and the amendments thereto which were adopted under Greek law pursuant to Act No. 2054/18.03.1992 amended by Acts No. 2479/27.08.2001 and No. 2512/30.12.2002 of the Governor of the Bank of Greece, as supplemented and codified by Act No. 2524/23.7.2003 of the Governor of the Bank of Greece and as further amended by Act No. 2564/11.10.2005 of the Governor of the Bank of Greece;

(iv) the Large Exposures Directive (EU Council Directive 92/121) on the supervision and monitoring of large exposures of credit institutions, which was adopted under Greek law pursuant to Act No. 2246/16.09.1993 of the Governor of the Bank of Greece;

(v) the Second Consolidated Supervision Directive (EU Council Directive 92/30) on the supervision of credit institutions on a consolidated basis (amending the First Consolidated Supervision Directive) which was implemented by Presidential Decree 267/1995; and

(vi) the Capital Adequacy Directive (EU Council Directive 93/6) and the amendments thereto (EU Council Directive 98/31), which were fully implemented by Greek Laws 2396/1996, 2937/2001 and Acts No. 2397/07.11.1996 and No. 2494/27.05.2002 of the Governor of the Bank of Greece.

In addition to the above, credit institutions are obliged to observe the liquidity ratios prescribed by the Bank of Greece (Act No. 2560/1.4.2005 of the Governor of the Bank of Greece), to maintain efficient internal audit, compliance and risk management systems and procedures, submit to the Bank of Greece periodical reports and statements and provide it with such further information as it may require, and (in connection with certain operations or activities) make notifications to or request the prior approval (as the case may be) of the Bank of Greece, in each case in accordance with the applicable laws of the Hellenic Republic and the relevant Acts, Decisions and Circulars of the Bank of Greece (each as in force from time to time).

The Bank of Greece has the power to conduct audit and inspect the books and records of credit institutions. In case of breach, the Bank of Greece is empowered to require the relevant credit institution to take appropriate measures to remedy the breach, impose fines, appoint an administrator and finally (where the breach cannot be remedied or in case of insolvency) revoke the licence of the credit institution and place it into special liquidation under its supervision. In case of insufficient liquidity of a credit institution, the Bank of Greece may order a mandatory extension of its due and payable obligations for a period not exceeding two months (which can be extended for a further one-month period) and appoint an administrator under its supervision.

To prepare for the Hellenic Republic's participation in the European Monetary Union, significant changes were made to the regulatory framework of the Bank of Greece. In particular, its statutes were amended to reinforce the central bank's independence from the Hellenic Republic and to recognise the legal integration of the Bank of Greece into the European System of Central Banks.

TAXATION

General

The summaries below are of a general nature based on current law and practice in each jurisdiction referred to. They relate only to the position of persons who are the owners of their Preferred Securities and may not apply to certain classes of persons such as dealers. These summaries do not constitute legal or tax advice and prospective investors should be aware that the relevant fiscal rules and practice and their interpretation may change. Any Holders who are in doubt as to their personal tax position should consult their professional advisers.

Prospective purchasers of Preferred Securities are advised to consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of Preferred Securities, including the effect of any state or local taxes, under the tax laws of Jersey, Greece and each country of which they are residents.

Greek Tax

Under Greek tax laws as of the date hereof, no Greek withholding tax shall be imposed on payments of the par value or Preferred Dividends from the Issuer in respect of the Preferred Securities, should the Holder of such Preferred Securities not be a resident of Greece for tax purposes.

Given that the Preferred Securities constitute hybrid securities, under Greek tax laws as of the date hereof and to the extent that the Preferred Securities should be considered to constitute equity, then, in relation to payments made by the Bank under the Guarantee, which payments represent Preferred Dividends deriving from the Preferred Securities, then: (i) a withholding tax of 20 per cent., which does not exhaust the tax liability of the Holder but can be set off, as the case may be, against any further income tax liability of the Holder, shall be imposed on Holders who are tax resident in Greece and on Holders who maintain, for tax purposes, a permanent establishment in Greece; (ii) a withholding tax of 35 per cent., which represents the entire tax liability of a Holder, shall be imposed on Holders who are enterprises i.e. companies or legal entities and who are not resident in Greece and do not maintain a permanent establishment in Greece; and (iii) a withholding tax of 20 per cent. shall be imposed on Holders who are natural persons and not Greek residents. Payments made by a Paying and Transfer Agent located in Greece to Holders non-resident in Greece for tax purposes and not maintaining a permanent establishment in Greece are not taxable in Greece nor is any withholding tax applicable.

Should, however, the Preferred Securities be considered to constitute bonds or notes, no Greek withholding tax shall be imposed on payments representing Preferred Dividends.

Notwithstanding the above, payments of Preferred Dividends effected outside Greece shall not be subject to any Greek withholding tax. Payments of Preferred Dividends effected through clearing systems to non-Greek tax residents are not subject to any Greek withholding tax.

However, if a Holder is a resident of a country with which Greece has executed a bilateral treaty for the avoidance of double taxation, then the provisions of such bilateral treaty shall prevail over the provisions of internal Greek tax laws and shall apply, provided that such Holder presents a “tax residence certificate” issued at a date not later than one year before such certificate is presented.

Jersey Tax

General Issues

The Issuer has obtained “exempt company” status within the meaning of Article 123A of the Income Tax (Jersey) Law, 1961, as amended, for the calendar year ending 31st December, 2005. The Issuer will be required to pay an annual exempt company charge which is currently £600 in respect of each subsequent calendar year during which it wishes to continue to have “exempt company” status. The retention of “exempt company” status is conditional upon and subject to the Comptroller of Income Tax in Jersey being satisfied that no Jersey resident has a beneficial interest in the Issuer, except as permitted by the Comptroller of Income Tax.

As an “exempt company” the Issuer will not be liable to Jersey income tax other than on Jersey source income (except by concession bank deposit interest on Jersey bank accounts). For so long as the Issuer is an “exempt company”, payments in respect of the Preferred Securities will not be subject to taxation in Jersey (unless the Holder is resident in Jersey) and no withholding in respect of taxation will be required on any such payment made to a Holder.

Under current Jersey law there are no death or estate duties, capital gains, gift, wealth, inheritance or capital transfer taxes. No stamp duty is levied in Jersey on the issue or transfer of Preferred Securities. In the event of the death of an individual sole Holder, duty at rates of up to 0.75 per cent. of the value of the Preferred Securities held may be payable on the registration of Jersey probate or letters of administration which may be required in order to transfer or otherwise deal with Preferred Securities held by the deceased individual Holder.

European Union Directive on the Taxation of Savings Income (Directive 2003/48/EC) – Jersey

Jersey is not part of the EU and is not subject to the EU Savings Tax Directive or other EU fiscal legislation. However, in keeping with Jersey’s policy of constructive international engagement (and in line with steps taken by other relevant third countries) the Island has now entered into various agreements regarding the European Union directive on the taxation of savings income in the form of interest payments (the “EU Savings Tax Directive”).

The States of Jersey have introduced a system which permits, either:

- the disclosure of information concerning details of payments of interest (or other similar payments) and the identity of an individual beneficial owner of the interest to the tax authority of the EU jurisdiction where the owner of the interest payment is resident; or
- the imposition of a retention or withholding tax in respect of payments of interest (or other similar income) made to an individual beneficial owner resident in an EU member state by a paying agent situate in Jersey or an EU member state.

(The terms “beneficial owner” and “paying agent” are defined in the bilateral agreements entered into between Jersey and each of the EU member states relating to the treatment of savings income.)

Where the Issuer has appointed a paying agent located outside Jersey, the Issuer is not required to make any disclosures or levy retention tax. However, the rules applicable in the jurisdiction where the paying agent is located will apply.

The retention tax system will apply for an initial transitional period during which tax would be retained from such payments, instead of communicating the details of such payments to the tax authorities of the EU member state in which the individual beneficial owner is resident (the transitional period is prior to the implementation of a system of automatic communication among all EU member states of information regarding interest payments).

The requirements in respect of information disclosure or retention tax will not apply to companies, partnerships or to most types of trusts, nor will they apply to individuals who are resident outside the EU.

European Union Code of Conduct on Business Taxation – Jersey

On 3rd June, 2003, the Council reached political agreement on certain issues relating to its Code of Conduct on Business Taxation. Jersey is not a member of the EU and is not subject to EU fiscal legislation but is a dependent territory of the United Kingdom. The Policy and Resources

Committee of the States of Jersey has announced that, in keeping with Jersey's policy of constructive international engagement, it intends to propose legislation to replace the Jersey exempt company regime by the end of 2008 with a general zero rate of corporate tax.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1st July, 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have agreed to adopt similar measures (a withholding system in the case of Switzerland) with effect from the same date.

SUBSCRIPTION AND SALE

Credit Suisse First Boston (Europe) Limited, Deutsche Bank AG, London Branch, Merrill Lynch International and UBS Limited (the "Joint Lead Managers") and Emporiki Bank of Greece S.A., Greek Postal Savings Bank S.A. and Natexis Banques Populaires (the "Co-Lead Managers" and, together with the Joint Lead Managers, the "Managers" have, pursuant to a Subscription Agreement (the "Subscription Agreement") dated 31st October, 2005, jointly and severally agreed to subscribe for the Preferred Securities at the issue price of 100 per cent. of the principal amount of the Preferred Securities. In addition, the Issuer has agreed to indemnify the Managers against certain liabilities, incurred in connection with the issue of the Preferred Securities. The Subscription Agreement may be terminated in certain circumstances prior to payment of the proceeds of the issue to the Issuer.

United States

The Preferred Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act.

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Preferred Securities (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date within the United States or to, or for the account or benefit of, U.S. persons and that it will have sent to each dealer to which it sells any Preferred Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Preferred Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Preferred Securities within the United States by any dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

United Kingdom

Each Manager has represented and agreed that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of the Preferred Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or, in the case of the Bank, would not, if it was not an authorised person, apply to the Bank; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Preferred Securities in, from or otherwise involving the United Kingdom.

Italy

Each Manager has represented and agreed that the offering of the Preferred Securities has not been cleared by CONSOB (the Italian Securities Exchange Commission) pursuant to Italian securities legislation and, accordingly, no Preferred Securities may be offered, sold or delivered, nor may copies of the Prospectus or of any other document relating to the Preferred Securities be distributed in the Republic of Italy, except:

(i) to professional investors (*"operatori qualificati"*), as defined in Article 31, second paragraph, of CONSOB Regulation No. 11522 of 1st July, 1998, as amended; or

(ii) in circumstances which are exempted from the rules on solicitation of investments pursuant to Article 100 of Legislative Decree No. 58 of 24th February, 1998 (the "Financial Services Act") and Article 33, first paragraph, of CONSOB Regulation No. 11971 of 14th May, 1999, as amended.

Each Manager has further represented and agreed that any offer, sale or delivery of the Preferred Securities or distribution of copies of the Prospectus or any other document relating to the Preferred Securities in the Republic of Italy under (i) or (ii) above must be:

(a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act and Legislative Decree No. 385 of 1st September, 1993 (the "Banking Act"), as amended; and

(b) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy pursuant to which the issue or the offer of securities in the Republic of Italy may need to be preceded and followed by an appropriate notice to be filed with the Bank of Italy depending, inter alia, on the aggregate value of the securities issued or offered in the Republic of Italy and their characteristics; and

(c) in accordance with any other applicable laws and regulations.

Jersey

Each Manager has agreed that the Preferred Securities may not be offered to, sold to or held by, or for the account of persons (other than financial institutions) resident for income tax purposes in Jersey.

General

Other than with respect to the admission to listing of the Preferred Securities on the London Stock Exchange, no action has been or will be taken in any country or jurisdiction by the Issuer, the Bank or the Managers that would permit a public offering of Preferred Securities, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Prospectus comes are required by the Issuer, the Bank and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Preferred Securities or have in their possession or distribute such offering material, in all cases at their own expense.

GENERAL INFORMATION

Authorisation

1. The issue of the Preferred Securities was duly authorised by a resolution of the Board of Directors of the Issuer dated 27th October, 2005 and the giving of the Guarantee was duly authorised by a resolution of the Board of Directors of the Bank dated 22nd September, 2005.

Listing

2. Application has been made to the UK Listing Authority for the Preferred Securities to be admitted to the Official List of the UK Listing Authority and to the London Stock Exchange for the Preferred Securities to be admitted to trading on the London Stock Exchange's Gilt-Edged and Fixed Interest Market.

   It is expected that listing and admission to trading will take place on or about the Closing Date, subject to issue of the Global Certificate.

Clearing Systems

3. The Preferred Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The ISIN for this issue is XS0232848399 and the Common Code is 023284839.

   The address of Euroclear is 1 Boulevard du Roi Albert III, B-1210 Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg.

No adverse change

4. There has been no material adverse change in the prospects of the Issuer since 4th March, 2005, the date of its incorporation.

   There has been no significant change in the financial or trading position of the Issuer since 30th September, 2005, the last day of the period in respect of which the most recent financial statements of the Issuer have been prepared.

   There has been no material adverse change in the prospects of the Group since 31st December, 2004, the last day of the financial period in respect of which the most recent audited financial statements of the Bank have been prepared.

   There has been no significant change in the financial or trading position of the Group since 30th June, 2005, the last day of the financial period in respect of which the most recent unaudited financial statements of the Bank have been prepared.

Litigation

5. None of the Issuer and the Bank and its Subsidiaries taken as a whole is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Bank is aware) during the period of 12 months preceding the date of this Prospectus which may have, or have had in such period, a significant effect on the financial position or profitability of either the Issuer or the Bank and its Subsidiaries taken as a whole.

Expenses

6. The total expenses related to the admission to trading of the Preferred Securities are estimated to be GBP 2,725.

Accounts

7. The auditors of the Issuer are PricewaterhouseCoopers CI LLP, Chartered Accountants and Registered Auditors. It is currently intended that the Issuer will prepare audited non-consolidated accounts on an annual basis and will not prepare any interim accounts. The directors of the Issuer have prepared financial statements for the Issuer, in accordance with International Financial Reporting Standards (IFRS), in respect of the period from 4th March, 2005 (the date of incorporation of the Issuer) to 30th September, 2005 and PricewaterhouseCoopers CI LLP have issued an accountants' report thereon pursuant to Standards for Investment Reporting (SIR 2000). The accountants' report is included, in the form and context in which it is included, with the consent of the auditors who have authorised that part of this Prospectus.

   The auditors of the Issuer do not have any material interest in the Issuer.

   The auditors of the Bank are PricewaterhouseCoopers S.A., Chartered Accountants and Registered Auditors, who have audited the Bank's accounts, which have been prepared in accordance with generally accepted accounting standards in Greece for the financial years ended on 31st December, 2003 and 31st December, 2004. The independent auditor's reports on the 31st December, 2003 and the 31st December, 2004 year end financial statements for the Bank were qualified since in certain cases the Bank applied International Financial Reporting Standards and diverged from the requirements of Greek Company Law 2190/1920. The qualifications are set out in the consolidated balance sheet in the financial statements for such years set out on pages F-1 to F-22.

   The auditors of the Bank do not have any material interest in the Bank.

Documents

8. For so long as any of the Preferred Securities remains outstanding, copies, and where appropriate, English translations of the following documents may be obtained and will be available free of charge during normal business hours at the specified offices of the Paying and Transfer Agents:

   (a) the Memorandum of Association and Articles of Association of the Issuer and the constitutional documents of the Bank;

   (b) the audited annual consolidated and non-consolidated financial statements of the Bank in respect of each of the financial years ended 31st December, 2003 and 31st December, 2004 prepared in accordance with generally accepted accounting standards in Greece;

   (c) the audited cashflow statements of the Bank in respect of each of the financial years ended 31st December, 2003 and 31st December, 2004 prepared in accordance with generally accepted accounting standards in Greece;

   (d) the interim unaudited consolidated financial statements of the Bank as at, and for the period ended, 30th June, 2005 prepared in accordance with International Financial Reporting Standards (IFRS);

   (e) the non-consolidated financial statements of the Issuer in respect of the period from 4th March, 2005 (the date of incorporation of the Issuer) to 30th September, 2005 prepared in accordance with International Financial Reporting Standards (IFRS); and

   (f) the Subscription Agreement, the Agency Agreement and the Guarantee.

   In addition, copies of this Prospectus are available for viewing on the London Stock Exchange's website.

APPENDIX

FINANCIAL STATEMENTS

FINANCIAL INFORMATION RELATING TO EFG EUROBANK ERGASIAS S.A.

Consolidated Balance Sheet for EFG Eurobank Ergasias S.A. as at 31 December 2003

		2003	2002
	ASSETS	**Amounts in euro thousand**	
1.	**Cash and balances with central banks**	**1,199,341**	1,089,014
2.	**Treasury bills and similar securities eligible for refinancing with central banks**	**61,145**	456,426
3.	**Loans and advances to credit institutions**		
	a. Repayable on demand	**288,874**	260,330
	b. Other loans and advances	**597,307**	1,022,157
		886,181	1,282,487
4.	**Loans and advances to customers**	**16,804,647**	13,758,613
	Less: Provisions for doubtful debts	**(471,660)**	(397,833)
		16,332,987	13,360,780
5.	**Debt securities including fixed–income securities**		
	a. Issued by government	**6,724,400**	5,594,420
	b. Issued by other borrowers	**754,452**	685,519
		7,478,852	6,279,939
6.	**Shares and other variable-yield securities**	**422,077**	332,045
7.	**Participations in non-affiliated undertakings**	**45,990**	77,712
7.	**a. Investment in associated undertakings**	**19,325**	32,594
8.	**Participations in affiliated undertakings**	**29**	262
9.	**Intangible assets**		
	Other intangible assets	**222,397**	223,318
	Less: Amortisation of intangible assets	**(121,573)**	(114,130)
		100,824	109,188
10.	**Tangible assets**		
	a. Land	**68,665**	65,710
	b. Buildings	**439,805**	506,034
	Less: Depreciation	**(139,831)**	(162,816)
	c. Furniture, electronic and other equipment	**322,830**	212,514
	Less: Depreciation	**(205,511)**	(136,807)
	d. Other tangible assets	**11,258**	9,680
	Less: Depreciation	**(2,839)**	(1,567)
	e. Fixed assets under construction	**59,180**	123,903
		553,557	616,651
13.	**Other assets**	**318,800**	472,019
14.	**Prepayments and accrued income**	**610,808**	513,121
	TOTAL ASSETS	**28,029,916**	24,622,238

NOTES:

1. The consolidated Financial Statements include EFG Eurobank Ergasias SA and the following subsidiary undertakings, which are fully consolidated: EFG Private Bank Luxembourg S.A., EFG Telesis Finance SA., Eurobank Cards SA., EFG Eurobank Ergasias Leasing SA., EFG Eurobank Properties SA., EFG Mutual Funds Co SA., EFG Insurance Services SA, EFG Hellas P.L.C., EFG Eurobank Securities SA., EFG Factors SA, EFG Property and Casualty Insurance SA., EFG Eurodevelopment Investments SA., Be-Business Exchanges SA., EFG Internet Services SA., ELDEPA SA, EFG Life Insurance SA., Alico / CEH Balkan Holdings Limited, EFG Business Services SA, EFG Quality Management Services SA., OPEN 24 SA., Autorental SA., EFG Eurobank Ergasias International (C.I.) LTD, Telesis Direct SA., EFG Eurobank

Asset Management Company SA., EFG Hellas (Cayman Islands) Limited, Banc Post SA (Romania), Bulgarian Retail Services SA, Hellas on Line SA, Post Bank A.D. (Bulgaria), Postbanka A.D. (Serbia), Berberis Investment Ltd, Eurocredit Retail Services Ltd. The consolidated Financial Statements also include the following associated undertakings which are accounted for using the equity method: Tefin SA, Kydon SA, Hotel Company of Athens Airport SA., Zenon Properties SA, Unit Finance SA, Global Finance SA, Global Investment Fund Management SA, Global Finance International Ltd.

2. The Bank EFG Eurobank Ergasias merged via absorption during financial year 2003 the following entities: a) Ergoinvest S.A. on 10.4.2003 with local accounting and tax reference date of 7 November 2002, b) Ergoinvest Advisors S.A. on 7.10.2003 with local accounting and tax reference date of 30.4.2003, c) Investment Development Fund S.A. on 11.11.2003 with local accounting and tax reference date 30.4.2003, d) Unitbank S.A. on 15.12.2003 with local accounting and tax reference date of 31.12.2002. In addition, the merger via absorption of EFG Quality Management Services S.A. has been initiated with local accounting and tax reference date of 30.11.2003 and is expected to be completed by March 2004.

3. Transactions performed by the absorbed entities from the date of their local accounting and tax reference date and until the completion date of their legal mergers, from an accounting point of view, were recognized as performed on behalf of the Bank. As a result, all the afore-mentioned transactions have affected the 2003 financial results of the Bank except for transactions performed by the merged entity Ergoinvest SA during the period 8.11.2002 until 31.12.2002 which affected the 2002 financial results of the Bank. The impact of the above mergers on the shareholders' equity was as follows: a) increase in share capital of € 18.9 million, b) decrease in share premium of € 40.3 million, c) decrease in own shares of € 28.7 million, d) decrease in special reserves of € 35.9 million resulting from valuation differences (losses) of securities portfolio recognized directly to equity.

4. The above mergers resulted in merger differences of € 34.8 million which were off set against share premium.

5. The General Assembly of 19.5.2003 decided the distribution of 1,050,000 new ordinary shares of € 2.89 each, at par, to employees through an increase of the Bank's share capital by € 3 million approximately. The increase was effected with the capitalization of the 2002 profits.

6. On 17.12.2003 the Bank's share capital and share premium increased by approximately € 2.8 million and € 3.4 million, respectively, from the exercise of stock options distributed to employees, with the issue of 933,952 new ordinary shares of € 2.95 each at par. The afore-mentioned increase was certified on 18.12.2003 and the new shares were listed in the Athens Stock Exchange on 20.1.2004.

7. In the financial year 2003 depreciation of fixed assets was accounted for in accordance with the provisions of P.D. 299/2003, by applying depreciation rates that most appropriately reflect the useful life of each asset. The new depreciation rates resulted in lower depreciation charge by € 13.5 million approximately. The goodwill calculation of a foreign subsidiary has not yet been finalised due to the non-completion of the fair market valuation of certain properties.

8. The Bank applied the International Accounting Standards and has, therefore, not complied with the requirements of Company Law 2190/1920, in the following cases: a) the Bank consistently calculates deferred tax, which as at 31.12.03 amounted to € 47.9 million (deferred tax asset) and is included in "Prepaid expenses and accrued income". A special reserve of a corresponding amount that applies to the Bank has been created which will be offset against income tax of future periods when temporary differences are settled, b) Treasury Shares of € 129.5 million are deducted from Shareholders Equity whereas according to Company Law 2190/1920 these should be disclosed as a separate category of "Assets", c) the Bank's trading securities portfolio is marked to market. The valuation gave rise to a mark-down of € 17.1 million which has been recognised in the Profit and Loss of 2003, whereas in 2002 it gave rise to a mark-up of € 18.9 million, d) certain figures of the 2003 Balance Sheet and the Income Statement relating to EFG Eurobank Ergasias Leasing S.A. and Autorental S.A. have been restated to comply with International Accounting Standards. Had this restatement not taken place, current period's profit would be lower by € 7.4 million compared to € 9.8 million lower in 2002.

9. The cost of harmonizing the pension fund program for the employees of the merged companies, with that of the Bank, was finalized in 2003. In addition to an amount of € 4.5 million recorded in the 2002 financial results, an amount of € 9.8 million was capitalized in 2003 and is amortized over a period of 5 years. The 2003 financial results include an amortization charge of € 2 million.

10. During 2003 the Bank performed sell-buy-back transactions for certain of its shares and recorded the realized losses of € 56.3 million directly to equity. Had the market valuation of participations and securities been performed at the lower of cost and market value the resulting difference would not have affected the equity of the Bank.

11. The valuation of the subsidiaries securities portfolios as at 31.12.2003 gave rise to valuation differences (losses) of € 0.8 million, of which € 0.5 million are attributable to the Group. The afore-mentioned losses were off set against valuation gains of € 18.7 million, out of which € 7.6 million are attributable to the Group. The aggregate mark-up of valuation differences attributed to the Group amounts to € 7.1 million and increased directly the Group's net equity.

12. The Bank's management and its legal advisors believe that the outcome of the existing lawsuits inclusive of the Piraeus Bank lawsuit against former Ergobank S.A and certain members of its Board of Directors will not have a significant impact on the Bank's Financial Statements and therefore, no provision for losses has been made.

13. In accordance with the economic activity sector (STAKOD '03) 86 per cent. of the EFG Eurobank Group's revenue is classified under "Transactions of other intermediary financial institutions" (code 651.9) and the remaining 14 per cent. under other sectors of economic activity.

14. The fixed assets of the Bank are free of charges or encumbrances.

15. The total number of employees as at 31.12.2003 was 13,393.

LIABILITIES	2003 Amounts in euro thousand	2002
1. Due to credit institutions		
a. Repayable on demand	**233,139**	67,713
b. Time and notice	**4,991,070**	3,774,470
	5,224,209	3,842,183
2. Due to customers		
a. Deposits	**15,174,459**	14,529,363
b. Other liabilities		
ba. Repayable on demand	**162,169**	384,799
bc. Repurchase agreements (repos)	**1,972,495**	2,118,808
	17,309,123	17,032,970
3. Liabilities evidenced by paper	**2,514,635**	719,943
4. Other liabilities	**690,202**	663,494
5. Accruals and deferred income	**253,458**	297,426
6. Provisions for liabilities and charges		
a. Provisions for staff pensions and similar obligations	**27,346**	19,442
c. Other provisions	**69,806**	24,394
	97,152	43,836
6. a. Provisions for general banking risks	**25,036**	16,427
EQUITY		
8. Share capital	**930,680**	906,017
9. Share premium account	**561,661**	598,553
10. Reserves		
a. Statutory reserve	**97,200**	85,458
b. Extraordinary reserves	**250,274**	269,300
c. Special reserves	**51,620**	75,630
11. Fixed asset revaluation reserve	**3,853**	3,528
12. Retained Earnings	**123,203**	43,708
13. Treasury shares	**(129,537)**	(89,532)
14. Consolidation differences	**(95,603)**	(70,968)
	1,793,351	1,821,694
15. Minority interests	**122,750**	184,265
TOTAL LIABILITIES	**28,029,916**	24,622,238

OFF BALANCE SHEET ITEMS	2003 Amounts in euro thousand	2002
1. Contingent liabilities from guarantees to third parties	**24,588,150**	25,472,467
3. Other off balance sheet items		
a. Items in custody and safekeeping	**49,869,649**	47,973,811
b. Commitments from bilateral contracts	**13,347,460**	9,914,396
c. Credit memo accounts	**13,946,940**	11,118,168
TOTAL OFF BALANCE SHEET ITEMS	**101,752,199**	94,478,842

Consolidated Income Statement for EFG Eurobank Ergasias S.A. as at 31 December 2003

			2003		2002
			Amounts in euro thousand		
1.	**Interest receivable and similar income**				
	– Interest income from fixed-income securities		**339,660**		269,305
	– Other interest and similar income		**1,180,628**		1,221,179
			1,520,288		1,490,484
2.	**Interest payable and similar charges**		**(671,427)**		(766,930)
			848,861		723,554
3.	**Income from Securities**				
	a. Income from shares and other variable-yield securities		**8,421**		6,918
	b. Income from shares in affiliated undertakings		**4,541**		5,960
			12,962		12,878
4.	**Commissions receivable**		**513,174**		362,378
5.	**Commissions payable**		**(203,136)**		(112,437)
			310,038		249,941
6.	**Net profit from financial operations**		**34,297**		(5,468)
7.	**Other operating income**		**9,137**		10,881
	TOTAL OPERATING INCOME		**1,215,295**		991,786
8.	**General administrative expenses**				
	a. Staff costs				
	– Wages and salaries		**(245,927)**		(225,827)
	– Staff pension costs		**(60,546)**		(47,947)
	– Other charges		**(31,332)**		(27,620)
	b. Other administrative expenses		**(213,567)**		(189,790)
			(551,372)		(491,184)
9.	**Fixed assets depreciation and valuation**		**(104,140)**		(87,801)
10.	**Other operating expenses**		**(8,517)**		(10,465)
11,12.	**Provisions for loans and advances and contingent liabilities and commitments**		**(156,603)**		(110,818)
	PROFIT ON ORDINARY ACTIVITIES		**394,663**		291,518
15,16,17.	**Extraordinary income, expenses and profit**		**(12,089)**		(14,497)
18.	**PROFIT BEFORE TAX**		**382,574**		277,021
	Analysed as follows:				
	Minority interest	**9,732**		6,573	
	GROUP PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	**372,842**		270,448	
	Less: Income Tax		**(107,448)**		(70,284)
	Add: Deferred Income Tax		**11,202**		(5,648)
	Less: Differences resulting from Tax Audit		**(6,893)**		(66)
	Net Profit After Tax		**279,435**		201,023
	Minority interest		**(6,812)**		(4,868)
	GROUP NET PROFIT AFTER TAX		**272,623**		196,155

Athens, February 24, 2004

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER	THE CHIEF ACCOUNTANT
Xenophon C. Nickitas	**Nicholas C. Nanopoulos**	**Paula N. Hadjisotiriou**	**Dimitrios K. Mitrotolis**
I. D. No θ – 914611	I. D. No Σ – 237468	I. D. No T - 005040	I. D. No ∏ – 064395

AUDITORS' REPORT

To the Shareholders of EFG Eurobank Ergasias S.A.

We have audited the above Consolidated Financial Statements and the relevant Consolidated Attachment of the Bank "EFG Eurobank Ergasias S.A." for the year ended 31 December 2003. Our audit was conducted in accordance with the provisions of article 108 of Companies Act 2190/1920 and the auditing procedures, which we considered appropriate based on the auditing standards and principles applied by the Greek Institute of Certified Auditors Accountants. The records of the companies which are included in the consolidation were made available to us and we obtained the information and explanations considered necessary for the purposes of our audit. The valuation methods have been applied consistently. We have confirmed that the Consolidated Directors' Report is consistent with the Consolidated Financial Statements. The Consolidated Attachment discloses the information required by article 130 and the relevant provisions of Companies Act 2190/1920. In the course of our audit it came to our attention that the Group applied International Financial Reporting Standards in certain cases, which are detailed in note 8 to the Balance Sheet. As a result of these divergences from the requirements of Companies Act 2190/1920, the Group's results are understated by € 9.7 million. In our opinion the above Consolidated Financial Statements, which have been prepared in accordance with the relevant provisions of Companies Act 2190/1920, present together with the consolidated Attachment, after taking into account the matter referred to above and the matters referred to in notes 9, 10 and 11 to the Balance Sheet, the financial position of the Group as at 31 December 2003 as well as the results of its operations for the year then ended, in accordance with the prevailing legislation and generally accepted accounting principles which have been applied consistently.

Athens, February 26, 2004

The Certified Auditors Accountants
PricewaterhouseCoopers S.A.

K. Riris	PRICEWATERHOUSECOOPERS	A. Papageorgiou
SOEL Reg. No 12111		**SOEL Reg. No 11691**

Non-Consolidated Balance Sheet for EFG Eurobank Ergasias S.A. as at 31 December 2003

			2003	2002
	ASSETS		**Amounts in euro thousand**	
1.	**Cash and balances with central banks**		**928,778**	891,424
2.	**Treasury bills and similar securities eligible for refinancing with central banks**		**61,145**	456,425
3.	**Loans and advances to credit institutions**			
	a.	Repayable on demand	**215,521**	176,241
	b.	Other loans and advances	**665,207**	1,164,954
			880,728	1,341,195
4.	**Loans and advances to customers**		**15,382,405**	12,914,230
	Less: Provisions for doubtful debts		**(431,077)**	(382,341)
			14,951,328	12,531,889
5.	**Debt securities including fixed-income securities**			
	a.	Issued by government	**6,445,262**	5,247,660
	b.	Issued by other borrowers	**966,812**	930,143
			7,412,074	6,177,803
6.	**Shares and other variable-yield securities**		**387,261**	269,495
7.	**Participations in non-affiliated undertakings**			
	a.	Related undertakings	**6,172**	44,971
	b.	Other undertakings	**45,989**	70,927
			52,161	115,898
8.	**Participations in affiliated undertakings**		**455,864**	398,713
9.	**Intangible assets**			
	Other intangible assets		**201,592**	153,954
	Less: Amortisation of intangible assets		**(108,886)**	(66,696)
			92,706	87,258
10.	**Tangible assets**			
	a.	Land	**39,970**	36,592
	b.	Buildings	**238,596**	228,898
		Less: Depreciation	**(109,484)**	(100,678)
	c.	Furniture, electronic and other equipment	**194,889**	176,835
		Less: Depreciation	**(132,071)**	(115,173)
	d.	Other tangible assets	**244**	258
		Less: Depreciation	**(141)**	(169)
	e.	Fixed assets under construction	**7,451**	32,821
			239,454	259,384
13.	**Other assets**		**166,087**	347,421
14.	**Prepayments and accrued income**		**586,944**	489,293
	TOTAL ASSETS		**26,214,530**	23,366,198

NOTES:

1. The Bank EFG Eurobank Ergasias merged via absorption during financial year 2003 the following entities: a) Ergoinvest S.A. on 10.4.2003 with local accounting and tax reference date of 7 November 2002, b) Ergoinvest Advisors S.A. on 7.10.2003 with local accounting and tax reference date of 30.4.2003, c) Investment Development Fund S.A. on 11.11.2003 with local accounting and tax reference date 30.4.2003, d) Unitbank S.A. on 15.12.2003 with local accounting and tax reference date of 31.12.2002. In addition, the merger via absorption of EFG Quality Management Services S.A. has been initiated with local accounting and tax reference date of 30.11.2003 and is expected to be completed by March 2004.

2. Transactions performed by the absorbed entities from the date of their local accounting and tax reference date and until the completion date of their legal mergers, from an accounting point of view, were recognized as performed on behalf of the Bank. As a result, all the afore-mentioned transactions have affected the 2003 financial results of the Bank except for transactions performed by the merged entity Ergoinvest SA during the period 8.11.2002 until 31.12.2002 which affected the 2002 financial results of the Bank. The impact of the above mergers on the shareholders' equity was as follows: a) increase in share capital of €18.9 million, b) decrease in share premium of €40.3 million, c) decrease in own shares of €28.7 million, d) decrease in special reserves of €35.9 million resulting from valuation differences (losses) of securities portfolio recognized directly to equity.

3. The above mergers resulted in merger differences of €34.8 million which were off set against share premium.

4. The General Assembly of 19.5.2003 decided the distribution of 1,050,000 new ordinary shares of €2.89 each at par, to employees through an increase of the Bank's share capital by €3 million approximately. The increase was effected with the capitalization of the 2002 profits.

5. On 17.12.2003 the Bank's share capital and share premium increased by approximately €2.8 million and €3.4 million, respectively, from the exercise of stock options distributed to employees, with the issue of 933,952 new ordinary shares of €2.95 each at par. The afore-mentioned increase was certified on 18.12.2003 and the new shares were listed in the Athens Stock Exchange on 20.1.2004.

6. In the financial year 2003 depreciation of fixed assets was accounted for in accordance with the provisions of P.D. 299/2003, by applying depreciation rates that most appropriately reflect the useful life of each asset. The new depreciation rates resulted in lower depreciation charge by €10.5 million approximately.

7. The Bank applied the International Accounting Standards and has, therefore, not complied with the requirements of Company Law 2190/1920, in the following cases: a) the Bank consistently calculates deferred tax, which as at 31.12.03 amounted to €42.6 million (deferred tax asset) and is included in "Prepaid expenses and accrued income". A special reserve of a corresponding amount that applies to the Bank has been created which will be offset against income tax of future periods when temporary differences are settled, b) Treasury Shares of €128.0 million are deducted from Shareholders Equity whereas according to Company Law 2190/1920 these should be disclosed as a separate category of "Assets", c) the Bank's trading securities portfolio is marked to market. The valuation gave rise to a mark-down of €16.4 million which has been recognized in the Profit and Loss of 2003, whereas in 2002 it gave rise to a mark-up of €19.8 million.

8. The cost of harmonizing the pension fund program for the employees of the merged companies, with that of the Bank, was finalized in 2003. In addition to an amount of €4.5 million recorded in the 2002 financial results, an amount of €9.8 million was capitalized in 2003 and is amortized over a period of 5 years. The 2003 financial results include an amortization charge of €2 million.

9. During 2003 the Bank performed sell-buy-back transactions for certain of its shares and recorded the realized losses of €56.3 million directly to equity. Had the market valuation of participations and securities been performed at the lower of cost and market value the resulting difference would not have affected the equity of the Bank.

10. In accordance with the economic activity sector (STAKOD '03) the total EFG Eurobank revenue are classified under "Transactions of other intermediary financial institutions" (code 651.9).

11. The Bank's management and its legal advisors believe that the outcome of the existing lawsuits inclusive of the Piraeus Bank lawsuit against former Ergobank S.A and certain members of its Board of Directors will not have a significant impact on the Bank's Financial Statements and therefore, no provision for losses has been made.

12. The fixed assets of the Bank are free of charges or encumbrances.

13. The total number of employees as at 31.12.2003 was 6,841.

LIABILITIES		2003	2002
		Amounts in euro thousand	
1.	**Due to credit institutions**		
	a. Repayable on demand	**77,684**	67,676
	b. Time and notice	**5,199,874**	3,964,427
		5,277,558	4,032,103
2.	**Due to customers**		
	a. Deposits	**16,264,661**	14,240,251
	b. Other liabilities		
	ba. Repayable on demand	**87,924**	347,150
	bc. Repurchase agreements (repos)	**1,993,527**	2,048,977
		18,346,112	16,636,378
4.	**Other liabilities**	**527,103**	529,509
5.	**Accruals and deferred income**	**245,337**	265,193
6.	**Provisions for liabilities and charges**		
	a Provisions for staff pensions and similar obligations	**26,141**	18,630
6.	**A. Provisions for general banking risks**	**25,036**	16,426
	EQUITY		
8.	**Share capital**		
	Paid-up (315,484,837 shares at €2.95 each)	**930,680**	906,017
9.	**Share premium account**	**561,661**	598,553
10.	**Reserves**		
	a. Statutory reserve	**97,200**	85,458
	b. Extraordinary reserves	**250,274**	269,300
	c. Special reserves	**51,620**	75,630
11.	**Fixed asset revaluation reserve**	**3,853**	3,528
13.	**Treasury shares**	**(128,045)**	(70,527)
		1,767,243	1,867,959
	TOTAL LIABILITIES	**26,214,530**	23,366,198

OFF BALANCE SHEET ITEMS		2003	2002
		Amounts in euro thousand	
1.	**Contingent liabilities from guarantees to third parties**	**24,557,298**	25,359,713
3.	**Other off balance sheet items**		
	a. Items in custody and safekeeping	**45,584,135**	43,927,936
	b. Commitments from bilateral contracts	**12,629,736**	9,395,840
	c. Credit memo accounts	**13,630,455**	10,972,431
	TOTAL OFF BALANCE SHEET ITEMS	**96,401,624**	89,655,920

Non-Consolidated Income Statement for EFG Eurobank Ergasias S.A. as at 31 December 2003

		2003	2002
		Amounts in euro thousand	
1.	**Interest receivable and similar income**		
	– Interest income from fixed-income securities	**235,378**	267,090
	– Other interest and similar income	**1,160,418**	1,127,189
		1,395,796	1,394,279
	Interest payable and similar charges	**(625,205)**	(714,146)
		770,591	680,133
3.	**Income from Securities**		
	a. Income from shares and other variable-yield securities	**9,383**	3,213
	b. Income from participating interests	**2,744**	1,391
	c. Income from affiliated undertakings	**32,415**	15,763
		44,542	20,367
4.	**Commissions receivable**	**296,519**	276,350
5.	**Commissions payable**	**(164,863)**	(144,354)
		131,656	131,996
6.	**Net profit from financial operations**	**25,042**	(7,910)
7.	**Other operating income**	**11,599**	11,972
	TOTAL OPERATING INCOME	**983,430**	836,558
8.	**General administrative expenses**		
	a. Staff costs		
	– Wages and salaries	**(184,980)**	(176,205)
	– Staff pension costs	**(44,079)**	(41,488)
	– Other charges	**(18,648)**	(26,576)
	b. Other administrative expenses	**(162,380)**	(158,291)
		(410,087)	(402,560)
9.	**Fixed assets depreciation and valuation**	**(78,736)**	(67,882)
10.	**Other operating expenses**	**(3,001)**	(1,969)
11,12.	**Provisions for loans and advances and contingent liabilities and commitments**	**(149,630)**	(106,872)
	PROFIT ON ORDINARY ACTIVITIES	**341,976**	257,275
15,16,17.	Extraordinary income, expenses and profit	**(11,713)**	(9,758)
18.	**PROFIT BEFORE TAX**	**330,263**	247,517

APPROPRIATION ACCOUNT

	2003	2002
	Amounts in euro thousand	
PROFIT BEFORE TAX	**330,263**	247,517
Less: Income Tax	**(79,501)**	(51,949)
Less: Deferred Income Tax	**(5,514)**	–
Less: Differences resulting from Tax Audit	**11,202**	(5,648)
PROFIT AFTER TAX	**256,450**	189,920
Prior years' retained earnings brought forward	**(312)**	3,985
Distributable reserves	**120,852**	–
Reserve L. 148/67 to cover losses from securities	**–**	4,330
"Deferred" Income Tax	**(11,202)**	5,648
Treasury Shares Reserve	**–**	59,500
NET ATTRIBUTABLE PROFIT	**365,788**	263,383
Appropriation of profits:		
Statutory Reserve	**10,524**	8,044
Dividend €0.60 per share	**185,319**	144,492
Extraordinary reserves	**90,508**	95,834
Special Statutory Reserves	**10,664**	1,675
Treasury Shares Reserves	**57,518**	–
Distribution of profits to staff	**8,600**	7,300
Distribution of shares to staff	**2,655**	3,035
Distribution of bonus to staff due to Euro conversion	**–**	3,003
	365,788	263,383

Athens, February 24, 2004

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER	THE CHIEF ACCOUNTANT
Xenophon C. Nickitas	**Nicholas C. Nanopoulos**	**Paula N. Hadjisotiriou**	**Dimitrios K. Mitrotolis**
I. D. No θ – 914611	I. D. No Σ – 237468	I. D. No T - 005040	I. D. No Π – 064395

AUDITORS REPORT

To the Shareholders of EFG Eurobank Ergasias S.A.

We have audited the above Financial Statements and the relevant Attachment of the Bank "EFG Eurobank Ergasias SA" for the year ended 31 December 2003. Our audit, which has taken into account returns of the branches, was conducted in accordance with the provisions of article 37 of Companies Act 2190/1920 and the auditing procedures, which we considered appropriate based on the auditing standards and principles applied by the Greek Institute of Certified Auditors Accountants. The books and records maintained by the Bank have been made available to us and we obtained the information and explanations considered necessary for the purposes of our audit. The Bank has properly applied the Chart of Accounts for Banks except for the cases referred to in notes 7 & 9 to the Balance Sheet. The valuation methods have been applied consistently. We have confirmed that the Directors' Report is consistent with the Financial Statements. The Attachment discloses the information required by paragraph 1 of article 43a and by article 129 of Companies Act 2190/1920. In the course of our audit it came to our attention that the Bank applied International Financial Reporting Standards in certain cases, which are detailed in note 7 to the Balance Sheet. As a result of these divergences from the requirements of Companies Act 2190/1920, the Bank's results are understated by €16.4 million. In our opinion the above Financial Statements, which have been derived from the books and records of the Bank, present together with the Attachment, after taking into account the matter referred to above and the matters referred to in notes 8 and 9 to the Balance Sheet, the financial position of the Bank as at 31 December 2003 as well as the results of its operations for the year then ended, in accordance with the prevailing legislation and generally accepted accounting principles which have been applied consistently.

Athens, February 26, 2004

The Certified Auditors Accountants
PricewaterhouseCoopers S.A.

K. Riris	PRICEWATERHOUSECOOPERS	A. Papageorgiou
SOEL Reg. No 12111		**SOEL Reg. No 11691**

Consolidated Balance Sheet for EFG Eurobank Ergasias S.A. as at 31 December 2004

	ASSETS	2004	2003
		Amounts in euro million	
1.	**Cash and balances with central banks**	**1,552**	1,199
2.	**Treasury bills and similar securities eligible for refinancing with central banks**	**480**	61
3.	**Loans and advances to credit institutions**		
	a. Repayable on demand	**293**	289
	b. Other loans and advances	**321**	597
		614	886
4.	**Loans and advances to customers**	**21,051**	16,805
	Less: Provisions for doubtful debts	**(553)**	(472)
		20,498	16,333
5.	**Debt securities including fixed-income securities**		
	a. Issued by government	**5,669**	6,724
	b. Issued by other borrowers	**879**	755
		6,548	7,479
6.	**Shares and other variable-yield securities**	**393**	422
7.	**Participations in non-affiliated undertakings**	**23**	46
7a.	**Investment in associated undertakings**	**58**	19
8.	**Participations in affiliated undertakings**	**–**	–
9.	**Intangible assets**		
	c. Other intangible assets	**270**	222
	Less: Amortisation of intangible assets	**(155)**	(121)
		115	101
10.	**Tangible assets**		
	a. Land	**110**	69
	b. Buildings	**537**	440
	Less: Depreciation	**(201)**	(140)
	c. Furniture, electronic and other equipment	**285**	323
	Less: Depreciation	**(193)**	(205)
	d. Other tangible assets	**11**	11
	Less: Depreciation	**(4)**	(3)
	e. Fixed assets under construction	**12**	59
		557	554
13.	**Other assets**	**394**	319
14.	**Prepayments and accrued income**	**707**	611
	TOTAL ASSETS	**31,939**	28,030

OFF BALANCE SHEET ITEMS	2004	2003
	Amounts in euro million	
1. Contingent liabilities from guarantees and forward contracts	**37,847**	24,588
3. Other off balance sheet items		
a. Items in custody and safekeeping	**57,234**	49,870
b. Commitments from bilateral contracts	**23,647**	13,347
c. Credit memo accounts	**13,906**	13,947
TOTAL OFF BALANCE SHEET ITEMS	**132,634**	101,752

LIABILITIES	2004	2003
	Amounts in euro million	
1. Due to credit institutions		
a. Repayable on demand	**25**	233
b. Time and notice	**5,240**	4,991
	5,265	5,224
2. Due to customers		
a. Deposits	**16,749**	15,174
b. Other liabilities		
ba. Repayable on demand	**207**	162
bc. Repurchase agreements (repos)	**1,253**	1,972
	18,209	17,308
3. Liabilities evidenced by paper	**4,667**	2,515
4. Other liabilities	**730**	691
5. Accruals and deferred income	**393**	254
6. Provisions for liabilities and charges		
a. Provisions for staff pensions and similar obligations	**36**	27
c. Other provisions	**179**	70
	215	97
6. A. Provisions for general banking risks	**35**	25
7. Subordinated notes	**400**	–
EQUITY		
8. Share Capital	**926**	931
9. Share premium account	**505**	562
10. Reserves		
a. Statutory reserve	**112**	97
b. Extraordinary reserves	**267**	250
c. Special reserves	**97**	52
11. Fixed asset revaluation reserve	**22**	4
12. Retained Earnings	**172**	123
13. Treasury shares	**(3)**	(130)
14. Consolidation differences	**(158)**	(96)
	1,940	1,793
15. Minority interests	**85**	123
TOTAL LIABILITIES	**31,939**	28,030

Notes:

1. The consolidated Financial Statements include EFG Eurobank Ergasias S.A. and the following subsidiary undertakings, which are fully consolidated: EFG Private Bank Luxembourg S.A., EFG Telesis Finance SA., Eurobank Cards S.A., EFG Eurobank Ergasias Leasing S.A., EFG Eurobank Properties S.A., EFG Mutual Funds Co S.A., Intertrust Mutual Funds

Co S.A., EFG Insurance Services S.A., EFG Hellas P.L.C., EFG Eurobank Securities S.A., EFG Factors S.A., EFG Property and Casualty Insurance S.A., Be-Business Exchanges S.A., EFG Internet Services S.A., ELDEPA S.A., EFG Life Insurance S.A., Alico / CEH Balkan Holdings Limited, EFG Business Services S.A, OPEN 24 S.A., Autorental SA., EFG Eurobank Ergasias International (C.I.) LTD, Telesis Direct S.A., EFG Eurobank Asset Management Company S.A., EFG Hellas (Cayman Islands) Limited, Bancpost S.A. (Romania), Bulgarian Retail Service AD, Hellas on Line S.A., Bulgarian Post Bank A.D., EFG Eurobank A.D. Beograd, Berberis Investment Ltd, Eurocredit Retail Service Ltd (Cyprus), Euroline Retail Service S.A. (Romania), Euroline Retail Service A.D. (Serbia), EFG Leasing EAD Bulgaria, Eurobank Property Services S.A. The consolidated Financial Statements also include the following associated undertakings which are accounted for using the equity method: Tefin S.A., Hotel Company of Athens Airport S.A., Zenon Properties S.A., Unit Finance S.A., Global Finance S.A., Global Investment Fund Management S.A., Cardlink S.A., The Greek Progress Fund S.A., Dias S.A.

2. During 2004, and in compliance with the Law 2065/92, fixed assets were revalued by € 23.4 million less accumulated depreciation of € 4.1 million. The annual depreciation charge increased by € 0.3 million.

3. The Bank applied the International Financial Reporting Standards and has, therefore, not complied with the requirements of Company Law 2190/1920, in the following cases: a) the Bank consistently calculates deferred tax, which as at 31.12.04 amounted to € 62.8 million (deferred tax asset), b) Treasury Shares of € 3.0 million are deducted from Shareholders Equity whereas according to Company Law 2190/1920 these should be disclosed as a separate category of “Assets”, c) the Bank's trading securities portfolio is marked to market. The valuation gave rise to a mark-up of € 13.4 million which has been recognised in the Profit and Loss of 2004, whereas in 2003 it gave rise to a mark-down of € 17.1 million, d) certain figures of the 2004 Balance Sheet and the Income Statement relating to EFG Eurobank Ergasias Leasing S.A. and Autorental S.A. have been restated to comply with International Financial Reporting Standards. Had this restatement not taken place, current period's profit would be lower by € 6.1 million compared to € 7.4 million lower in 2003.

4. The Bank, during 2004, proceeded with a staff voluntary retirement scheme. The amount of € 3.1 million has been recorded in the 2004 financial results and the amount of € 27.6 million has been capitalised and is included in intangible assets.

5. In June 2004, the Bank proceeded with the securitisation of mortgage loans amounting to € 750 million, in accordance with Law 3156/2003.

6. The Bank's Management and its legal advisors believe that the outcome of the existing lawsuits will not have a significant impact on the Bank's Financial Statements.

7. In accordance with the economic activity sector (STAKOD '03) 88% of the EFG Eurobank Group's revenue is classified under “Transactions of other intermediary financial institutions” (code 651.9) and the remaining 12% under other sectors of economic activity.

8. The fixed assets of the Bank are free of charges or encumbrances.

9. The total number of employees as at 31.12.2004 was 13,720.

Consolidated Income Statement for EFG Eurobank Ergasias S.A. as at 31 December 2004

			2004		2003
			Amounts in euro million		
1.	**Interest receivable and similar income**				
	– Interest income from fixed-income securities		**282.0**		339.7
	– Other interest and similar income		**1,721.0**		1,180.6
			2,003.0		1,520.3
2.	**Interest payable and similar charges**		**(965.5)**		(671.4)
			1,037.5		848.9
3.	**Income from Securities**				
	a. Income from shares and other variable-yield securities		**8.4**		8.4
	c. Income from shares in affiliated undertakings		**5.5**		4.5
			13.9		12.9
4.	**Commissions receivable**		**534.7**		513.2
5.	**Commissions payable**		**(172.3)**		(203.1)
			362.4		310.1
6.	**Net profit from financial operations**		**53.2**		34.3
7.	**Other operating income**		**16.7**		9.1
	TOTAL OPERATING INCOME		**1,483.7**		1,215.3
8.	**General administrative expenses**				
	a. Staff costs				
	– Wages and salaries		**(275.8)**		(245.9)
	– Staff pension costs		**(66.7)**		(60.6)
	– Other charges		**(37.8)**		(31.3)
	b. Other administrative expenses		**(247.3)**		(213.6)
			(627.6)		(551.4)
9.	**Fixed assets depreciation and valuation**		**(98.5)**		(104.1)
10.	**Other operating expenses**		**(2.8)**		(8.5)
11,12.	**Provisions for loans and advances and contingent liabilities and commitments**		**(213.1)**		(156.6)
	PROFIT ON ORDINARY ACTIVITIES		**541.7**		394.7
15,16,17.	**Extraordinary income, expenses and profit**		**(14.9)**		(12.1)
18.	**PROFIT BEFORE TAX**		**526.8**		382.6
	Analysed as follows:				
	Minority interest	**14.1**		9.7	
	GROUP PROFIT ON ORDINARY ACTIVITIES BEFORE TAX	**512.7**		372.9	
	Less: Income Tax		**(163.7)**		(107.5)
	Add: Deferred Income Tax		**15.0**		11.2
	Less: Differences resulting from Tax Audit		**(0.0)**		(6.9)
	Net Profit After Tax		**378.1**		279.4
	Minority interest		**(9.9)**		(6.8)
	GROUP NET PROFIT AFTER TAX		**368.2**		272.6

Athens, February 22, 2005

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER	THE CHIEF ACCOUNTANT
Xenophon C. Nickitas	**Nicholas C. Nanopoulos**	**Paula N. Hadjisotiriou**	**Dimitrios K. Mitrotolis**
I. D. No θ – 914611	I. D. No Σ – 237468	I. D. No T - 005040	I. D. No ∏ – 064395

AUDIT REPORT

To the Shareholders of the Bank "EFG Eurobank Ergasias S.A."

We have audited the above Consolidated Financial Statements and the related Consolidated Attachment of the Bank "EFG Eurobank Ergasias SA" for the year ended 31 December 2004. Our audit was conducted in accordance with the provisions of Article 108 of the Companies Act 2190/1920 and the auditing procedures, which we considered appropriate, based on the auditing standards and principles applied by the Institute of Certified Auditors/Accountants in Greece. The records of the companies which are included in the consolidation have been made available to us and we obtained the information and explanations, considered necessary for the purposes of our audit. The valuation methods have been applied consistently. We have confirmed that the content of the Consolidated Directors' Report is in agreement with the Consolidated Financial Statements. The Consolidated Attachment discloses the information required by Article 130 and the relevant provisions of the Companies Act 2190/1920. As a result of our audit, we noted the following: In certain cases, which are detailed in Note 3 beneath the Balance Sheet, the Bank has applied International Financial Reporting Standards. As a result of these divergences from the requirements of the Companies Act 2190/1920, the Group's results for the current year are overstated by € 19.5 million. In our opinion, after taking into consideration the matter referred to above and the impact on the results of the matter included in note 4 beneath the Balance Sheet, which refers to the voluntary retirement scheme, the above Consolidated Financial Statements, which have been prepared in accordance with the relevant provisions of the Companies Act 2190/1920, present together with the Consolidated Attachment the financial position of the Group as at 31 December 2004, as well as the results of its operations for the year then ended, in conformity with prevailing legislation and generally accepted accounting principles in Greece applied on a consistent basis with the preceding year.

Athens, February 24, 2005

The Certified Auditors Accountants
PricewaterhouseCoopers S.A.

K. Riris	PRICEWATERHOUSECOOPERS	A. Papageorgiou
SOEL Reg. No 12111		**SOEL Reg. No 11691**

Non-Consolidated Balance Sheet for EFG Eurobank Ergasias S.A. as at 31 December 2004

	2004	2003
ASSETS	**Amounts in euro million**	
1. Cash and balances with central banks	**1,112**	929
2. Treasury bills and similar securities eligible for refinancing with central banks	**480**	61
3. Loans and advances to credit institutions		
a. Repayable on demand	**249**	215
b. Other loans and advances	**606**	665
	855	880
4. Loans and advances to customers	**19,766**	15,382
Less: Provisions for doubtful debts	**(507)**	(431)
	19,259	14,951
5. Debt securities including fixed-income securities		
a. Issued by government	**5,231**	6,445
b. Issued by other borrowers	**692**	967
	5,923	7,412
6. Shares and other variable-yield securities	**297**	387
7. Participations in non-affiliated undertakings		
a. Related undertakings	**36**	6
b. Other undertakings	**23**	46
	59	52
8. Participations in affiliated undertakings	**596**	456
9. Intangible assets		
Other intangible assets	**245**	202
Less: Amortisation of intangible assets	**(137)**	(109)
	108	93
10. Tangible assets		
a. Land	**45**	40
b. Buildings	**254**	239
Less: Depreciation	**(127)**	(109)
c. Furniture, electronic and other equipment	**210**	195
Less: Depreciation	**(151)**	(132)
d. Other tangible assets	**–**	–
Less: Depreciation	**–**	–
e. Fixed assets under construction	**9**	7
	240	240
13. Other assets	**189**	167
14. Prepayments and accrued income	**655**	587
TOTAL ASSETS	**29,773**	26,215

OFF BALANCE SHEET ITEMS	2004	2003
	Amounts in euro million	
1. Contingent liabilities from guarantees and forward contracts	**37,690**	24,557
3. Other off balance sheet items		
a. Items in custody and safekeeping	**52,480**	45,584
b. Commitments from bilateral contracts	**22,605**	12,630
c. Credit memo accounts	**13,197**	13,630
TOTAL OFF BALANCE SHEET ITEMS	**125,972**	96,401

LIABILITIES	2004	2003
	Amounts in euro million	
1. Due to credit institutions		
a. Repayable on demand	**17**	78
b. Time and notice	**5,223**	5,200
	5,420	5,278
2. Due to customers		
a. Deposits	**19,922**	16,265
b. Other liabilities		
ba. Repayable on demand	**87**	88
bc. Repurchase agreements (repos)	**1,244**	1,994
	21,253	18,347
4. Other liabilities	**518**	526
5. Accruals and deferred income	**367**	245
6. Provisions for liabilities and charges		
a. Provisions for staff pensions and similar obligations	**34**	26
6. A. Provisions for general banking risks	**35**	25
7. Subordinated Deposits	**398**	–
EQUITY		
8. Share Capital		
Paid-up (314,009,537 shares at € 2.95 each)	**926**	931
9. Share premium account	**505**	562
10. Reserves		
a. Statutory reserve	**112**	97
b. Extraordinary reserves	**267**	250
c. Special reserves	**97**	52
11. Fixed asset revaluation reserve	**22**	4
12. Treasury shares	**(1)**	(128)
	1,928	1,768
TOTAL LIABILITIES	**29,773**	26,215

Notes:

1. During 2004, and in compliance with the Law 2065/92, fixed assets were revalued by € 22.6 million less accumulated depreciation of € 4.1 million. The annual depreciation charge increased by € 0.3 million.
2. The Bank applied the International Financial Reporting Standards and has, therefore, not complied with the requirements of Company Law 2190/1920, in the following cases: a) the Bank consistently calculates deferred tax, which as at 31.12.04 amounted to € 57.6 million (deferred tax asset), b) Treasury Shares of € 1.5 million are deducted from Shareholders Equity, whereas according to Company Law 2190/1920 these should be disclosed as a separate category of "Assets", c) the Bank's trading securities portfolio is marked to market. The valuation gave rise to a mark-up of € 11.4 million, which has been recognised in the Profit and Loss of 2004, whereas in 2003 it gave rise to a mark-down of € 16.4 million.
3. The Bank, during 2004, proceeded with a staff voluntary retirement scheme. The amount of € 3.1 million has been

charged to the 2004 financial results and the amount of € 27.6 million has been capitalised and is included in intangible assets.

4. In June 2004 the Bank proceeded with the securitisation of mortgage loans amounting to € 750 million in accordance with Law 3156/2003.

5. The Bank's management and its legal advisors believe that the outcome of the existing lawsuits will not have a significant impact on the Bank's Financial Statements.

6. In accordance with the economic activity sector (STAKOD '03) the total EFG Eurobank Ergasias SA revenue is classified under "Transactions of other intermediary financial institutions" (code 651.9).

7. The fixed assets of the Bank are free of charges or encumbrances.

8. The total number of employees as at 31.12.2004 was 6,722.

Non-Consolidated Income Statement for EFG Eurobank Ergasias S.A. as at 31 December 2004

	2004	2003
	Amounts in euro million	
1. Interest receivable and similar income		
– Interest income from fixed-income securities	**260.1**	235.4
– Other interest and similar income	**1,517.4**	1,160.4
	1,777.5	1,395.8
2. Interest payable and similar charges	**(878.5)**	(625.2)
	899.0	770.6
3. Income from Securities		
a. Income from shares and other variable-yield securities	**8.2**	9.4
b. Income from participating interests	**1.4**	2.7
c. Income from affiliated undertakings	**25.3**	32.4
	34.9	44.5
4. Commissions receivable	**333.7**	296.5
5. Commissions payable	**(189.1)**	(164.9)
	144.6	131.6
6. Net profit from financial operations	**48.7**	25.1
7. Other operating income	**18.4**	11.6
TOTAL OPERATING INCOME	**1,145.6**	983.4
8. General administrative expenses		
a. Staff costs		
– Wages and salaries	**(194.2)**	(185.0)
– Staff pension costs	**(47.0)**	(44.1)
– Other charges	**(29.0)**	(18.6)
b. Other administrative expenses	**(166.6)**	(162.4)
	(436.8)	(410.1)
9. Fixed assets depreciation and valuation	**(71.0)**	(78.7)
10. Other operating expenses	**(2.5)**	(3.0)
11,12. Provisions for loans and advances and contingent liabilities and commitments	**(205.0)**	(149.6)
PROFIT ON ORDINARY ACTIVITIES	**430.3**	342.0
15,16,17. Extraordinary income, expenses and profit	**(8.3)**	(11.7)
18. PROFIT BEFORE TAX	**422.0**	330.3

APPROPRIATION ACCOUNT

	2004	2003
	Amounts in euro million	
PROFIT BEFORE TAX	**422.0**	330.3
Less: Income Tax	**(121.9)**	(79.5)
Less: Differences resulting from Tax Audit	**–**	(5.5)
Plus: Deferred Income Tax	**15.0**	11.2
PROFIT AFTER TAX	**315.1**	256.5
Prior years' retained earnings brought forward	**(0.3)**	(0.3)
Distributable reserves	**–**	120.8
"Deferred" Income Tax	**(15.0)**	(11.2)
Treasury Shares Reserve	**9.3**	–
NET ATTRIBUTABLE PROFIT	**309.1**	365.8
Appropriation of profits:		
Statutory Reserve	**14.8**	10.5
Dividend € 0.72 per share	**226.0**	185.3
Extraordinary reserves	**2.0**	90.5
Special Reserves	**56.1**	10.7
Treasury Shares Reserve	**–**	57.5
Distribution of profits to staff	**10.2**	8.6
Distribution of shares to staff	**–**	2.7
	309.1	365.8

Athens, February 22, 2005

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER	THE CHIEF ACCOUNTANT
Xenophon C. Nickitas	**Nicholas C. Nanopoulos**	**Paula N. Hadjisotiriou**	**Dimitrios K. Mitrotolis**
I. D. No θ – 914611	I. D. No Σ – 237468	I. D. No T - 005040	I. D. No ∏ – 064395

AUDIT REPORT

To the Shareholders of the Bank "EFG Eurobank Ergasias S.A."

We have audited the above Financial Statements and the related Attachment of "EFG Eurobank Ergasias SA" for the year ended 31 December 2004. Our audit, which took into consideration returns from the branches, was conducted in accordance with the provisions of Article 37 of the Companies Act 2190/1920 and the auditing procedures, which we considered appropriate, based on the auditing standards and principles adopted by the Institute of Certified Auditors/Accountants in Greece. The books and records maintained by the Bank were made available to us and we obtained the relevant information and explanations, which we required for the purposes of our audit. The Bank has properly applied the Chart of Accounts for Banks except for the matters referred to in Notes 2 & 3 beneath the Balance Sheet. There were no changes in the valuation methods used by the Bank compared to those used in the preceding year. We have confirmed that the content of the Directors' Report to the Annual General Meeting of the Shareholders is in agreement with the related Financial Statements. The Attachment discloses the information stipulated by paragraph 1 of Article 43a and Article 129 of the Companies Act 2190/1920. As a result of our audit, we noted the following: In certain circumstances, which are analyzed in Note 2 beneath the Balance Sheet, the Bank has applied the International Financial Reporting Standards. As a result of not applying the provisions of the Companies Act 2190/1920, the results for the current year are overstated by €11.4 million. In our opinion, after taking into consideration the matter referred to above and the impact on the results of the matter included in note 3 beneath the Balance Sheet, which refers to the voluntary retirement scheme, the above mentioned Financial Statements, which are in agreement with the books and records of the Bank, present together with the Attachment in conformity with prevailing legislation and generally accepted accounting principles the assets, liabilities and the financial position of the Company as at 31 December 2004, as well as the results of its operations for the year then ended, in conformity with prevailing legislation and generally accepted accounting principles in Greece applied on a consistent basis with the preceding year.

Athens, February 24, 2005

The Certified Auditors Accountants
PricewaterhouseCoopers S.A.

K. Riris	PRICEWATERHOUSECOOPERS	A. Papageorgiou
SOEL Reg. No 12111		**SOEL Reg. No 11691**

AUDITED CONSOLIDATED AND NON-CONSOLIDATED CASHFLOW STATEMENTS OF THE BANK FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2003

ΤΡΆΠΕΖΑ EFG EUROBANK ERGASIAS A.E.
Αρ. Μ.Α.Ε 6068/06/Β/86/07

CONSOLIDATED CASH FLOW STATEMENT
For the period 01.01-31.12.2003

S/N	ANALYSIS	01.01-31.12.03	01.01-31.12.02
		Thousands of euro	
Cash flows from operating activities			
Cash inflows			
A.101	Interest and commissions receivable and similar income	1,693,802	1,583,549
A.102	Income from securities	118,081	127,504
A.103	Other income	1,567	5,126
A.104	Trading results	356,957	129,101
A.105	Proceeds from sale of trading securities	226,822,990	298,806,624
A.106	Proceeds from sale of treasury bills	4,538,764	0
A.108	Increase in deposits	1,658,179	5,103,539
A.109(b)	Deduct: increase in accrued income receivable	-78,551	-179,810
A.110(a)	Add: increase in deferred income	0	10,921
A.110(b)	Deduct: decrease in deferred income	-15,856	0
A.111(a)	Add: decrease in other assets	100,462	0
A.112	Proceeds from sale of auction items	10,609	8,762
Total cash inflows (A100)		235,207,004	305,595,316
Cash outflows			
A.201	Interest and commissions payable and similar charges	-811,653	-829,064
A.202	General administrative expenses	-613,381	-540,320
A.203	Other expenses	-18,742	-25,150
A.204	Trading results	-509,497	-258,709
A.205	Purchase of trading securities	-226,674,350	-300,940,018
A.206	Purchase of treasury bills	-4,144,072	-455,842
A.207	Increase in loans and advances to customers	-3,054,894	-2,422,157
A.209(a)	Add: increase in prepaid expenses	-2,597	0
A.209(b)	Deduct: decrease in prepaid expenses	0	7,188
A.210(a)	Deduct: increase in accrued expenses	-28,112	0
A.210(b)	Add: increase in accrued expenses	0	196,565
A.211(a)	Add: decrease in other liabilities	-24,762	-31,935
A.211(b)	Deduct: increase in other assets	0	-32,402
A.212	Purchase of auction items	-1,279	-614
A.213	Taxes	-81,392	-102,965
Total cash outflows (A200)		-235,964,731	-305,435,423
Net cash from operating activities (A100-A200)=A		-757,727	159,893

S/N	ANALYSIS	01.01-31.12.03	01.01-31.12.02
		Thousands of euro	
Cash flows from investing activities			
Cash inflows			
B.101	Proceeds from sale of participations and other investments	2,601,465	3,069,905
B.102	Proceeds from sale of intangible assets	5,362	6,725
B.103	Income from participations and other investments	234,541	154,748
B.104	Other income	3,105	2,189
Total cash inflows (B100)		2,844,473	3,233,567
Cash outflows			
B.201	Purchase of participations and other investments	-3,803,792	-3,321,849
B.202	Purchase of intangible assets	-112,746	-149,177
Total cash outflows (B200)		-3,916,538	-3,471,026
Net cash from investing activities (B100-B200)=B		-1,072,065	-237,459
Cash flows from financing activities			
Cash inflows			
C.101	Increase in obligations evidenced by paper	1,794,692	280,651
C.103	Proceeds from share capital increases	6,126	1,816
C.104	Proceeds from sale of treasury shares	5,943	209
Total cash inflows (C100)		1,806,761	282,676
Cash outflows			
C.204	Purchase of treasury shares	-87,550	-67,960
C.207	Dividends	-165,095	-147,128
C.208	Distributions to employees	-10,303	-8,207
Total cash outflows (C200)		-262,948	-223,295
Net cash from financing activities (C100-C200)=C		1,543,813	59,381
Net Cash Flow (A+/-B+/-C)		-285,979	-18,185
D.100	***Plus:*** **Cash and cash equivalents at the beginning of the year**		
	1. Cash and balances with central banks	1,089,014	1,236,454
	2. Amounts due from other banks	1,282,487	1,153,232
Total cash at the beginning of the year (D.100)		2,371,501	2,389,686
	Plus: **Cash and cash equivalents at the end of the year**		
	1. Cash and balances with central banks	1,199,341	1,089,014
	2. Amounts due from other banks	886,181	1,282,487
Total cash at the end of the year		2,085,522	2,371,501

Notes:

The Bank EFG Eurobank Ergasias merged via absorption during financial year 2003 the following entities: a) Ergoinvest S.A. on 10.4.2003 with local accounting and tax reference date of 7 November 2002 b) Ergoinvest Advisors S.A. on 7.10.2003 with local accounting and tax reference date of 30.4.2003 c) Investment Development Fund S.A. on 11.11.2003 with local accounting and tax reference date 30.4.2003 d) Unitbank S.A. on 15.12.2003 with local accounting and tax reference date 31.12.2002

ATHENS, MARCH 12, 2004

THE CHAIRMAN OF THE BOARD OF DIRECTORS **Xenophon C. Nickitas** I.D. No Θ - 914611	THE CHIEF EXECUTIVE OFFICER **Nicholas C. Nanopoulos** I.D. No Σ – 237468
THE CHIEF FINANCIAL OFFICER **Paula N. Hadjisotiriou** I.D. No T – 005040	THE CHIEF ACCOUNTANT **Dimitrios K. Mitrotolis** I.D. No Π – 064395

AUDIT CERTIFICATION

"We have audited the consolidated Cash Flow Statement of EFG Eurobank Ergasias S.A. for the year ended 31 December 2003. The consolidated Cash Flow Statement has been prepared according to the books and records maintained by the Group and also on the basis of the audited financial statements for the year then ended for which we have issued our audit opinion dated 26 February 2004.

In our opinion the Cash Flow Statement presents fairly the consolidated cash inflows and outflows from Group's activities for the year ended 31 December 2003.

Athens, March 18 2004

Certified Auditors / Accountants
PricewaterhouseCoopers S.A.

PRICEWATERHOUSECOOPERS

K. RIRIS SOEL Reg. No 12111	**A.PAPAGEORGIOU** SOEL Reg. No 11691

ΤΡΆ∏ΕΖΑ EFG EUROBANK ERGASIAS A.E.
Αρ. Μ.Α.Ε 6068/06/Β/86/07

CASH FLOW STATEMENT
For the period 01.01-31.12.2003

S/N	ANALYSIS	01.01-31.12.03	01.01-31.12.02
		Thousands of euro	
Cash flows from operating activities			
Cash inflows			
A.101	Interest and commissions receivable and similar income	1,439,980	1,403,589
A.102	Income from securities	117,230	127,504
A.103	Other income	1,567	2,751
A.104	Trading results	345,074	129,101
A.105	Proceeds from sale of trading securities	226,589,974	298,736,375
A.106	Proceeds from sale of treasury bills	4,538,764	0
A.108	Increase in deposits	2,848,089	5,185,845
A.109(b)	Deduct: increase in accrued income receivable	-82,072	-205,433
A.110(a)	Add: increase in deferred income	2,743	0
A.110(b)	Deduct: decrease in deferred income	0	-3,238
A.111(a)	Add: decrease in other assets	64,885	0
A.112	Proceeds from sale of auction items	10,609	8,762
Total cash inflows (A100)		235,876,843	305,385,256
Cash Outflows			
A.201	Interest and commissions payable and similar charges	-718,037	-808,254
A.202	General administrative expenses	-469,414	-451,696
A.203	Other expenses	-12,747	-10,911
A.204	Trading results	-509,497	-258,709
A.205	Purchase of trading securities	-226,374,574	-300,940,724
A.206	Purchase of treasury bills	-4,144,072	-455,842
A.207	Increase in loans and advances to customers	-2,328,640	-2,079,292
A.209(a)	Add: increase in prepaid expenses	-4,375	0
A.209(b)	Deduct: decrease in prepaid expenses	0	8,917
A.210(a)	Deduct: increase in accrued expenses	-22,598	0
A.210(b)	Add: increase in accrued expenses	0	190,881
A.211(a)	Add: decrease in other liabilities	-63,305	-37,786
A.211(b)	Deduct: increase in other assets	0	-49,773
A.212	Purchase of auction items	-1,279	-614
A.213	Taxes	-63,526	-84,389
Total cash outflows (A200)		-234,712,064	-304,978,192
Net cash from operating activities (A100-A200)=A		1,164,779	407,064

S/N	ANALYSIS	01.01-31.12.03	01.01-31.12.02
		Thousands of euro	
Cash flows from investing activities			
Cash inflows			
B.101	Proceeds from sale of participations and other investments	2,335,155	2,499,525
B.102	Proceeds from sale of intangible assets	4,723	2,083
B.103	Income from participations and other investments	160,849	159,920
B.104	Other income	3,105	4,644
Total cash inflows (B100)		2,503,832	2,666,172
Cash outflows			
B. 201	Purchase of participations and other investments	-3,793,135	-2,977,564
B. 202	Purchase of intangible assets	-66,654	-78,314
Total cash outflows (B200)		-3,859,789	-3,055,878
Net cash from investing activities (B100-B200)=B		-1,355,957	-389,706
Cash flows from financing activities			
Cash inflows			
C. 103	Proceeds from share capital increases	6,126	1,816
Total cash inflows (C100)		6,126	1,816
Cash outflows			
C.204	Purchase of treasury shares	-86,207	-67,960
C.207	Dividends	-141,551	-164,877
C.208	Distributions to employees	-10,303	-8,207
Total cash outflows (C200)		-238,061	-241,044
Net cash from financing activities (C100-C200)=C		-231,935	-239,228
Net Cash Flow (A+/-B+/-C)		-423,113	-221,870
D. 100	***Plus:*** **Cash and cash equivalents at the beginning of the year**		
	1. Cash and balances with central banks	891,424	1,192,946
	2. Amounts due from other banks	1,341,195	1,261,543
Total cash at the beginning of the year (D.100)		2,232,619	2,454,489
	Plus: **Cash and cash equivalents at the end of the year**		
	1. Cash and balances with central banks	928,778	891,424
	2. Amounts due from other banks	880,728	1,341,195
Total cash at the end of the year		1,809,506	2,232,619

Notes:

The Bank EFG Eurobank Ergasias merged via absorption during financial year 2003 the following entities: a) Ergoinvest S.A. on 10.4.2003 with local accounting and tax reference date of 7 November 2002 b) Ergoinvest Advisors S.A. on 7.10.2003 with local accounting and tax reference date of 30.4.2003 c) Investment Development Fund S.A. on 11.11.2003 with local accounting and tax reference date 30.4.2003 d) Unitbank S.A. on 15.12.2003 with local accounting and tax reference date 31.12.2002

Athens, March 12, 2004

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

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

THE CHIEF FINANCIAL OFFICER
Paula N. Hadjisotiriou
I.D. No T – 005040

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

AUDIT CERTIFICATION

"We have audited the consolidated Cash Flow Statement of EFG Eurobank Ergasias S.A. for the year ended 31 December 2003. The consolidated Cash Flow Statement has been prepared according to the books and records maintained by the Group and also on the basis of the audited financial statements for the year then ended for which we have issued our audit opinion dated 26 February 2004.

In our opinion the Cash Flow Statement presents fairly the consolidated cash inflows and outflows from Group's activities for the year ended 31 December 2003.

Athens, March 18, 2004

Certified Auditors / Accountants
PricewaterhouseCoopers S.A.

PRICEWATERHOUSECOOPERS

K. RIRIS
SOEL Reg. No 12111

A.PAPAGEORGIOU
SOEL Reg. No 11691

AUDITED CONSOLIDATED AND NON-CONSOLIDATED CASHFLOW STATEMENTS OF THE BANK FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2004

ΤΡΆΠΕΖΑ EFG EUROBANK ERGASIAS A.E.
Αρ. Μ.Α.Ε 6068/06/Β/86/07

CONSOLIDATED CASH FLOW STATEMENT
For the period 01.01-31.12.2004

S/N	ANALYSIS	01.01-31.12.04	01.01-31.12.03
		Millions of euro	
Cash Flow from operating activities			
Cash inflows			
A.101	Interest and commissions receivable and similar income	2,226	1,694
A.102	Income from securities	114	118
A.103	Other income	3	2
A.104	Trading results	358	357
A.105	Proceeds from sale of trading securities	175,264	226,823
A.106	Proceeds from sale of treasury bills	8,086	4,539
A.108	Increase in deposits	940	1,658
A.109(b)	Deduct: increase in accrued income receivable	-55	-79
A.110(a)	Add: increase in deferred income	15	0
A.110(b)	Deduct: decrease in deferred income	0	-16
A.111(a)	Add: decrease in other assets	0	100
A.112	Proceeds from sale of auction items	4	11
Total cash inflows (A100)		186,955	235,207
Cash outflows			
A.201	Interest and commissions payable and similar charges	-1,028	-812
A.202	General administrative expenses	-628	-613
A.203	Other expenses	-29	-19
A.204	Trading results	-346	-509
A.205	Purchase of trading securities	-174,039	-226,674
A.206	Purchase of treasury bills	-8,504	-4,144
A.207	Increase in loans and advances to customers	-4,329	-3,055
A.209(a)	Add: increase in prepaid expenses	-13	-3
A.210(a)	Deduct: increase in accrued expenses	0	-28
A.210(b)	Add: increase in accrued expenses	127	0
A.211(a)	Add: decrease in other liabilities	-57	-25
A.211(b)	Deduct: increase in other assets	-78	0
A.212	Purchase of auction items	-5	-1
A.213	Taxes	-137	-81
Total cash outflows (A200)		-189,066	-235,964
Net cash from operating activities (A100-A200)=A		-2,111	-757

S/N	ANALYSIS	01.01-31.12.04	01.01-31.12.03
		Millions of euro	
Cash flows from investing activities			
Cash inflows			
B.101	Proceeds from sale of participations and other investments	5,724	2,601
B.102	Proceeds from sale of intangible assets	154	5
B.103	Income from participations and other investments	212	235
B.104	Other income	4	3
Total cash inflows (B100)		6,094	2,844
Cash outflows			
B.201	Purchase of participations and other investments	-5,982	-3,804
B.202	Purchase of intangible assets	-263	-113
Total cash outflows (B200)		-6,245	-3,917
Net cash from investing activities (B100-B200)=B		-151	-1,073
Cash flows from financing activities			
Cash inflows			
C.101	Increase in obligations evidenced by paper	2,153	1,795
C.102	Increase in subordinated debt	400	0
C.103	Proceeds from share capital increases	22	6
C.104	Proceeds from sale of treasury shares	105	6
Total cash inflows (C100)		2,680	1,807
Cash outflows			
C.204	Purchase of treasury shares	-53	-88
C.207	Dividends	-272	-165
C.208	Distributions to employees	-12	-10
Total cash outflows (C200)		-337	-263
Net cash from financing activities (C100-C200)=C		2,343	1,544
Net Cash Flow (A+/-B+/-C)		81	-286
D.100	***Plus:*** **Cash and cash equivalents at the beginning of the year**		
	1. Cash and balances with central banks	1,199	1,089
	2. Amounts due from other banks	886	1,282
Total cash at the beginning of the year (D.100)		2,085	2,371
	Plus: **Cash and cash equivalents at the end of the year**		
	1. Cash and balances with central banks	1,552	1,199
	2. Amounts due from other banks	614	886
Total cash at the end of the year		2,166	2,085

ATHENS FEBRUARY 22, 2005

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

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

THE CHIEF FINANCIAL OFFICER
Paula N. Hadjisotiriou
I.D. No T – 005040

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

AUDIT CERTIFICATION

We have audited the consolidated Cash Flow Statement of EFG Eurobank Ergasias S.A. for the year ended 31 December 2004. The consolidated Cash Flow Statement has been prepared according to the books and records maintained by the Group and also on the basis of the audited financial statements for the year then ended for which we have issued our audit opinion dated 24 February 2005.

In our opinion the Cash Flow Statement presents fairly the consolidated cash inflows and outflows from Group's activities for the year ended 31 December 2004.

Athens, 24 February 2005

Certified Auditors / Accountants
PricewaterhouseCoopers S.A.

PRICEWATERHOUSECOOPERS

K. RIRIS
SOEL Reg. No 12111

A.PAPAGEORGIOU
SOEL Reg. No 11691

ΤΡΆΠΕΖΑ EFG EUROBANK ERGASIAS A.E.
Ap. M.A.E 6068/06/B/86/07

CASH FLOW STATEMENT
for the period 01.01-31.12.2004

S/N	ANALYSIS	01.01-31.12.04	01.01-31.12.03
		millions of euro	
	Cash flows from operating activities		
	Cash inflows		
A.101	Interest and commissions receivable and similar income........	1,851	1,440
A.102	Income from securities	54	117
A.103	Other income..	3	2
A.104	Trading results..	358	345
A.105	Proceeds from sale of trading securities................................	174,924	226,590
A.106	Proceeds from sale of treasury bills	8,086	4,539
A.108	Increase in deposits	2,870	2,848
A.109(b)	Deduct: increase in accrued income receivable	-40	-82
A.110(a)	Add: increase in deferred income	7	3
A.111(a)	Add: decrease in other assets...	0	65
A.112	Proceeds from sale of auction items......................................	4	11
	Total cash inflows (A100)	188,117	235,878
	Cash outflows		
A.201	Interest and commissions payable and similar charges	-1,068	-718
A.202	General administrative expenses	-439	-469
A.203	Other expenses..	-22	-13
A.204	Trading results..	-346	-509
A.205	Purchase of trading securities..	-173,639	-226,375
A.206	Purchase of treasury bills	-8,504	-4,144
A.207	Increase in loans and advances to customers	-3,998	-2,329
A.209(a)	Add: increase in prepaid expenses..	0	-4
A.209(b)	Deduct: decrease in prepaid expenses..................................	1	0
A.210(a)	Deduct: increase in accrued expenses	0	-23
A.210(b)	Add: increase in accrued expenses	116	0
A.211(a)	Add: decrease in other liabilities	-39	-63
A.211(b)	Deduct: increase in other assets..	-11	0
A.212	Purchase of auction items..	-5	-1
A.213	Taxes	-86	-64
	Total cash outflows (A200)...	-188,040	-234,712
	Net cash from operating activities (A100-A200)=A	77	1,166

S/N	ANALYSIS	01.01-31.12.04	01.01-31.12.03
		millions of euro	
Cash flows from investing activities			
Cash inflows			
B.101	Proceeds from sale of participations and other investments	5,154	2,335
B.102	Proceeds from sale of intangible assets	1	5
B.103	Income from participations and other investments	242	161
B.104	Other income	6	3
Total cash inflows (B100)		5,403	2,504
Cash outflows			
B.201	Purchase of participations and other investments	-5,432	-3,793
B.202	Purchase of intangible assets	-82	-67
Total cash outflows (B200)		-5,514	-3,860
Net cash from investing activities (B100-B200)=B		-111	-1,356
Cash flows from financing activities			
Cash inflows			
C.102	Increase in subordinated debt	398	0
C.103	Proceeds from share capital increases	22	6
C.104	Proceeds from sale of treasury shares	105	0
Total cash inflows (C100)		525	6
Cash outflows			
C.204	Purchase of treasury shares	-53	-86
C.207	Dividends	-272	-142
C.208	Distributions to employees	-9	-10
Total cash outflows (C200)		-334	-238
Net cash from financing activities (C100-C200)=C		191	-232
Net Cash Flow (A+/-B+/-C)		157	-422
D.100	***Plus:*** **Cash and cash equivalents at the beginning of the year**		
	1. Cash and balances with central banks	929	891
	2. Amounts due from other banks	881	1,341
Total cash at the beginning of the year (D.100)		1,810	2,232
	Plus: **Cash and cash equivalents at the end of the year**		
	1. Cash and balances with central banks	1,112	929
	2. Amounts due from other banks	855	881
Total cash at the end of the year		1,967	1,810

ATHENS FEBRUARY 22, 2005

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AUDIT CERTIFICATION

We have audited the Cash Flow Statement of EFG Eurobank Ergasias S.A. for the year ended 31 December 2004. The Cash Flow statement has been prepared according to the books and records maintained by the Bank and also on the basis of the audited financial statements for the year then ended for which we have issued our audit opinion dated 24 February 2005.

In our opinion the Cash Flow Statement presents fairly the cash inflows and outflows from Bank's activities for the year ended 31 December 2004.

Athens, 24 February 2005

Certified Auditors / Accountants
PricewaterhouseCoopers S.A.

PRICEWATERHOUSECOOPERS

K. RIRIS
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SOEL Reg. No 11691

Eurobank

Eurobank

CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED

30 JUNE 2005

EFG EUROBANK ERGASIAS S.A.

Consolidated Interim Condensed Financial Statements for the six months ended 30 June 2005

Index to the Consolidated Interim Condensed Financial Statements

Review report of the auditors
To the Shareholders of EFG EUROBANK ERGASIAS S.A.

We have reviewed the accompanying consolidated interim condensed financial statements of EFG EUROBANK ERGASIAS S.A. (the “Company”) and its subsidiaries (the “Group”), for the six month period ended 30 June 2005. These consolidated interim condensed financial statements are the responsibility of the Company’s management. Our responsibility is to issue a report on these consolidated interim condensed financial statements based on our review.

We conducted our review in accordance with the International Standard on Review Engagements 2400, as required by the Greek Standards on Auditing. This Standard requires that we plan and perform the review to obtain moderate assurance about whether the consolidated interim condensed financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim condensed financial statements of the Group have not been properly prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

Athens, 10 August 2005

PRICEWATERHOUSECOOPERS

EFG EUROBANK ERGASIAS S.A.

Consolidated Interim Income Statements

		Six months ended 30 June		Three months ended 30 June	
	Note	2005 € million	2004 € million	2005 € million	2004 € million
Net interest income		629	509	321	263
Net banking fee and commission income		179	142	90	75
Net insurance income		16	11	12	7
Non banking services		15	12	8	6
Core income		839	674	431	351
Dividend income		3	5	3	4
Net trading income/(loss)		11	7	4	5
Gains less losses from other securities		30	32	18	15
Other operating income		5	4	4	3
		49	48	29	27
Operating income	5	888	722	460	378
Operating expenses		(421)	(379)	(218)	(193)
Impairment losses on loans and advances		(153)	(109)	(82)	(64)
Profit from operations	5	314	234	160	121
Share of results of associates before tax		6	2	4	1
Profit before tax	5	320	236	164	122
Income tax expense		(92)	(71)	(47)	(39)
Profit after tax		228	165	117	83
Minority interest		(3)	(4)	(1)	(2)
Net profit for the period attributable to shareholders		225	161	116	81
	Note	**€**	**€**	**€**	**€**
Earnings per share					
– basic	6	0.72	0.52	0.37	0.26
– diluted	6	0.72	0.52	0.37	0.26

The notes on pages 7 to 18 form an integral part of these consolidated interim condensed financial statements.

EFG EUROBANK ERGASIAS S.A.

Consolidated Interim Balance Sheet at 30 June 2005

	Note	30 June 2005 € million	31 December 2004 € million
ASSETS			
Cash and balances with central banks		1,358	1,510
Treasury bills and other eligible bills		382	514
Due from other banks		2,660	733
Trading securities		1,032	1,974
Derivative financial instruments		198	255
Loans and advances to customers		24,138	21,231
Available-for-sale investment securities		7,799	5,485
Investments in associated undertakings	8	103	57
Intangible assets		98	68
Property, plant and equipment		734	741
Other assets		481	478
Total assets		38,983	33,046
LIABILITIES			
Due to other banks		9,246	5,361
Derivative financial instruments		632	625
Due to customers		17,601	18,208
Liabilities evidenced by paper	9	8,176	5,771
Other liabilities		894	901
Total liabilities		36,549	30,866
EQUITY			
Share capital	10	923	926
Share premium	10	480	501
Other reserves		764	675
Total shareholders' equity		2,167	2,102
Minority interest		267	78
Total shareholders' equity and minority interest		2,434	2,180
Total equity and liabilities		38,983	33,046

The notes on pages 7 to 18 form an integral part of these consolidated interim condensed financial statements.

EFG EUROBANK ERGASIAS S.A.

Consolidated Interim Statement of Changes in Equity for the six months ended 30 June 2005

	Attributable to equity holders of the Bank						
	Share capital € million	Share premium € million	Special reserves € million	Retained earnings € million	Total € million	Minority interest € million	Total € million
Balance at 1 January 2004	903	459	784	(193)	1,953	105	2,058
Cash flow hedges							
– net changes in fair value, net of tax	–	–	(7)	–	(7)	–	(7)
– transfer to net profit, net of tax	–	–	9	–	9	–	9
Available-for-sale securities							
– net changes in fair value, net of tax	–	–	18	–	18	–	18
– transfer to net profit, net of tax	–	–	(55)	–	(55)	–	(55)
Currency translation differences	–	–	2	–	2	–	2
Net income/(expense) recognised directly in equity	–	–	(33)	–	(33)	–	(33)
Profit for the period	–	–	–	161	161	4	165
Total recognised income for the six months ended 30 June 2004	–	–	(33)	161	128	4	132
Issue of share capital – capitalisation of retained earnings	3	–	–	(3)	–	–	–
Increase in Group's holding in subsidiaries	–	–	–	–	–	(20)	(20)
Minority's share of capital increase of subsidiaries	–	–	–	–	–	1	1
Dividend for 2003 (Note 17)	–	–	–	(185)	(185)	–	(185)
Dividend paid by subsidiaries attributable to minority interest	–	–	–	–	–	(2)	(2)
Purchase of treasury shares	(8)	(37)	–	–	(45)	–	(45)
Sale of treasury shares	14	53	8	–	75	–	75
	9	16	8	(188)	(155)	(21)	(176)
Balance at 30 June 2004	912	475	759	(220)	1,926	88	2,014
Balance at 1 January 2005	926	501	599	76	2,102	78	2,180
Cash flow hedges							
– net changes in fair value, net of tax	–	–	(11)	–	(11)	–	(11)
– transfer to net profit, net of tax	–	–	8	–	8	–	8
Available-for-sale securities							
– net changes in fair value, net of tax	–	–	37	–	37	–	37
– transfer to net profit, net of tax	–	–	(41)	–	(41)	–	(41)
– net changes in fair value, net of tax associated undertakings	–	–	2	–	2	–	2
Net income/(expense) recognised directly in equity	–	–	(5)	–	(5)	–	(5)
Profit for the period	–	–	–	225	225	3	228
Total recognised income for the six months ended 30 June 2005	–	–	(5)	225	220	3	223
Minority's share of capital increase of subsidiaries	–	–	–	–	–	1	1
Issue of preferred securities (Note 12)							
Recognition of share-based payment	–	–	–	–	–	186	186
Dividend for 2004 (Note 17)	–	–	1	–	1	–	1
Dividend paid by subsidiaries attributable to minority interest	–	–	–	(132)	(132)	–	(132)
	–	–	–	–	–	(1)	(1)
Purchase of treasury shares (Note 10)	(4)	(28)	–	–	(32)	–	(32)
Sale of treasury shares (Note 10)	1	7	–	–	8	–	8
	(3)	(21)	1	(132)	(155)	186	31
Balance at 30 June 2005	923	480	595	169	2,167	267	2,434

The notes on pages 7 to 18 form an integral part of these consolidated interim condensed financial statements.

EFG EUROBANK ERGASIAS S.A.

Consolidated Interim Cash Flow Statement for the six months ended 30 June 2005

		Six months ended 30 June	
		2005	**2004**
	Note	**€ million**	**€ million**
Cash flows from operating activities			
Interest received and net trading receipts		824	771
Interest paid		(368)	(431)
Fee and commission received		284	247
Fee and commission paid		(50)	(14)
Dividend received		3	5
Other income received		18	14
Cash payments to employees and suppliers		(312)	(281)
Income taxes paid		(151)	(120)
Cash flows from operating profits before changes in operating assets and liabilities		248	191
Changes in operating assets and liabilities			
Net (increase)/decrease in cash and balances with central banks		(80)	(61)
Net (increase)/decrease in treasury bills and other eligible bills		134	(100)
Net (increase)/decrease in trading securities		734	808
Net (increase)/decrease in due from other banks		(35)	(20)
Net (increase)/decrease in loans and advances to customers		(2,872)	(2,626)
Net (increase)/decrease in other assets		83	89
Net increase/(decrease) in due to other banks		3,882	(289)
Net increase/(decrease) in due to customers		(676)	1,202
Net increase/(decrease) in other liabilities		(216)	1
Net cash from operating activities		1,202	(805)
Cash flows from investing activities			
Purchases of property, plant and equipment		(55)	(28)
Proceeds from sale of property, plant and equipment		9	11
Purchases of available-for-sale investment securities		(3,289)	(1,416)
Proceeds from sale of available-for-sale investment securities		1,337	894
Proceeds from liquidation of subsidiary undertakings		–	15
Acquisition of subsidiary undertakings		(23)	(15)
Acquisition of associated undertakings		(39)	–
Dividend from associated undertakings		–	3
Net contributions by minority interest		187	(17)
Net cash from investing activities		(1,873)	(553)
Cash flows from financing activities			
Proceeds from liabilities evidenced by paper	9	6,864	5,512
Repayments of liabilities evidenced by paper	9	(4,483)	(3,434)
Dividends paid	17	(132)	(185)
Purchases of treasury shares		(32)	(45)
Proceeds from sale of treasury shares		8	75
Net cash from financing activities		2,225	1,923
Effect of exchange rate changes on cash and cash equivalents		33	3
Net increase/(decrease) in cash and cash equivalents		1,587	568
Cash and cash equivalents at beginning of period		2,247	2,646
Cash and cash equivalents at end of period		3,834	3,214

The notes on pages 7 to 18 form an integral part of these consolidated interim condensed financial statements.

EFG EUROBANK ERGASIAS S.A.

Notes to the Consolidated Interim Condensed Financial Statements

1. General information

EFG Eurobank Ergasias S.A. (the "Company" or the "Bank") and its subsidiaries (the "Group") is active in retail, corporate and private banking, asset management, insurance, treasury, capital markets and other services. The Company is incorporated in Greece and its shares are listed on the Athens Stock Exchange. The Group operates mainly in Greece and in South Eastern Europe.

These consolidated interim condensed financial statements were approved by the Board of Directors on 9 August 2005.

2. Basis of preparation of consolidated interim condensed financial statements

These consolidated interim condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and they should be read in conjunction with the Group's published interim consolidated financial statements for the three months ended 31 March 2005 which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

3. Principal accounting policies

The same accounting policies and methods of computation are followed in these consolidated interim condensed financial statements as those in the published consolidated interim financial statements for the three months ended 31 March 2005.

4. Transition to IFRS

4.1 Basis of transition to IFRS

The Group's basis of transition to IFRS is described in the Group's published consolidated interim financial statements for the three months ended 31 March 2005.

4.2 Reconciliations between IFRS and Greek GAAP

The reconciliations of consolidated shareholders' equity at 1 January 2004 and at 31 December 2004 and the reconciliation of consolidated profit for 2004 have been included in the published consolidated interim financial statements of the Group for the three months ended 31 March 2005.

The following reconciliations provide details of the impact of the transition to IFRS on:

– consolidated shareholders' equity at 30 June 2004 (Note 4.2.1)

– consolidated balance sheet at 30 June 2004 (Note 4.2.2),

– consolidated income statement for the three months ended 30 June 2004 (Note 4.2.3),

– consolidated income statement for the six months ended 30 June 2004 (Note 4.2.4), and

– consolidated cash flow statement for the six months ended 30 June 2004 (Note 4.2.5).

4.2.1 Summary impact on consolidated shareholders' equity of transition from Greek GAAP to IFRS

	30 June 2004 € million
Total consolidated shareholders' equity under Greek GAAP	1,987
Effect of fair valuation of available-for-sale investments net of deferred tax (IAS 39)	115
Effect of fair valuation of hedging derivatives and application of hedge accounting net of deferred tax (IAS 39)	(112)
Effect of application of effective interest method net of deferred tax (IAS 18 and IAS 39)	(19)
Effect of application of discounting of expected cash flows in determination of loan impairment net of deferred tax (IAS 39)	(33)
Effect of adjustments on tangible fixed assets net of deferred tax (IAS 16, IAS 17, IAS 36, IAS 40)	46
Additional employee benefit provisions for possible separations and for potential pension fund obligations net of deferred tax and cash profit distributions (IAS 19)	(49)
Cumulative impact of other items	(9)
Total consolidated shareholders' equity under IFRS	1,926

Major differences between Greek GAAP and IFRS which are relevant to the Group are analysed in sections 4.3 and 4.4.

4.2.2 Consolidated balance sheet reconciliation at 30 June 2004

	Note 4.3.	GR GAAP € million	Transition Adjustments € million	IFRS € million
ASSETS				
Cash and balances with central banks	a	1,041	(7)	1,034
Due from other banks	b	1,776	496	2,272
Loans and advances to customers	c	18,103	1,061	19,164
Securities (excluding derivatives)	d	7,712	102	7,814
Investments in associated undertakings		20	(2)	18
Fixed assets (tangible and intangible excluding goodwill)	e	626	82	708
Other assets (including derivatives)	f	912	(243)	669
Total assets		30,190	1,489	31,679
LIABILITIES AND EQUITY				
Due to other banks	b	4,859	487	5,346
Due to customers	b	18,503	32	18,535
Liabilities evidenced by paper	g	3,828	736	4,564
Other liabilities (including derivatives)	h	909	311	1,220
Shareholders' equity	i	1,987	(61)	1,926
Minority interest	l	104	(16)	88
Total liabilities and equity		30,190	1,489	31,679

4.2.3 Consolidated income statement reconciliation for the three months ended 30 June 2004

	Note 4.4.	GR GAAP € million	Transition Adjustments € million	IFRS € million
Net interest income	a	252	11	263
Net banking fee and commission income	a	96	(21)	75
Net insurance income	b	–	7	7
Non banking services	b	–	6	6
Core income		348	3	351
Non core income	c	31	(4)	27
Operating income		379	(1)	378
Operating expenses	d	(188)	(5)	(193)
Impairment losses on loans and advances	e	(60)	(4)	(64)
Profit from operations		131	(10)	121
Share of results of associates before tax		–	1	1
Profit before tax		131	(9)	122
Income tax expense		(39)	–	(39)
Profit after tax		92	(9)	83
Minority interest		(1)	(1)	(2)
Net profit for the period attributable to shareholders		91	(10)	81

4.2.4 Consolidated income statement reconciliation for the six months ended 30 June 2004

	Note 4.4.	GR GAAP € million	Transition Adjustments € million	IFRS € million
Net interest income	a	486	23	509
Net banking fee and commission income	a	180	(38)	142
Net insurance income	b	–	11	11
Non banking services	b	–	12	12
Core income		666	8	674
Non core income	c	61	(13)	48
Operating income		727	(5)	722
Operating expenses	d	(373)	(6)	(379)
Impairment losses on loans and advances	e	(98)	(11)	(109)
Profit from operations		256	(22)	234
Share of results of associates before tax		–	2	2
Profit before tax		256	(20)	236
Income tax expense		(73)	2	(71)
Profit after tax		183	(18)	165
Minority interest		(4)	–	(4)
Net profit for the period attributable to shareholders		179	(18)	161

4.2.5 Consolidated cash flow statement reconciliation for the six months ended 30 June 2004

	GR GAAP € million	Transition Adjustments € million	IFRS € million
Net cash from operating activities	157	(962)	(805)
Net cash from investing activities	(578)	25	(553)
Net cash from financing activities	1,152	771	1,923
Effect of exchange rate changes on cash and cash equivalents	–	3	3
Net increase/(decrease) in cash and cash equivalents	731	(163)	568
Cash and cash equivalents at beginning of period	2,085	561	2,646
Cash and cash equivalents at end of period	2,816	398	3,214

The main effects of the transition from GR GAAP to IFRS on the Group's consolidated cash flow statement are the following:

(1) Under GR GAAP cash and cash equivalents include cash and balances with central banks and balances due from other banks. Under IFRS cash and cash equivalents include cash and balances with central banks, treasury bills and other eligible bills, due from other banks and trading securities when they have less than 90 days' maturity. These differences have affected the cash and cash equivalents at the beginning and end of the period and the net cash from operating activities.

(2) The cash flows under IFRS include the effects of consolidation of special purpose vehicles that were not consolidated under GR GAAP.

(3) The cash flows under IFRS reflect, where applicable, other reclassification and presentation differences in relation to the IFRS transition.

4.3 Explanation of adjustments to consolidated balance sheet items

The following analysis explains the material adjustments to consolidated balance sheet items.

(a) Cash and balances with central banks

The decrease in cash and balances with central banks under IFRS arose due to presentation differences.

(b) Due from other banks, Due to other banks and Due to customers

(1) Under Greek GAAP debt instruments were recognised when settled whereas the accounting policy adopted by the Group under IAS 39 is trade date accounting. The impact of adoption of IAS 39 resulted in the recognition of assets and liabilities based on trade date accounting.

(2) Under IFRS reclassifications have been performed for accrued interest and other presentation differences.

(c) Loans and advances to customers

(1) In June 2004 the Group proceeded with the securitisation of mortgage loans. Under Greek GAAP securitised assets were removed from the balance sheet and securitisation vehicles were not consolidated. Under IAS 39, IAS 27 and SIC 12

securitisation vehicles were consolidated and the consolidation has resulted in an increase in loans and advances.

(2) Under IFRS reclassifications have been performed for accrued interest and other presentation differences.

(3) Under IAS 39 loan impairment is calculated based on loss events and discounted estimated recoverable net cash flows, which has resulted in a decrease in loans and advances.

(4) Under Greek GAAP debt instruments were recognised when settled whereas the accounting policy adopted by the Group under IAS 39 is trade date accounting. The impact of adoption of IAS 39 was an increase in loans and advances to customers as a result of the recognition of assets based on trade date accounting.

(d) Securities (excluding derivatives)

(1) Under Greek GAAP the investment portfolio was carried at the lower of total cost/amortised cost and market value. Under IAS 39 the investment portfolio has been classified as available for sale securities which are measured at fair value with fair value gains and losses recorded in equity. This fair valuation has resulted in an increase in the value of available for sale securities. Under Greek GAAP the impairment policy of equity instruments was already aligned with IAS 39 requirements.

(2) Under IFRS reclassifications have been performed for accrued interest.

(e) Fixed assets (tangibles and intangibles excluding goodwill)

Under Greek GAAP fixed assets were carried at cost less accumulated depreciation and depreciation was calculated using specified tax rates. There is also a legal requirement for revaluation of properties every four years based on tax values. Under IFRS properties that are held for own use have been classified as property, plant and equipment and are accounted for in accordance with IAS 16 and property held to earn rentals and/or capital appreciation is classified as investment property and is accounted for under the cost model under IAS 40. Depreciation is charged over the useful economic life of assets. Expenses capitalised under GR GAAP were written off and impairment of properties was recorded. The Group has elected to measure all own use properties and one investment property at fair value at 1 January 2004, following the IFRS1 optional exemption for fair value as deemed cost and retain these values as deemed cost. The impact of the transition to IFRS in relation to the above items was an increase in fixed assets.

(f) Other assets (including derivatives)

The movement in other assets was mainly due to accrued interest reclassification differences and the fair valuation of hedging derivatives. Under Greek GAAP trading derivatives were fair valued whereas accrual accounting was used for hedging derivatives. In accordance with IAS 39 all derivatives are carried at fair value. The adjustment regarding the fair valuation of hedging derivatives has resulted in the recognition of hedging derivatives with positive fair value as assets.

(g) Liabilities evidenced by paper

Under Greek GAAP securitisation vehicles were not consolidated. Under IAS 39, IAS 27 and SIC 12 securitisation vehicles were consolidated and the consolidation has resulted in an increase in liabilities evidenced by paper.

(h) Other liabilities (including derivatives)

(1) Under Greek GAAP trading derivatives were fair valued whereas accrual accounting was used for hedging derivatives. In accordance with IAS 39 all derivatives are carried at fair value. The adjustment regarding the fair valuation of hedging derivatives has resulted in the recognition of hedging derivatives with negative fair value as liabilities.

(2) Under Greek GAAP provisions for employee benefits were recognised in accordance with the Greek Labour legislation solely for staff retirement indemnity. Under IAS 19 the Group provides for staff retirement indemnity and potential separations before normal retirement which has resulted in an increase in liabilities.

(i) Shareholders' equity and minority interest

The above adjustments were recorded, where applicable, against reserves resulting in a decrease in equity as at 30 June 2004 (table 4.2.1) and a decrease in minority interest.

4.4 Explanation of adjustments to consolidated income statement items

The following analysis explains the material adjustments to consolidated income statement items.

(a) Net interest income and net banking fee and commission income

(1) Under Greek GAAP fees received and costs incurred in relation to financial assets were recognised on a cash basis as commissions. The treatment of certain fees as an adjustment to the effective interest rate under IAS 18 and IAS 39 has resulted in an increase in net interest income and in a decrease in net banking fee and commission income.

(2) In June 2004 the Group proceeded with the securitisation of mortgage loans. Under GR GAAP securitisation vehicles were not consolidated and net income from retained interests was recorded as non-core income. Under IFRS securitisation vehicles were consolidated and mortgage loans interest was included in interest income.

(3) The net decrease in commission income is also due to presentation differences on the face of the income statement.

(b) Net insurance income and non banking services

For the purposes of the presentation of the IFRS income statement net insurance income and income from non banking services has been reclassified out of net banking fee and commission income into separate line items in the income statement.

(c) Non-core income

Under Greek GAAP the net income of the securitisation vehicles that were not consolidated was recognised in the income statement due to retained interests as non core income. Under IFRS the income statements of the consolidated securitisation vehicles are consolidated on a line-by-line basis. This has resulted in a reclassification from non-core income into net interest income since the second quarter of 2004.

(d) Operating expenses

(1) Under Greek GAAP depreciation was calculated using specified tax rates. Under IFRS depreciation is charged over the useful economic life of assets. This has resulted in a decrease in the depreciation expense.

(2) Under Greek GAAP provisions for employee benefits were recognised in accordance with the Greek Labour legislation solely for staff retirement indemnity. The additional provisions for staff retirement indemnity and potential separations before normal retirement under IAS 19 have resulted in an increase in staff costs.

(3) Under Greek GAAP bonus payments to employees are deducted directly from shareholders equity through the appropriation account when proposed. Under IFRS bonus payments to employees are recorded in the income statement when approved by the shareholders. This has resulted in an increase in operating expenses.

(e) Impairment losses on loans and advances

In relation to loan impairment, under Greek GAAP specific loan provisions were established on an individual and portfolio basis against performing and non-performing loans. This has resulted in recording of provisions based on expected losses taking into consideration the value of collateral with no discounting of expected future cash flows. In addition, under Greek GAAP expenses incurred for recoveries were recorded as commission expense. Under IAS 39 the Group has discounted expected cash flows and reclassified in the income statement expenses incurred for recoveries resulting in an increase in the impairment loss on loans and advances and an increase in fee and commission income.

5. Business segments

The Group is organised into five main business segments:

- Retail – incorporating customer current accounts, savings, deposits, investment savings products, credit and debit cards, consumer loans, small business banking and mortgages.
- Corporate – incorporating direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products to corporate entities.
- Asset Management, Private Banking and Insurance (AM, PB & INS) – incorporating private banking services, including total wealth management, to medium and high net worth individuals, insurance, mutual fund products and institutional asset management.
- Global and Capital Markets – incorporating investment banking services including corporate finance, merger and acquisitions advice, custody, equity brokerage, financial instruments trading and institutional finance to corporate and institutional entities, as well as, specialised financial advice and intermediation to private and large retail individuals as well as small and large corporate entities.
- SEE (South Eastern Europe) – incorporating operations in the Balkans.

Other operations of the Group comprise mainly investing activities, including property management and investment, electronic commerce and internet services, the management of unallocated capital and the closed-end funds which have been absorbed by the Bank.

Transactions between the business segments are on normal commercial terms and conditions.

With the exception of Greece no other individual country contributed more than 10% of consolidated income.

	For the six months ended 30 June 2005							
	Retail € million	Corporate € million	AM, PB & INS € million	Global & Capital Markets € million	Other € million	Elimination Centre € million	SEE € million	Total € million
Operating income	498	130	56	95	21	(7)	95	888
Profit from operations	151	53	34	69	(2)	–	9	314
Profit before tax	152	53	34	69	3	–	9	320
Income tax expense								(92)
Group profit after tax								228
Minority interest								(3)
Net profit attributable to shareholders								225

	For the six months ended 30 June 2004							
	Retail € million	Corporate € million	AM, PB & INS € million	Global & Capital Markets € million	Other € million	Elimination Centre € million	SEE € million	Total € million
Operating income	383	121	34	82	34	(2)	70	722
Profit from operations	94	49	19	56	9	–	7	234
Profit before tax	94	49	19	56	11	–	7	236
Income tax expense								(71)
Group profit after tax								165
Minority interest								(4)
Net profit attributable to shareholders								161

6. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the Group and held as treasury shares.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has one category of dilutive potential ordinary shares: share options. In order to adjust the weighted average number of shares for the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Bank's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is added to the weighted average number of ordinary shares in issue in order to determine the weighted average number of ordinary shares used for the calculation of the diluted earnings per share.

		Six months ended 30 June		Three months ended 30 June	
		2005	2004	2005	2004
Net profit for period attributable to shareholders	€ million	225	161	116	81
Weighted average number of ordinary shares in issue	Number of shares	313,396,057	308,986,059	312,974,163	309,309,360
Weighted average number of ordinary shares for diluted earnings per share	Number of shares	313,634,445	310,333,198	313,385,831	311,006,145
Basic earnings per share	€	0.72	0.52	0.37	0.26
Diluted earnings per share	€	0.72	0.52	0.37	0.26

7. Shares in subsidiary undertakings

(a) Attikis Kerdoos Ermis AEPEY

In April 2005, EFG Eurobank Securities SA proceeded with the acquisition of 100% of the share capital of Attikis Kerdoos Ermis AEPEY stock brokerage company.

(b) HC Istanbul Holding A.S.

In May 2005, the Group completed the acquisition of 100% of the share capital of HC Istanbul Holding A.S. (renamed to EFG Istanbul Holding AS), a holding company based in Istanbul, Turkey. EFG Istanbul Holding A.S. owns 99.99% of EFG Istanbul Menkul Degerler A.S., (formerly HC Istanbul Menkul Degerler AS). EFG Istanbul Menkul Degerler A.S. is also based in Istanbul, engaging in corporate finance, brokerage, research and other capital market activities in Turkey.

(c) Capital S.A.

In May 2005, the Group completed the acquisition of 100% of the share capital of Capital S.A., a company providing investment banking services based in Romania. Capital S.A. fully controls a subsidiary, Capital Securities S.A., which is engaged in stock brokerage activities and is a member of the Romanian Stock Exchange.

(d) Telesis Direct SA

In June 2005, the Bank absorbed its 100% electronic brokerage subsidiary Telesis Direct SA.

(e) EFG Eurobank Leasing SA

In May 2005, the Group established EFG Eurobank Leasing S.A., an entity operating in the leasing industry in Romania.

(f) EFG Property Services SA

In June 2005, the Group, in cooperation with Lamda Development S.A., established EFG Property Services S.A., a real estate advisory services company in Romania. The Group controls 80% of the share capital and Lamda Development S.A., a related party, controls the remaining 20% of the share capital of EFG Property Services S.A.

(g) Themeleion II Mortgage Finance Plc

In June 2005, the Group established Themeleion II Mortgage Finance Plc, a special purpose entity, as part of the second securitisation of mortgage loans.

(h) Be Business Exchanges SA

In April 2005, the Group participated in the share capital increase of Be Business Exchanges SA and its shareholding was increased to 71%.

Post balance sheet events

(a) Attikis Kerdoos Ermis AEPEY

In July 2005 Attikis Kerdoos Ermis AEPEY was absorbed by EFG Eurobank Securities SA.

(b) Hellas on Line SA

On 5 August 2005 the Bank signed a pre-agreement for the sale of 100% of the share capital of its subsidiary Hellas on Line SA. The agreement is subject to approval from regulatory authorities and completion of legal and financial due diligence processes.

8. Investments in associated undertakings

(a) The Greek Progress Fund SA and DIAS AEEX

During the six months ended 30 June 2005 the Group increased its shareholding in The Greek Progress Fund SA and Dias AEEX to 48.4% and 37.2% respectively.

(b) LogicDIS

LogicDIS is a software development company in which the Group held 8.1%. In April 2005 the Group increased its shareholding in LogicDIS to 29.1% through the acquisition and exercise of additional rights at LogicDIS's share capital increase. The investment has been transferred from available-for-sale to associated undertakings.

Post balance sheet events

In July 2005 the Bank entered into an agreement to acquire the remaining shares of The Greek Progress Fund SA (Progress) as follows: Progress will proceed with a 1 for 10 shares bonus issue and a 14 for 11 shares rights issue of € 130 million; the Bank will subscribe to any rights remaining unexercised; the Bank will then issue 1 Eurobank share for every 7.9 Progress shares. The acquisition is subject to regulatory approvals and ratification by shareholders General Meetings of both companies. Completion is expected in the fourth quarter of 2005.

9. Liabilities evidenced by paper

The analysis below provides details of new issues and repayments of liabilities evidenced by paper during the six months ended 30 June 2005:

	New issues € million	Repayments € million
Short-term debt		
Commercial Paper (ECP)		
– fixed rate	3,971	4,096
Long-term debt		
Medium-term notes (EMTN)		
– fixed rate	425	237
– floating rate	1,494	93
Subordinated		
– fixed rate	224	–
Securitised		
– fixed rate	–	7
– floating rate	750	50
Total	6,864	4,483

In June 2005, the Group proceeded with the second securitisation of mortgage loans through the transfer of the loans to Themeleion II Mortgage Finance Plc, a special purpose entity, which in turn issued residential mortgage backed securities to investors. The total size of the issue amounts to € 750 million at an average funding cost of three month Euribor plus 17.5 basis points for seven years. The transaction has been accounted for as collateralised borrowing. The mortgage loans are retained on the balance sheet and the corresponding liability is included within liabilities evidenced by paper.

Post balance sheet events

In July 2005, the Group proceeded with the securitisation of part of the credit card loan portfolio and the issue of credit card asset backed securities to investors by Karta 2005-1 Plc, a special purpose entity registered in the United Kingdom. The total size of the issue amounts to € 750 million at an average funding cost of three month Euribor plus 21.7 basis points. The transaction will be accounted for as collateralised borrowing where the credit card loans will be retained on the consolidated balance sheet and the corresponding liability will be included within liabilities evidenced by paper.

10. Share capital, share premium and treasury shares

The following is an analysis of the movement of share capital, share premium and treasury shares. The par value of the Bank's shares is € 2.95 per share and all of the Bank's shares are fully paid.

	Ordinary share capital € million	Treasury shares € million	Net € million	Share premium € million	Treasury shares € million	Net € million
At 1 January 2005	927	(1)	926	503	(2)	501
Purchase of treasury shares	–	(4)	(4)	–	(28)	(28)
Sale of treasury shares	–	1	1	–	7	7
At 30 June 2005	927	(4)	923	503	(23)	480

The following is an analysis of the movement in the number of shares issued by the Bank:

	Number of shares		
	Issued	**Treasury shares**	**Net**
At 1 January 2005	314,009,537	(186,899)	313,822,638
Purchase of treasury shares	–	(1,323,280)	(1,323,280)
Sale of treasury shares	–	300,000	300,000
At 30 June 2005	**314,009,537**	**(1,210,179)**	**312,799,358**

11. Share options

The Group grants share options to executive directors, management and employees. All options may be exercised wholly or partly and converted into shares, at their owners' option provided that the vesting requirements are met.

On 18 April 2005, the shareholders General Meeting approved the issue of 1,525,000 options on the Bank's shares to the Group's executive directors, management and staff employed by the Group on 31 December 2004. Provided that the holders are still employed by the Group, the options can be exercised in December of 2007, 2008, 2009 and 2010 at € 18 per share.

12. Preferred securities

On 18 March 2005, EFG Hellas Funding Limited, a subsidiary of the Group, issued preferred securities which represent Lower Tier 1 capital for the Group. The preferred securities have no fixed redemption date and give the issuer the right to call the issue at par on 18 March 2010 and annually thereafter. All obligations of the issuer in respect of the preferred securities are guaranteed on a subordinated basis by the Bank. The securities pay fixed non-cumulative annual dividend of 6.75 per cent. for the first two years and non-cumulative annual dividends that are determined based on the ten year EURO swap rate plus a spread of 0.125 per cent. capped at 8 per cent. thereafter. The preferred dividends may be declared by the directors of the issuer in their sole discretion and paid out of funds legally available to the issuer. The preferred dividend must be declared and paid if the Bank, the issuer or any other Group subsidiary pays a dividend. The preferred securities are listed on the Luxembourg and Frankfurt Stock Exchanges.

13. Contingent liabilities and capital expenditure commitments

As at 30 June 2005 the Group's contingent liabilities in terms of guarantees and irrevocable letters of credit amounted to € 1,519 million (31 December 2004: € 1,993 million) and the Group's capital commitments in terms of property, plant and equipment amounted to € 8 million (31 December 2004: € 8 million).

14. Post balance sheet events

Details of significant post balance sheet events are provided in the following notes:

Note 7 – Shares in subsidiary undertakings

Note 8 – Investments in associated undertakings

Note 9 – Liabilities evidenced by paper

15. Acquisition of subsidiaries

Details of acquisitions of subsidiaries during the period from 1 January 2005 to 30 June 2005 are as follows:

	Fair value of net assets acquired € million	Consi-deration Goodwill € million	€ million
EFG Istanbul Holding AS and its subsidiary EFG Istanbul Menkul Degerler AS (Note 7)	8	26	18
Other acquisitions	5	7	2
Total	13	33	20

The other acquisitions consist of the following:

a) Acquisition of 100 per cent. of the share capital of Capital SA and its subsidiary Capital Securities SA (Note 7), and
b) Acquisition of 100 per cent. of the share capital of Attikis Kerdoos Ermis AEPEY (Note 7).

The above acquisitions have been accounted for by the purchase method of accounting. The acquired companies contributed a net loss of € 1 million to the Group during the period from the date of their acquisition to 30 June 2005. If the acquisitions had been completed on 1 January 2005, the acquired companies would have contributed revenue of € 2 million and net profit of € 1 million for the six months ended 30 June 2005.

16. Related party transactions

The Bank is a member of the EFG Group, the ultimate parent company of which is EFG Bank European Financial Group, a bank incorporated in Switzerland, which owns 41% of the ordinary shares. The remaining 59% of the shares are widely held. All the voting rights in EFG Bank European Financial Group are held by the Latsis family, the ultimate controlling party of the Group.

A number of banking transactions are entered into with related parties in the normal course of business and are conducted on an arms length basis. These include loans, deposits, letters of guarantees and derivatives. The volume of related party transactions and outstanding balances at the period/year-end are as follows:

	30 June 2005		
	EFG Group € million	Key management personnel € million	Other € million
Due from other banks	33	–	–
Trading securities	1	–	–
Available for sale investment securities	–	–	1
Loans and advances to customers	–	6	88
Other assets	1	–	1
Due to other banks	77	–	–
Due to customers and liabilities evidenced by paper	89	19	92
Other liabilities	2	–	–
Net interest income/(expense)	(4)	–	2
Net banking fee and commission income/(expense)	–	–	1
Operating expenses	(2)	–	–
Letters of guarantee issued	377	–	5
Letters of guarantee received	521	–	–

	31 December 2004		
	EFG Group € million	Key management personnel € million	Other € million
Trading securities	8	–	–
Available for sale investment securities	–	–	14
Loans and advances to customers	29	7	95
Due to other banks	29	–	–
Due to customers and liabilities by paper	421	8	51
Other liabilities	2	–	–
Net interest income/(expense) for the six months ended 30 June 2004	(1)	–	1
Net banking fee and commission income/(expense) for the six months ended 30 June 2004	–	–	1
Operating expenses for the six months ended 30 June 2004	(2)	–	–
Letters of guarantee issued	835	–	131
Letters of guarantee received	574	–	–

Key management personnel includes directors and key management personnel of the Group and its parent, and their close family members.

As at 31 December 2004, in relation to the letters of guarantee issued, the Group had received cash collateral € 355 million which is included in due to customers and liabilities evidenced by paper above. The letter of guarantee and collateral expired in May 2005.

No provisions have been recognised in respect of loans given to related parties (2004: Nil)

Based on agreements the Group provides the following services to associated undertakings:

(a) Dias AEEX – portfolio management, custodian and share registry services.

(b) The Greek Progress Fund SA – advisory services on investment analysis and management, custodian and share registry services.

Key management compensation (including directors)

During the six months ended 30 June 2005 the compensation of key management personnel was € 4 million (six months ended 30 June 2004: € 3 million).

17. Dividends

Final dividends are not accounted for until they have been ratified by the Annual General Meeting. The Meeting on 5 April 2005 approved a total dividend in respect of 2004 of € 0.72 per share amounting to a total of € 226 million. Out of this approved dividend an interim dividend of € 0.30 per share amounting to € 94 million has been paid in December 2004 in accordance with the decision of the Board of Directors of 22 October 2004. The remaining dividend of € 0.42 per share amounting to € 132 million was paid in April 2005. The interim dividend of € 0.30 per share has been accounted for in shareholders equity as an appropriation of retained earnings during the period from 1 October 2004 to 31 December 2004. The final dividend of € 0.42 per share has been accounted for in shareholders' equity as an appropriation of retained earnings during the period from 1 April 2005 to 30 June 2005.

The Meeting of 5 April 2004 had approved a dividend in respect of 2003 of € 0.60 per share amounting to a total dividend of € 185 million. This dividend was paid in April 2004 and has been accounted for in shareholders' equity as an appropriation of retained earnings during the period from 1 April 2004 to 30 June 2004.

Review report of the auditors on page 2.

NON-CONSOLIDATED FINANCIAL STATEMENTS OF THE ISSUER AS AT, AND FOR THE PERIOD ENDED, 30TH SEPTEMBER, 2005

The Directors
EFG Hellas Funding Limited
Whiteley Chambers
Don Street
St. Helier
Jersey JE4 9WG
Channel Islands

31 October 2005

Dear Sirs

EFG Hellas Funding Limited

Introduction

We report on the financial information set out below. This financial information has been prepared for inclusion in the Prospectus dated 31 October 2005 (the "Prospectus") of EFG Hellas Funding Limited (the "Company") and EFG Eurobank Ergasias S.A. on the basis of the accounting policies set out in paragraph 2 of the Notes to the financial information. This report is required by item 11.1 of annex IX of Commission Regulation (EC) No 809/2004 (the "Prospectus Regulation") and is given for the purpose of complying with that rule and for no other purpose.

The Company was incorporated on 4 March 2005. The Company has not yet commenced to trade, has prepared no statutory financial statements for presentation to its members and has not declared or paid a dividend.

Responsibility

The directors of the Company are responsible for preparing the financial information in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the European Union and as detailed in paragraph 2 of the Notes to the financial information.

It is our responsibility to form an opinion as to whether the financial information gives a true and fair view for the purposes of the Prospectus and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the financial statements and whether the accounting polices are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement, whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the financial information gives, for the purposes of the Prospectus dated 31 October 2005 a true and fair view of the state of affairs of the Company as at 30 September 2005 and of its results and cash flows for the period then ended in accordance with IFRS.

Declaration

For the purposes of Prospectus Rule 5.5.4R(2) we are responsible for this report as part of the Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of annex IX of the Prospectus Regulation.

Yours faithfully

PricewaterhouseCoopers

EFG Hellas Funding Limited

Profit and Loss Account for the period from 04 March 2005 to 30 September 2005

	Notes	Period from 04 March 2005 to 30 September 2005 €'000
Interest income and similar income		7,351
Interest expense and similar expenses		(7,340)
Result before taxation		11
Taxation on result	8	–
Net result after taxation		**11**

EFG Hellas Funding Limited

Balance Sheet

	Notes	30 September 2005 €'000
Non-current assets		
Held-to-maturity investments, net	3	204,368
Current Assets		
Cash at banks and short-term deposits		10
Total Assets		**204,378**
Non-current liabilities		
Preferred Securities	4	204,357
Shareholder's equity	7	
Ordinary shares	5	10
Retained earnings	6	11
Total equity		**21**
Total equity and liabilities		**204,378**

Cash Flow Statement for the period from 04 March 2005 to 30 September 2005

	Period from 04 March 2005 to 30 September 2005 €'000
Cash flows from operating activities	–
Cash flows from investing activities	
Purchase of held-to-maturity investments	(197,071)
Cash flows from financing activities	
Proceeds from issue of ordinary share capital	10
Proceeds from issuance of Preferred Securities	197,071
	197,081
Net increase in cash and cash equivalents	10
Cash and cash equivalents at 04 March 2005	–
Cash and cash equivalents at 30 September 2005	**10**

Notes to the Financial Information

1 General information

(a) General information

The Company is a company limited by shares, incorporated and domiciled in Jersey, Channel Islands. The registered office of the Company is:

Whiteley Chambers
Don Street
St. Helier
Jersey JE4 9WG
Channel Islands

The principal activity of the Company is to provide funding to EFG Eurobank Ergasias S.A. (the "Bank"). The Company became a wholly-owned subsidiary of the Bank on 04 March 2005.

2 Accounting policies

(a) Basis of preparation

This financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") issued by the International Accounting Standards Board. This financial information does not constitute statutory financial statements.

This financial information has been prepared under the historical cost convention.

The preparation of financial information in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial information and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

(b) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity.

(c) Share capital

Ordinary shares are classified as equity.

(d) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, and deposits held at call with banks.

3 Held-to-maturity investments

	2005 €'000
EFG Hellas Plc Listed Bond, Net of Discount	197,071
Accrued income on EFG Hellas Listed Bond	7,297
Total	**204,368**

The above investment is secured by a subordinated guarantee issued by the Bank and is repayable on 18 March 2035.

4 Preferred securities

On 16 March 2005, the Company issued 200,000 Series A CMS-Linked Non-cumulative Guaranteed Non-voting Preferred Securities with a par value of €1,000 per security.

The Preferred Securities are perpetual securities and have no fixed redemption date. However, the Preferred Securities may be redeemed, at the option of the Company, in whole, if certain conditions mentioned in the offering circular are met.

5 Called up share capital

The Company's authorised share capital comprises 10,000 shares of €1 each, amounting to a nominal value of €10,000.

	2005 €'000
Fully paid ordinary shares of €1 each allotted on 4 March 2005	10
Total allotted and fully paid ordinary shares of € 1 each	**10**

6 Retained earnings

	2005 €'000
Net profit for the period	11
At 30 September 2005	**11**

7 Shareholder's equity

	2005 €'000
New shares issued	10
Net profit for the period	11
At 30 September 2005	**21**

8 Taxation

The Company has been granted exempt status for Jersey taxation purposes and therefore only suffers an annual exempt company fee of £600.

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printed by **eprint*financial*.com**
tel: + 44 (0) 20 7613 1800 document number 3323