



BANK OF GREECE
EUROSYSTEM

PRESS RELEASE

Athens, 19 January 2015

Subject: BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR FINANCIAL YEAR 2014

At its meeting on 19 January 2015, the General Council of the Bank of Greece approved the Bank's audited Annual Accounts for the financial year ending 31 December 2014.

The net income of the financial year 2014 amounted to €1,118.2 million, while the expenses including provisions amounted to €463.7 million.

The Bank's profit for 2014 amounted to €54.5 million, compared with €31.1 million in 2013. This profit shall be distributed in accordance with Article 71 of the Bank's Statute. After the distribution of dividend to the shareholders, an amount of €41.2 million shall be transferred to the Government in accordance with Article 71(1) and (3) of the Bank's Statute. The amount to be transferred to the Government includes the Bank's income from Greek government bonds held in its investment and monetary policy portfolios.

The gross dividend per share that will be proposed to the General Meeting of the Bank's shareholders for distribution is €0.6720, unchanged from the year 2013.

Analysis of the Profit and Loss Account for financial year 2014

❖ **Income**

The total net income arising from the implementation of the Eurosystem's single monetary policy, interest on the Bank's portfolios, commissions and other income from domestic and foreign operations amounted to €1,118.2 million, having declined by 30.6% from €1,610.9 million in 2013. This decline was mainly due to the significant drop in the interest rates applying on monetary policy operations.

Specifically:

- **Net interest income, income from financial operations and the pooling of the Eurosystem's monetary income** amounted to €1,003.5 million, having decreased by 31.9% from €1,473.9 million in 2013.
- **Net income from fees and commissions** increased by 4.7% to €73.5 million, from €70.2 million in 2013.
- **Income from equity shares and participating interests** declined by €25.2 million to €29.0 million, from €54.2 million in 2013.

- **Finally, the Bank's other income** amounted to €12.1 million, having decreased by 4.0% from €12.6 million in 2013.

❖ **Expenses**

- **Operating expenses excluding provisions** (staff costs and pension benefit expenses, depreciation and other expenses) increased by €22.7 million to €333.6 million, from €310.9 million in 2013. A factor behind this outcome was an increase of €9.7 million in consultancy fees for the auditing of the banking system; other regular administrative expenses also increased by €9.5 million.
- **Provisions** increased further in 2014 by €130.1 million.

Provisions are intended to cover, among other things, unexpected losses and doubtful claims, credit risks, foreign exchange and interest rate risks, counterparty risks stemming from Eurosystem monetary policy operations, general operational risks and liabilities.

The total accumulated provisions, as at 31 December 2014, amounted to €6,788.7 million.