



BANK OF GREECE
EUROSYSTEM
EIGHTIETH YEAR
BALANCE SHEET AS AT 31 DECEMBER 2007
(in euro)

ASSETS		31.12.2007	31.12.2006	LIABILITIES		31.12.2007	31.12.2006
1.	Gold and gold receivables	2,616,818,200	2,210,725,255	1.	Banknotes in circulation	16,269,736,665	15,338,479,600
2.	Claims on non-euro area residents denominated in foreign currency	438,938,791	486,131,282	2.	Liabilities to euro area credit institutions related to monetary policy operations denominated in euro	7,107,978,508	4,529,984,822
2.1	Receivables from the IMF	82,587,355	125,814,163	2.1	Current accounts (covering the minimum reserve system)	6,602,978,508	4,526,984,822
2.2	Balances with banks and security investments, external loans and other external assets	356,351,436	360,317,119	2.2	Deposit facility	5,000,000	3,000,000
3.	Claims on euro area residents denominated in foreign currency	700,340,293	553,330,050	2.3	Fixed term deposits	500,000,000	0
3.1	General government	283,313,841	302,662,973	3.	Other liabilities to euro area credit institutions denominated in euro	33,400,000	22,195,000
3.2	Other claims	417,026,452	250,667,077	4.	Liabilities to other euro area residents denominated in euro	1,215,526,026	912,830,809
4.	Claims on non-euro area residents denominated in euro	1,002,041,543	649,303,017	4.1	General government	1,159,332,273	893,567,625
4.1	Balances with banks, security investments and loans	1,002,041,543	649,303,017	4.2	Other liabilities	56,193,753	19,263,184
4.2	Claims arising from the credit facility under ERM II	0	0	5.	Liabilities to non-euro area residents denominated in euro	838,556,609	851,539,789
5.	Lending to euro area credit institutions related to monetary policy operations denominated in euro	8,727,274,500	4,795,146,004	6.	Liabilities to euro area residents denominated in foreign currency	81,162,206	83,723,120
5.1	Main refinancing operations	6,759,000,000	3,083,000,000	7.	Liabilities to non-euro area residents denominated in foreign currency	102,325,450	111,747,203
5.2	Longer-term refinancing operations	1,968,274,500	1,712,146,004	7.1	Deposits and other liabilities	102,325,450	111,747,203
6.	Other claims on euro area credit institutions denominated in euro	232,122,255	942,132,861	7.2	Liabilities arising from the credit facility under ERM II	0	0
7.	Securities of euro area residents denominated in euro	10,518,594,994	6,298,382,914	8.	Counterpart of special drawing rights allocated by the IMF	111,207,295	118,206,311
8.	General government long term debt denominated in euro	8,231,573,922	8,744,528,645	9.	Intra-Eurosystem liabilities	13,195,830,237	9,752,092,960
9.	Intra-Eurosystem claims	1,443,521,602	1,453,912,102	9.1	Liabilities related to promissory notes backing the issuance of ECB debt certificates	0	0
9.1	Participating interest in the ECB	390,235,477	393,403,998	9.2	Liabilities related to the allocation of euro banknotes within the Eurosystem (net)	2,399,261,590	1,568,551,555
9.2	Claims equivalent to the transfer of foreign reserves to the ECB	1,046,595,328	1,055,840,343	9.3	Net liabilities related to transactions with the ESCB (TARGET)	10,796,568,647	8,183,541,405
9.3	Claims related to promissory notes backing the issuance of ECB debt certificates	0	0	9.4	Other liabilities within the Eurosystem (net)	0	0
9.4	Claims related to the allocation of euro banknotes within the Eurosystem (net)	0	0	10.	Items in course of settlement	43,934,772	55,474,879
9.5	Net claims related to transactions with the ESCB (TARGET)	0	0	11.	Other liabilities	747,352,247	778,947,772
9.6	Other claims within the Eurosystem (net)	6,690,797	4,667,761	11.1	Accruals and income collected in advance	151,550,812	170,041,389
10.	Items in course of settlement	3,352,187	2,039,130	11.2	Sundry	595,801,435	608,906,383
11.	Other assets	8,746,291,885	8,789,731,911	12.	Provisions	1,173,625,858	1,052,296,846
11.1	Coins	50,594,774	41,305,892	13.	Revaluation accounts	965,418,437	650,634,500
11.2	Tangible and intangible fixed assets	822,814,486	755,690,484	14.	Capital and reserves	774,815,862	667,209,560
11.3	Other financial assets	6,500,144,114	6,813,977,432	14.1	Capital	88,994,690	88,994,690
11.4	Accruals and prepaid expenses	808,539,286	705,669,379	14.2	Ordinary reserve	88,994,690	88,994,690
11.5	Sundry	564,199,225	473,088,724	14.3	Extraordinary reserve	55,000,000	19,000,000
				14.4	Special reserve from the revaluation of land and buildings	541,550,688	470,018,863
				14.5	Special reserve from the acquisition (free) of fixed assets	275,784	201,317
TOTAL ASSETS		42,660,870,172	34,925,363,171	TOTAL LIABILITIES		42,660,870,172	34,925,363,171
OFF-BALANCE-SHEET ITEMS		31.12.2007	31.12.2006				
1.	Investments in Greek government securities relating to the management of the "Common capital of legal persons in public law and social security funds" according to Law 2469/97	19,361,048,419	18,034,147,613				
2.	Investments in Greek government securities and other securities relating to the management and custody of funds of public entities, social security funds and private agents	13,474,822,865	10,753,664,510				
3.	Other off-balance-sheet items	13,461,812,780	7,035,832,577				
	TOTAL OFF-BALANCE-SHEET ITEMS	46,297,684,064	35,823,644,700				

NOTES:

- Under Article 54A of the Bank's Statute, the balance sheet was drawn up in compliance with the accounting rules and techniques determined by the European Central Bank (ECB) and applying to the members of the European System of Central Banks (ESCB).
- The weighted key for subscription of the Bank of Greece to the ECB's capital fully paid up by the 13 national central banks of the Eurosystem is 2.61375%.
- Claims/liabilities denominated in euro or foreign currency are broken down into claims on liabilities to euro area residents and non-euro area residents.
- Account balances related to monetary policy operations are shown under separate items.
- The value of gold has been calculated on the basis of the euro price of the gold ounce referred to in the ECB's exchange rate list of 31 December 2007 (€ 568.236 per ounce compared with €482.688 per ounce on 29 December 2006).
- Claims and liabilities in foreign currency have been valued on the basis of the exchange rates referred to in the ECB's exchange rate list of 31 December 2007.
- The value of securities has been calculated on the basis of average market prices applying on 31 December 2007, except for the securities included in asset item 11.3 "Other financial assets", which have been valued at cost. This item monitors the investment portfolio of the Bank of Greece, which comprises Greek government securities

- and government securities issued by other euro area countries; these securities constitute fixed investment to be held by the Bank up to maturity.
- Fixed assets are valued at cost, except land and buildings, which are valued at market prices, determined by independent appraisers, less depreciation. In financial year 2007, the book value of the Bank's real estate was adjusted to its reasonable (market) value, as determined by independent appraisers. The resulting surplus value (€ 71.5 million) was transferred to the "special reserve from the revaluation of land and buildings".
- The depreciation of buildings and banknote production costs is calculated, as of financial year 2005, at a rate of 2.5% and 20%, respectively, according to the estimated useful life of buildings (40 years) and the lifetime of banknotes (5 years on average).
- Out of the profit for financial year 2007, € 36 million were allocated to the extraordinary reserve.
- Some items of the profit and loss account for financial year 2006 have been reclassified so as to be comparable with the corresponding items for financial year 2007.

PROFIT AND LOSS ACCOUNT FOR THE YEAR 2007

	2 0 0 7	2 0 0 6
	(in euro)	
1. Net interest income	540,922,539	426,049,483
1.1 Interest income	1,195,082,817	929,862,887
1.2 Interest expense	-654,160,278	-503,813,404
2. Net result of financial operations, write-downs and risk provisions	104,002,889	241,705,184
2.1 Realised gains arising from financial operations	119,336,142	241,705,184
2.2 Write-downs on financial assets and positions	-43,333,253	-22,939,084
2.3 Transfer from provisions for foreign exchange rate and price risks	28,000,000	22,939,084
3. Net income from fees and commissions	131,739,075	121,812,074
3.1 Fees and commissions income	132,948,968	122,842,921
3.2 Fees and commissions expense	-1,209,893	-1,030,847
4. Income from equity shares and participating interests	3,383,702	3,472,030
5. Net result of pooling of monetary income	6,690,797	4,667,120
6. Other income	38,758,703	33,147,655
Total net income	825,497,705	830,853,546
7. Staff costs	-230,209,907	-214,591,454
7.1 Wages and salaries	-149,801,715	-140,353,929
7.2 Employer's contributions and other levies	-80,408,192	-74,237,525
8. Pensions	-61,544,339	-55,381,266
9. Administrative and other expenses	-58,143,853	-50,203,499
10. Depreciation of tangible and intangible fixed assets	-42,786,390	-38,436,988
11. Provisions	-148,129,355	-227,604,875
Total expenses	-540,813,844	-586,218,082
Profit for the year	284,683,861	244,635,464

DISTRIBUTION OF NET PROFIT

(Article 71 of the Statute)

	2 0 0 7	2 0 0 6
	(in euro)	
Dividend €0.67 per share on 15,891,909 shares	10,647,579	10,647,579
Extraordinary reserve	36,000,000	19,000,000
Additional dividend €2.53 per share on 15,891,909 shares*	40,206,530	35,438,957
Tax payment on dividends (Law 3296/2004, Article 6)	16,951,370	18,824,078
To the Government	180,878,382	160,724,850
	284,683,861	244,635,464

* The dividend for the year 2007 totals €3.20 per share, against €2.90 for the year 2006.

Athens, 17 March 2008

THE GOVERNOR
NICHOLAS C. GARGANAS

THE DIRECTOR OF THE ACCOUNTS DEPARTMENT
DIMITRIOS E. MATSIMANIS

This is a translation from the original "INDEPENDENT AUDITORS REPORT" issued in the Greek Language

To the Shareholders of BANK OF GREECE AE.

Report on the Financial Statements

We have audited the accompanying financial statements of BANK OF GREECE AE (the Bank), which comprise the balance sheet as at December 31, 2007, the income statement, and the statement of profit distribution. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting principles determined by the European Central Bank (ECB) as they have been adopted by the Bank in Article 54A of its Articles of Association and the Greek Company Law. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Our responsibility is to express an opinion on these financial statements based on our audit. Except as discussed in the following paragraph, we conducted our audit in accordance with the Greek Auditing Standards which are based on International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. **Opinion:** The recorded provision for pension and other liabilities to Employee Funds amounts to € 1,003 million, which is not supported by an analysis of the calculation method and, consequently, we could not assess its adequacy. In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to adequacy of the provision for pension and other liabilities to Employee Funds, the financial statements give a true and fair view of the financial position of BANK OF GREECE AE as of December 31, 2007, and of its financial performance for the year then ended in accordance with the accounting principles determined by the European Central Bank as they have been adopted by the Bank in Article 54A of its Articles of Association and the Greek Company Law.

Report on Other Legal and Regulatory Requirements: The General Council report is consistent with the information required by the Directives of the European Central Bank and the aforementioned financial statements.

Athens, 17 March 2008

The Certified Auditors - Accountants

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Certified Auditors Accountants
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