



**BANK OF GREECE**

**EUROSYSTEM**

**PRESS RELEASE**

Athens, 1 March 2021

**Re: Balance Sheet and Profit and Loss Account for financial year 2020**

At its meeting on 1 March 2021, the General Council of the Bank of Greece approved the Bank's audited Annual Accounts for the financial year ending 31.12.2020.

The net income of financial year 2020 amounted to €843.3 million, while total expenses amounted to €181.6 million.

The Bank's profit in 2020 reached €661.7 million, from €842.3 million in the previous year, having decreased by €180.6 million.

The General Council of the Bank of Greece decided to propose to the General Meeting of Shareholders the transfer of the balance of the special reserve from revaluation of land and buildings (amounting to €284.9 million) to profit for distribution, bringing the total amount of profit for distribution to €946.6 million.

The profit shall be distributed in accordance with Article 71 of the Bank's Statute. As a result, the General Council further proposes to the General Meeting of Shareholders the distribution of the statutory dividend to shareholders; the increase of the extraordinary reserve by €300.0 million; and the transfer of an amount of €633.2 million to the State, in accordance with Article 71(1) and (3) of the Bank's Statute.

The dividend per share amounts to €0.6720, unchanged from the previous year.

• **Income**

The total net income came to €843.3 million, down by 27.7% from €1,166.1 million in 2019. This change was mainly due to an increase of €221.6 million in interest expense from lending to euro area credit institutions related to monetary policy operations, as a result of an average increase in their outstanding balance and their remuneration at negative interest rates, and a decrease of €61.3 million in interest income on the Bank's investment portfolio.

Specifically:

- Net interest income, income from financial operations and the procedure of the pooling and redistribution of the Eurosystem's monetary income amounted to €644.2 million, down by 29.0% from €907.0 million in 2019.
- Net income from fees and commissions increased by 13.4% to €117.4 million, from €103.5 million in 2019.
- Income from equity shares and participating interests came to €48.5 million, from €134.8 million in 2019, having decreased by €86.3 million.
- Finally, other income came to €33.2 million, up by 12.4% from €20.8 million in 2019.

- **Expenses**

Total expenses excluding provisions, i.e. staff costs and pension benefit expenses, depreciation costs, other administrative expenses and other expenses, came to €452.2 million, from 891.9 million in 2019, having decreased by €439.7 million. This change was mainly due to a decline in staff costs and pension benefit expenses, which amounted to €381.5 million, compared with €824.3 million in the previous year, owing to lower actuarial provisions compared to 2019 for the pension plan of the Bank, which fully covers the cost of pension benefits for its staff.

Provisions for financial risks established in past years and amounting to €325.4 million were released. At the same time, special provisions amounting to €54.8 million had a negative effect on the results. Overall, provisions had thus a positive effect of €270.6 million on the results for 2020.

Finally, the total amount of accumulated provisions as at 31 December 2020 stood at €7,525.6 million, compared with €7,797.4 million one year earlier.