

Piraeus Bank Group Balance Sheet (According to IFRS)			
(€ million)	Mar. 31 2005	Dec. 31 2004	Δ%
Cash and balances with Central Banks	1,636	1,159	41.2%
Treasury bills	183	151	21.5%
Loans and advances to banks	153	245	-37.6%
Loans and advances to customers	13,098	12,168	7.6%
Minus provisions	484	463	4.6%
Net loans and advances	12,614	11,705	7.8%
Financial assets at FV through P&L	1,099	1,433	-23.3%
- bonds	735	1,063	-30.9%
- shares	364	369	-1.4%
Investment securities	460	490	-6.3%
- bonds	237	280	-15.5%
- shares	223	210	6.2%
Investments in associates	45	46	-1.9%
Goodwill	101	97	4.1%
Other intangibles	23	23	-1.4%
Property, plant and equipment	736	754	-2.5%
Deferred tax assets	116	113	2.8%
Other assets / inventories-properties	676	630	7.3%
Total Assets	17,842	16,846	5.9%
Deposits from banks	1,752	1,688	3.8%
Due to customers	11,531	10,693	7.8%
Customers' repos	103	650	-84.2%
Debt securities in issue	1,738	1,174	48.0%
Subordinated Debt (Tier II)	397	393	1.1%
Hybrid Capital (Tier I)	200	194	3.3%
Deferred tax liabilities	38	29	30.1%
Retirement benefit obligations	144	150	-4.0%
Other liabilities	664	606	9.6%
Total Liabilities	16,568	15,577	6.4%
Shareholders' funds	917	902	1.6%
Minority interest	357	367	-2.9%
Total Equity	1,274	1,269	0.3%
Total Liabilities & Equity	17,842	16,846	5.9%

Group Income Statement			
(€ million)	3m '05	3m '04	Δ%
Net interest income	119.6	101.8	17.5%
Net commission income	31.7	25.2	25.6%
Dividend income	3.7	2.9	31.1%
Net trading income	19.0	32.8	-42.0%
- from Hellenic Investments (closed-end fund)	10.0	27.2	-63.4%
- from other companies	9.1	5.6	61.8%
Gains less losses from inv.securities	0.0	1.6	-99.9%
Other operating income	16.5	17.3	-4.4%
Net Revenues	190.6	181.6	5.0%
Staff expenses	58.0	55.9	3.8%
Administrative expenses	38.6	35.5	8.7%
(Profit)/loss on sale of property and equipment	-1.4	-0.7	106.6%
Depreciation	9.1	9.1	-0.2%
Operating Cost	104.3	99.8	4.5%
Impairment losses on loans	20.8	19.1	9.3%
Share of profit of associates	0.2	-0.1	-
Profit Before Tax excluding trading income	46.6	28.1	65.6%
Profit Before Tax	65.6	62.5	4.9%
Profit Before Tax attributable to Shareholders	56.6	42.9	31.8%
Income tax	15.1	12.9	17.2%
Profit After Tax	50.5	49.6	1.7%
Minority Interest	7.7	18.6	-58.6%
Profit after tax attributable to Shareholders	42.8	31.0	38.0%
EPS attributable to shareholders (€) :			
- Basic	0.22	0.16	36.8%
- Diluted	0.22	0.16	36.8%

1st QUARTER 2005 RESULTS

38.0% INCREASE IN NET PROFIT BY PIRAEUS BANK GROUP

"The first reporting of financial results, according to the International Financial Reporting Standards, coincided with a significant boost of Piraeus Bank Group profitability, mainly due to the strong pace of its operating profit. The Group has now attained the critical mass that allows it to capitalize on economies of scale.

The outlook remains positive. The improvement in profitability of the branch network established during the last years, coupled with the expansion abroad, are expected to be the pivotal factors for the achievement of a new record year in profitability for Piraeus Bank Group".

Michalis Sallas, Chairman & Managing Director

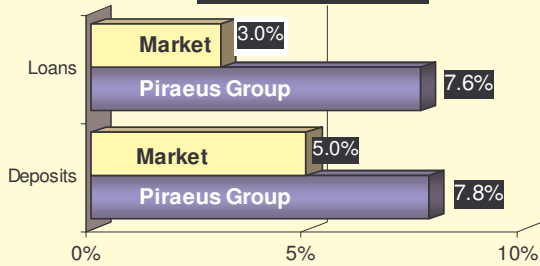
The Group's after-tax profit attributable to Piraeus Bank's shareholders, according to International Financial Reporting Standards (IFRS), amounted to €42.8 mn in Q1 2005 compared to €31.0 mn for Q1 2004, representing a growth of 38.0%. The basic after-tax EPS in Q1 2005 reached €0.22 up from €0.16 the respective period of 2004, showing an increase of 36.8%.

Piraeus Group's pre-tax profit excluding trading income in Q1 2005 rose to €46.6 mn versus €28.1 mn in Q1 2004, showing an increase of 65.6%. Pre-tax profit attributable to Piraeus Bank's shareholders was €56.6 mn in Q1 2005 against €42.9 mn in Q1 2004, risen by 31.8%.

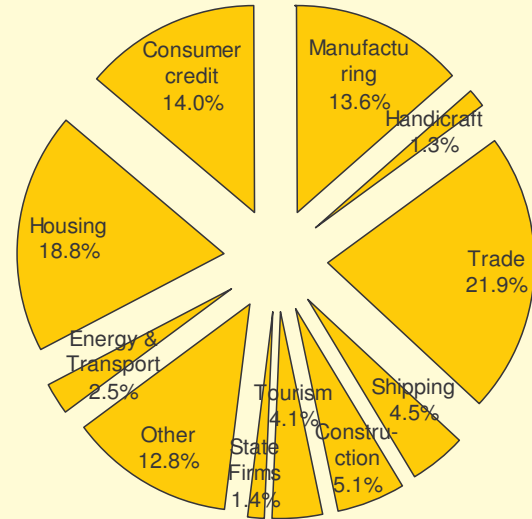
The key points of Q1 2005 results for Piraeus Bank Group are as follows:

- ◆ Increase of net interest income by 17.5% and net commission income by 25.6%;
- ◆ Enhancement of net interest margin-NIM (on average interest earning assets) to 3.20%;
- ◆ Improvement of "cost to income" ratio to 54.7%;
- ◆ Expansion of the loan portfolio by 7.6% y-t-d and by 21.3% y-o-y;
- ◆ Rise of customer deposits by 7.8% y-t-d and by 25.3% y-o-y;
- ◆ Strengthening of market shares in Greece in both loans and deposits, as well as mortgages;
- ◆ Improvement of after-tax ROE to 18.8% up from 15.1% last year.

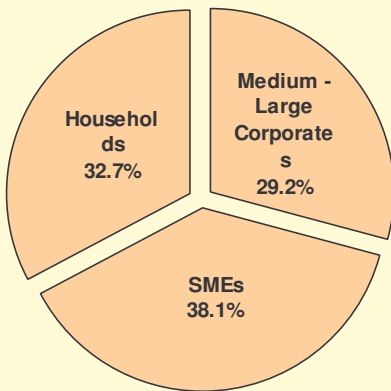
**Growth rates
(March'05 - Dec.'04)**



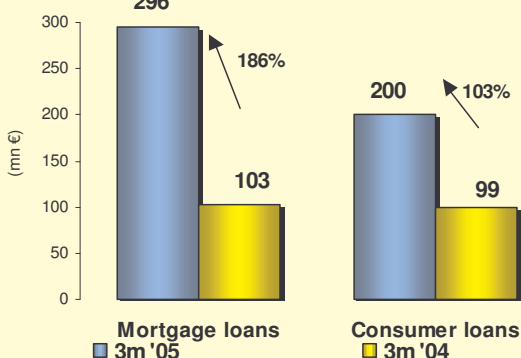
Loans breakdown by sector March'05



**Loans breakdown by type of customer
(March '05)**



Bank's disbursements



Piraeus Bank Group's Balance Sheet

At the end of March 2005 the Group's total assets amounted to €17,842 mn versus €16,846 mn at year-end 2004, increased by 5.9% y-t-d, while compared to March 2004 rose by 15.6%. The increase is mainly due to loans which at the end of March 2005 climbed by 7.6% y-t-d totalling €13,098 mn. This growth was more than double than the growth rate of the market which stood at 3.0% y-t-d. On an annual basis the Group's loan expansion was 21.3% (March '04: €10,799 mn). As a result of this substantial expansion, loans accounted for 70.7% of total assets up from 66.8% in March 2004, mainly at the expense of the trading portfolio (mostly bonds), which decreased to 6.2% of total assets versus 13.7% in March 2004.

Mortgage lending expanded at a pace of 49.0% y-o-y, significantly higher than the market (30%), amounting to €2,457 mn against €1,650 mn in March 2004. The emphasis placed by the Group into this segment has driven the market share up by 100 bps in the last 12 months (to 7.9% from 6.9% a year ago). Consumer loans (excluding consumer factoring) increased by 28.4% y-o-y, totalling at the end of March 2005 €1,758 mn versus €1,370 mn in March 2004. In consumer factoring the Group continued its policy to reduce its position in this thin margin segment, thus decreasing by 67.2% on an annual basis to €71 mn. The participation of loans to households in the total loan portfolio was further enhanced accounting for 32.7% at the end of March 2005, with the mid-term goal of further expansion.

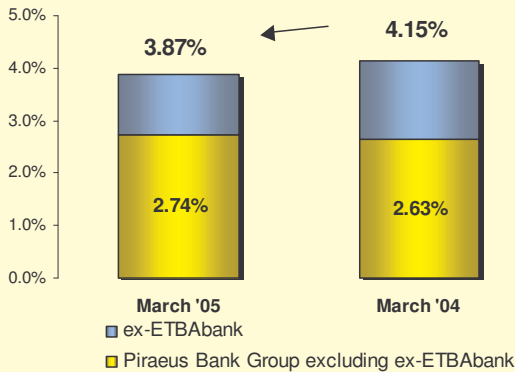
The Bank's mortgage loans disbursements grew impressively by 186% to €296 mn in Q1 2005 against €103 mn last year's respective period. The Bank's consumer loans disbursements (excluding consumer factoring) raised significantly by 103% up to €200 mn compared to €99 mn in Q1 2004.

Loans to small and medium-sized enterprises (SMEs), a segment in which the Group possesses significant market position and places particular emphasis, rose by 29.8% annually amounting to €4,985 mn in March 2005 versus €3,840 mn in March last year. This type of loans accounts for 38.1% of the total loans with an upward trend.

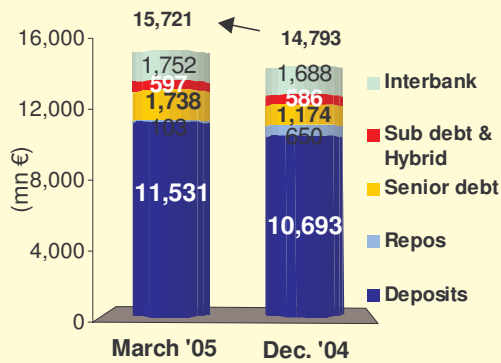
Loans to medium and large enterprises including shipping constituted 29.2% of the total loan portfolio amounting to €3,827 mn at the end of March 2005 as opposed to €3,725 mn a year ago, enhanced by 2.7%.

The non-performing loans ratio stood at 3.87% of gross loans at the end of Q1 2005 against 4.15% a year earlier, while excluding the ex-ETBAbank loan portfolio the ratio stands at 2.7%. Loan loss reserves correspond to 95.5% of non-performing loans, which is one of the highest coverage ratios in the Greek banking market, much higher even than the average NPLs ratio of E.U.-15 banks (67.4%, Dec.'03).

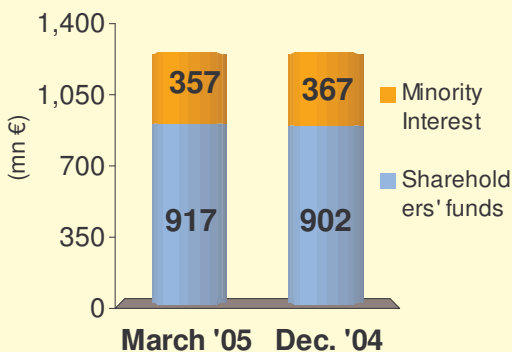
Non Performing Loans (NPLs)



Funding



Total Equity



Customer deposits reached €11,531 mn compared to €10,693 mn at the end of December 2004, a rise of 7.8%, which is higher than the market's growth rate (5.0%), thus gaining market share. Customer deposits also include the ETBA bonds issued for the Bank's retail clientele, which amounted to €520 mn at the end of March 2005 against €475 mn at last year's end. On an annual basis deposits rose by 25.3% (€9,206 in March 2004) with savings deposits advancing by 17% y-o-y, sight deposits by 28% and time deposits by 30%. The high growth rate of savings and sight deposits, which are funding sources of low cost, is the result of the "maturing" of the branch network.

Customer repos amounted to €103 mn against €1,311 mn a year earlier, in line with the Group's strategy of decreasing the bond portfolio and the declining interest for this product by the customers after the implementation of unified deposits' interest taxation as of January 1st 2005.

The Bank's senior debt raised through ECP and EMTN programmes, which intend to broaden the funding sources, totalled €1,738 mn at the end of March 2005 versus €1,174 mn at year-end 2004, increased by 48%.

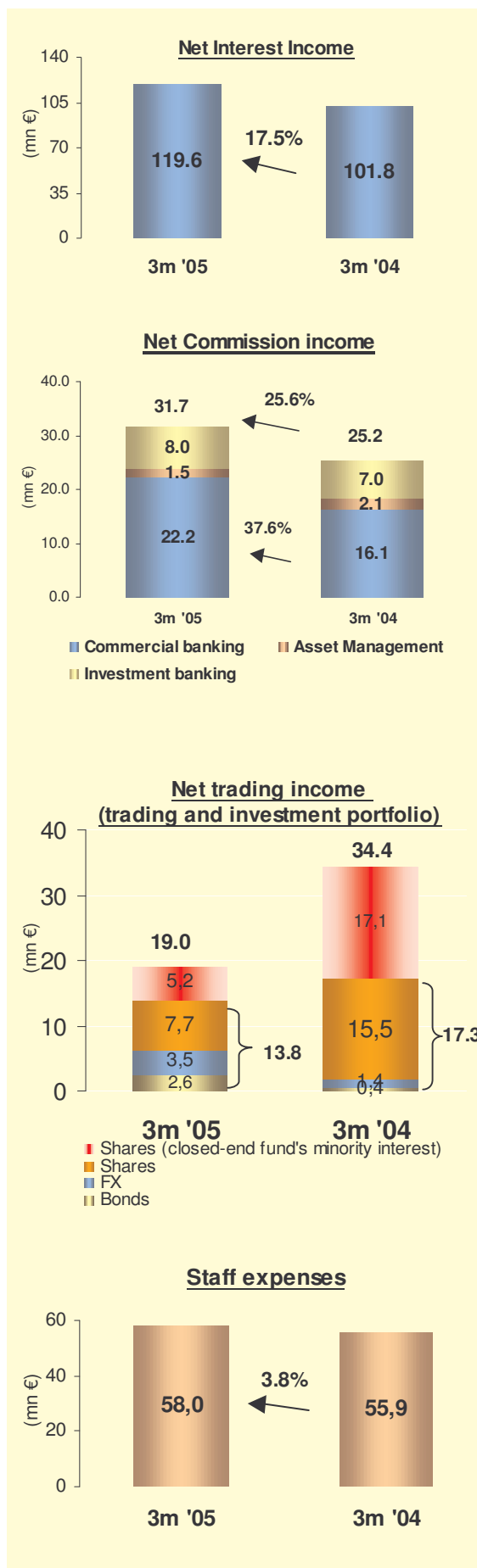
The Group's total equity at the end of March 2005 stood at €1,274 mn. Piraeus Bank's shareholders' funds at the end of Q1 2005 amounted to €917 mn as opposed to €902 mn at year-end 2004. It is noted that Piraeus Bank Group implemented IFRS-1 (regarding first-time application), meaning that all changes resulting from IFRS adjustments were charged against the shareholders' funds. Moreover, it is stressed that the Group did not include a surplus value of €135 mn arising from property revaluation of ETBA Industrial Areas SA, as determined by an independent international valuer according to IAS-40 and IAS-2, and recorded this property at historic cost under "Other assets / inventories-property".

The estimated capital adequacy ratio at the end of Q1 2005 remained at high levels to 12.1%, taking into account the conservative approach of the options being considered by the Bank of Greece for the transition to IFRS, with the estimated Tier I to 9.3%.

Analysis of the Piraeus Bank Group's Results

Total net revenues in Q1 2005 amounted to €190.6 mn compared to €181.6 mn last year up by 5.0%, with 79% of it stemming from interest and commission income. Net revenues excluding trading gains, which are recurring sources of income, reached €171.6 mn versus €147.2 mn last year, improved by 16.6%.

Net interest income rose by 17.5% amounting to €119.6 mn as opposed to €101.8 mn in Q1 2004. Net interest margin (net interest income on average



interest earning assets) was retained at a high level standing at 3.20% against 3.18% a year earlier.

Net commission income totalled €31.7 mn compared to €25.2 mn in Q1 2004, an increase of 25.6%. 70% of net commission income is generated from commercial banking activities, standing at €22.2 mn in Q1 2005 against €16.1 mn last year, grown by 37.6%. Net commissions related to investment banking activities, including stock brokerage activities, came out at €8.0 mn versus €7.0 mn in Q1 2004, an increase of 14.5%. Net revenues from asset management activities amounted to €1.5 mn versus €2.1 mn a year earlier.

Net trading income (trading and investment portfolio gains) in Q1 2005 reached €19.0 mn versus €34.4 in Q1 2004. The major part of it was the outcome of stock trading of Hellenic Investment SA equity portfolio (the closed-end fund of the Group). So, the attributable to the Bank's shareholders results on financial operations reached €13.8 mn against €17.3 mn for the respective period of the previous year.

Other operating income, which includes revenues from other banking activities, as well as real estate activities, amounted to €16.5 mn against €17.3 mn in Q1 2004.

Total cost amounted to €104.3 mn against €99.8 mn in Q1 2004, increased by 4.5% on an annual basis.

Staff expenses rose by only 3.8% compared to Q1 2004 (€58.0 mn against €55.9 mn), despite the new hires due to branch expansion in Greece and mainly in the Balkans. The implementation of a voluntary retirement scheme at 2004 year-end and in the beginning of 2005 contributed to this cost containment.

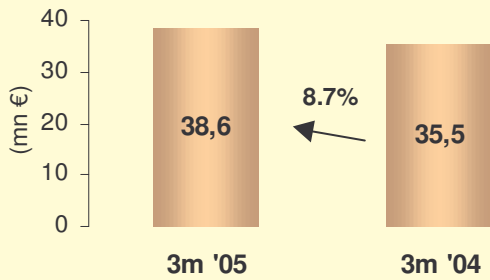
Administrative expenses in Q1 2005 equalled to €38.6 mn versus €35.5 mn in Q1 2004, showing a rise of 8.7%. This growth is mainly attributed to expenses related to the enlargement of the branch network (316 at the end of March 2005 versus 269 a year earlier, i.e. enlarged by 17.5%), as well as the increase of business volumes of the Group.

(Profit)/loss from property and equipment disposal, which according to IFRS is included in operating expenses, equalled to profit of €1.4 mn against profit of €0.7mn for the respective period last year.

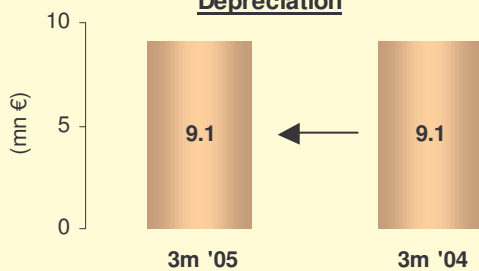
The depreciation expense was €9.1 mn stable versus Q1 2004.

The "cost to income" (efficiency) ratio improved slightly to 54.7% from 55.0% in Q1 2004, since the cost savings achieved by the voluntary retirement

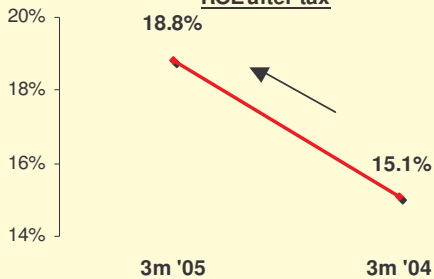
Administrative expenses



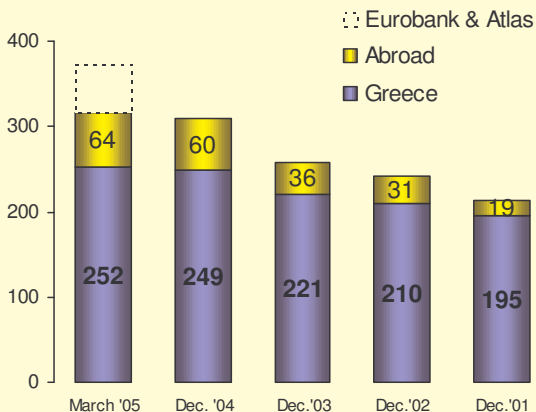
Depreciation



ROE after tax



Branch network evolution



scheme and other measures were counterbalanced by the expenses related to the branch expansion both in Greece and abroad.

The provision expense for impairment losses on loans was €20.8 mn in Q1 2005 against €19.1 mn a year ago, increased by 9.3%, resulting in a coverage ratio of 95.5%.

The effective tax rate equaled to 23.1%, positively affected by the revenues structure, as well as the tax benefit stemming from the proposed merger with the Hellenic Investment SA.

The significantly enhanced profitability led to the improvement of the after-tax ROE ratio, which increased to 18.8% up from 15.1% last year.

At the end of March 2005 the Group's branch network numbered 316 units versus 269 a year earlier. Should the branches of Eurobank in Bulgaria and Atlas in Serbia are also included, the Group's total branch network reaches 373 units (their acquisition is expected to be concluded in May and June 2005). Moreover, the number of the Group's staff was 6,085 at the end of March 2005.

Latest Developments

In early April 2005, the Boards of Directors of Piraeus Bank and Hellenic Investment Company, decided the absorption of the latter by the former. The execution of the merger, which is expected by the end of the year, will result in:

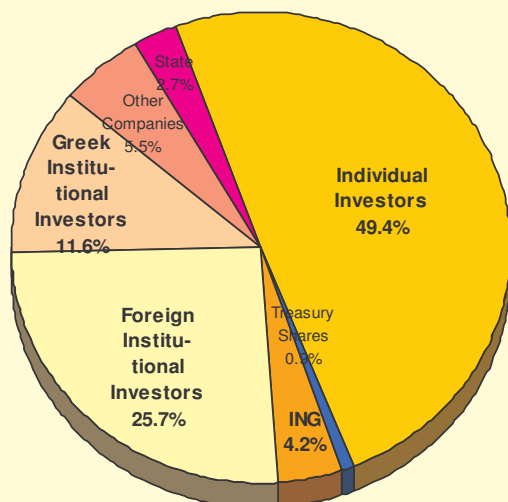
- the substantial reduction of minorities in P&L, as well as in total equity;
- the benefit arising from the reduction of the nominal tax rate of Piraeus Bank by 5% both in 2005 and 2006;
- the lowering of the Group's exposure to equity risk through the reduction of Hellenic Investment Company's equity portfolio.

Piraeus Bank's share data

In the last twelve months, the price of Piraeus Bank's share fluctuated between €16.02 (maximum, on February 28th, 2005) and €8.50 (minimum, on August 6th, 2004), while closing at €14.50 on Wednesday May 25th, 2005, with a market capitalisation of €2.9 bn, ranked 9th in ATHEX and 4th among companies of the private sector.

The number of outstanding shares of Piraeus Bank at the end of March 2005 was 200,257,006 (stable from year-end 2004), while the average number of the Bank's shares in Q1 2005 excluding treasury stock was 196,947,585.

**Piraeus Bank's shareholder structure
(March '05)**



(in mn euros)

31.12.2004

Shareholder's funds (GREEK GAAP) 957

Adjustments to IFRS

Retirement benefit obligations	-137
Adjustment for Dividends	-30
Intangibles' write-offs	-29
Impairment of Available for sale portfolio	-52
Impairment on participations	-60
Allowance for losses on loans and advances	-61
Effective Interest Rate	-24
Provisions for tax obligations	-15
Deferred tax	87
Goodwill	98
Negative goodwill	20
Profit after tax according to IFRS	127
Other adjustments	21
Total adjustments to IFRS	-55

Shareholder's funds (IFRS) 902

The liquidity of the Piraeus Bank stock remains particularly high in ATHEX, with a percentage of 55.4% (April '04 - March '05), compared to 33.8% of the banking index respectively.

International Financial Reporting Standards (IFRS)

As of the 1st quarter of 2005 Piraeus Bank Group's financial statements are prepared according to the International Financial Reporting Standards (IFRS), as they have been adopted by the European Union. For comparability reasons the figures of the previous year are also readjusted in accordance with IFRS.

Piraeus Bank Group incorporated all the positive and negative adjustments resulting from the application of IFRS-1 (first-time application) to its shareholders' funds as of 01.01.2004.

The publication of financial statements according to IFRS, which starts on January 1st 2005 onwards, requires transition adjustments to the new accounting standards, which should appear in comparison with the previous national accounting principles. The adjustments made to shareholders' funds, for 31.12.2004, compared to the published financial data according to Greek Generally Accepted Accounting Principles (GAAP) can be seen on next table.

Disclosure

First quarter 2005 financial statements, according to the Law 2190/1920, article 135 and the resolution 17/336/21.04.2005 of Hellenic Capital Market Commission will be published on the press on May 27th 2005.

The full set of financial statements according to the IFRS include the:

- balance sheet;
- income statement;
- statement of changes in equity;
- cash flow statement;
- accounting principles of the Group;
- notes to the accounts;

and they can be found on Piraeus Bank's website on Internet www.piraeusbank.gr under the section "Investor Relations".

Athens, 26th May, 2005