

Auditing Company: Type of Auditor's Report: Date of auditors report issue: Website:

Despina Xenaki (Reg. No. SOEL 14161) Michalis Karavas (Reg. No. SOEL 13371) Deloitte Certified Public Accountants S.A. Unmodified opinion 17 February 2020 www.bankofgreece.gr

BALANCE SHEET AS AT 31 DECEMBER 2019 NINETY SECOND YEAR

		NINEITS	(in euro)		
ASSETS	31.12.2019	31.12.2018	LIABILITIES	31.12.2019	31.12.2018
1. Gold and gold receivables	6,544,316,602	5,390,195,138	1. Banknotes in circulation	29,539,154,700	32,717,386,050
2. Claims on non-euro area residents denominated in foreign currency	2,700,269,631	2,483,673,148	Liabilities to euro area credit institutions related to monetary policy operations denominated in euro	9,108,199,191	6,942,079,203
2.1 Receivables from the International Monetary Fund (IMF)	720,713,956	702,267,928			
Balances with banks and security investments, external loans and other external assets	1,979,555,675	1,781,405,220	Current accounts (covering the minimum reserve system) Deposit facility	9,108,199,191 0	2,819,079,203 4,030,000,000
CACHIAI IOANS AND OTHER CACHIAI ASSETS	1,373,333,073	1,701,400,220	2.3 Fixed-term deposits	0	4,030,000,000
3. Claims on euro area residents denominated in foreign currency	228,868,498	320,388,447	2.4 Fine-tuning reverse operations	0	0
3.1 General government	19,475,008	16,359,029	2.5 Deposits related to margin calls	0	93,000,000
3.2 Other claims	209,393,490	304,029,418	3. Other liabilities to euro area credit institutions		•
4. Claims on non-euro area residents denominated in euro	23,170	521,741	denominated in euro	0	0
			4. Liabilities to other euro area residents denominated in euro	27,421,848,711	24,953,984,561
4.1 Balances with banks, security investments and loans 4.2 Claims arising from the credit facility under ERM II	23,170 0	521,741 0	4.1 General government	25,930,712,804	23,518,798,954
,			4.2 Other liabilities	1,491,135,907	1,435,185,607
Lending to euro area credit institutions related to monetary policy operations denominated in euro	7,651,000,000	10,123,400,000	5. Liabilities to non-euro area residents denominated in euro	2,466,433,379	2,395,528,696
 5.1 Main refinancing operations 5.2 Longer-term refinancing operations 	51,000,000 7,600,000,000	958,400,000 9,105,000,000	6. Liabilities to euro area residents denominated in foreign currency	741,439,347	714,999,931
5.3 Fine-tuning reverse operations	0	0	7. Liabilities to non-euro area residents denominated in foreign currency	2,578	2,529
5.4 Structural reverse operations	0	0			
5.5 Marginal lending facility 5.6 Credits related to margin calls	0	60,000,000	7.1 Deposits and other liabilities 7.2 Liabilities arising from the credit facility under ERM II	2,578	2,529 0
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6. Other claims on euro area credit institutions denominated in euro	1,828,428	947,532,869	8. Counterpart of special drawing rights allocated by the IMF	0	0
7. Securities of euro area residents denominated in euro	75,075,229,320	76,536,148,136	9. Intra-Eurosystem liabilities	25,658,087,094	28,596,286,346
7.1 Securities held for monetary policy purposes	63,909,382,552	64,908,555,192	9.1 Liabilities related to promissory notes backing		
7.1 Securities ried for informatically policy purposes 7.2 Other securities of euro area residents denominated in euro	11,165,846,768	11,627,592,944	the issuance of ECB debt certificates	0	0
			9.2 Net liabilities related to the allocation of euro	-	
8. General government long-term debt denominated in euro	4,863,576,750	5,295,537,932	banknotes within the Eurosystem 9.3 Net liabilities arising from balances of TARGET2 accounts	0 25,658,087,094	0 28,596,286,346
9. Intra-Eurosystem claims	9,978,878,494	5,963,874,072	9.4 Other liabilities within the Eurosystem (net)	0	0
9.1 Participating interest in the ECB	472,980,896	564,765,496	10. Items in course of settlement	548,823	1,985,586
9.2 Claims equivalent to the transfer of foreign					
reserves to the ECB	1,002,089,435	1,178,260,606	11. Other liabilities	931,257,299	770,434,515
9.3 Net claims related to the allocation of euro banknotes within the Eurosystem	8,455,772,990	4,133,564,050	11.1 Off-balance-sheet instruments revaluation differences	0	37,766
9.4 Net claims arising from balances of TARGET2 accounts	0	0	11.2 Accruals and income collected in advance	66,916,406	47,212,839
9.5 Other claims within the Eurosystem (net)	48,035,173	87,283,920	11.3 Sundry	864,340,893	723,183,910
10. Items in course of settlement	0	0	12. Provisions	7,797,365,401	7,805,756,379
11. Other assets	2,110,926,323	2,101,918,610	13. Revaluation accounts	4,847,400,108	3,671,010,783
11.1 Coins of euro area 11.2 Tangible and intangible fixed assets	51,696,946 548,599,990	56,780,853 561,412,923	14. Capital and reserves	643,180,585	593,735,514
11.3 Other financial assets	104,632,067	101,614,906	14.1 Capital	111,243,362	111,243,362
11.4 Off-balance-sheet instruments revaluation differences	2,040,409	62,905	14.2 Ordinary reserve	111,243,362	111,243,362
11.5 Accruals and prepaid expenses 11.6 Sundry	826,922,126 577,034,785	819,046,810 563,000,213	14.3 Extraordinary reserve14.4 Special reserve from the revaluation of land	134,500,000	84,500,000
11.6 Sulldry	377,034,765	363,000,213	and buildings	284,890,789	285,443,789
			14.5 Other special reserves	1,303,072	1,305,001
TOTAL ASSETS	109,154,917,216	109,163,190,093	TOTAL LIABILITIES	109,154,917,216	109,163,190,093
OFF-BALANCE-SHEET ITEMS	31.12.2019	31.12.2018	NOTES:		
 Greek government securities relating to the management of the "Common capital of legal entities in public law and social security funds" according to Law 2469/97 	42,949,646,348	42,000,135,348	 Under Article 54A of the Bank's Statute, the financial statements of the Bank of Greece are drawn u by the European Central Bank (ECB) and applying to all members of the European System of Cent 	ral Banks (ESCB). Any issues that are not	covered by the aforementioned
2. Greek government securities and other debt securities relating to the management		1010 001	rules and ECB guidelines or are governed by non-mandatory provisions are to be treated either in a	ccordance with the ECB recommendation	s or in accordance with the Bank's
and custody of assets of public entities, social security funds and private agents 3. Assets eligible as collateral for Eurosystem monetary policy operations and intraday credit	4,488,903,130 17,332,193,717	4,340,621,093 13,766,457,281	Statute, Law 4548/2018 "Reform of the law on sociétés anonymes" and Law 4308/2014 "Greek Ac they do not contravene the provisions of the Statute.	counting Standards, relevant arrangement	s, and other provisions" insofar as
4. Assets accepted by the Bank of Greece as eligible collateral for emergency liquidity	,,		2. Gold has been valued at the price provided by the ECB as at 31 December 2019: €1,354.104 per fil		
assistance to credit institutions 5. Other off-balance-sheet items	10 405 850 543	11,788,827,794 15,328,728,889	Claims/liabilities denominated in foreign currency have been converted to euro using the euro foreign Poets securities (other than those hald to maturity, non-marketable securities and securities hald for		
	10,405,850,542		 Debt securities (other than those held-to-maturity, non-marketable securities and securities held for December 2019. Marketable debt securities classified as held-to-maturity, non-marketable securities 		
TOTAL OFF-BALANCE-SHEET ITEMS	75,176,593,737	87,224,770,405	cost and are subject to impairment. 5. The Bank's provisions include a provision against financial and operational risks, a provision for sta	ff incurence benefits, as well as associal as	revisione against possible appretin
			in the ball is provisions include a provision against interbute and operational risks, a provision include an adequate litigation 6. "Other off-balance-sheet items" include the liability of the Hellenic Republic to the IMF from the SDR Republic in favour of the IMF for the outstanding part of the loans received. As at 31.12.2019, the v 7. Certain items of the profit and loss account for the year 2018 have been reclassified to be compared.	provision. R allocations, as well as the promissory no alue of the promissory note was SDR 4.6	ote issued by the Hellenic billion, equivalent to €5.6 billion.
PROFIT AND LOSS ACCOUNT FOR THE YEAR 2018			STATEMENT OF PROFIT DIS	TRIBUTION	
	2019	2018	(Article 71 of the Statute)		
		(in euro)			

		2019	2018	
		,	euro)	
1. Net interest income		835,656,387	961,179,432	
1.1	Interest income	851,121,956	961,277,610	
1.2	Interest expense	-15,465,569	-98,178	
2. Net r	result of financial operations, write-downs			
	risk provisions	56,819,536	29,524,438	
2.1	Realised gains arising from financial operations	56,819,536	29,524,438	
2.2	Write-downs on financial assets and positions	-1,963,703	-7,346,535	
2.3	Transfer from provisions for financial risks	1,963,703	7,346,535	
3. Net i	ncome from fees and commissions	103,550,649	88,075,677	
3.1	Fees and commissions income	107,203,411	91.810.322	
3.2	Fees and commissions expense	-3,652,762	-3,734,645	
4. Incor	me from equity shares and participating interests	134,754,766	56,812,050	
5. Net r	result of pooling of monetary income	14,563,443	50,209,184	
6. Othe	er income	20,678,060	13,621,675	
Tota	al net income	1,166,022,841	1,199,422,456	
7. Staff	costs and pension benefit expenses	-824,338,330	-264,085,640	
8. Othe	er administrative expenses	-53,848,358	-67,838,799	
9. Depr	eciation of tangible and intangible fixed assets	-11,858,174	-12,541,221	
0. Cons	sultancy fees for the auditing of the banking system	-1,720,177	-784,390	
1. Prov	isions	568,055,696	-196,570,926	
Tota	al expenses	-323,709,343	-541,820,976	

	2019	2018
		(in euro)
Profit for the year	842,313,498	657,601,480
Dividend to be distributed for the year 2019 (€ 0.6720 per share for 19,864,886 shares)	-13,349,203	-9,477,934
Tax on dividends (at a rate 29%, Articles 47 and 58, Law 4172/2013, as currently in force)	0	-3,871,269
Extraordinary reserve	-50,000,000	0
Amount to be transferred to the Government	-778,964,295	-644,252,277
	0	0
Tax returned (*)	18,955,869	-
Amount to be distributed for the year 2018	-3,871,269	-
Amount to be distributed for the years 2014-2017	-15,084,600	
	0	

*According to Opinion no. 116/2019 of the State Legal Council (Section B), which was endorsed by the Governor of the Independent Authority for Public Revenue (by Circular E.2107/12.06.2019), distributed dividends of certain legal persons, including the Bank of Greece, are no longer taxed as business profits under Article 47 para. 1 of Law 4172/2013 (Government Gazette A 167) retroactively to 1.1.2014. As a result, the amounts already paid for taxes on business profits (Article 47 para. 1 of Law 4172/2013) pursuant to the earlier instructions of the Tax Administration (Circular POL 1059/2015) will be refunded to shareholders.

Athens, 17 February 2020

THE GOVERNOR THE DIRECTOR OF THE ACCOUNTING DEPARTMENT

YANNIS STOURNARAS MARIA PAGONI



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TRUE TRANSLATION FROM THE ORIGINAL IN GREEK

Independent Auditors' Report

To the Shareholders of the BANK OF GREECE

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Bank of Greece (the Bank), which comprise the balance sheet as at 31 December 2019, the profit and loss account and the statement of profit distribution for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2019 and its financial performance for the year then ended in accordance with the accounting principles prescribed by the European Central Bank (ECB), under the "Guideline (EU) 2016/2249 of 3.11.2016 (ECB/2016/34)" as amended and currently in force, as adopted by the Bank in Article 54A of its Statute, and for any issues that are not covered by the aforementioned ECB rules and guidelines, in accordance with Law 4548/2018 "Sociétés anonymes Law reform" and Law 4308/2014 "Greek Accounting Standards", where these have been implemented by the Bank.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as these have been incorporated into Greek legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We have been independent of the Bank during the whole period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as incorporated into Greek legislation and the ethical requirements in Greece relevant to the audit of the financial statements and we have fulfilled our ethical requirements in accordance with the applicable legislation and the above mentioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters and the relevant risks of material misstatement were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters

How our audit addressed the key audit matters

Provision against credit risk

The provision against financial risks amounted to \in 4,539 million as at 31 December 2019, compared to \in 5,307 million as at 31 December 2018. This provision also includes the provision against credit risk.

The estimation and the measurement of the provision against credit risk is performed by Management, with the use of a model, is subjective and involves a high degree of judgement to be applied by Management and therefore, we considered that it is a key audit matter.

Management has provided information on the provision against financial risks on Note 12 "Provisions", paragraph "c. Provision against Financial and Operational Risks" of the financial statements. On the basis of the audit risk assessment, and following a risk-based approach, we assessed the adequacy of the provision against credit risk measured by Management.

Our audit procedures include, among others, the following:

- Assessment of the design of the of the internal controls related to the provision against credit risk measured by Management, including the internal controls relevant to the appropriateness of the method and the model as well as Management's judgement for the estimation of this provision.
- With the support of our experts (risk specialists), assessment of the appropriateness of the methodology and the model used by Management to measure the credit risk, as well as assessment of Management's judgement.
- Testing the completeness and appropriateness of the underlying data used to measure the credit risk and, on a sample basis, testing the accuracy of this data.
- Assessment of the accuracy of the disclosures related to this key audit matter.



Key audit matters

How our audit addressed the key audit matters

Provision for defined benefit obligations to insured persons

The provision for defined benefit obligations to insured persons amounted to € 2,735.2 million as at 31 December 2019, compared to € 2,168.8 million as at 31 December 2018.

The estimation of the provision for defined benefit obligations to insured persons is performed with the use of an actuarial model and involves the exercise of Management's judgment on the determination of the significant actuarial assumptions. The estimation of these assumptions involves a significant degree of subjectivity. Due to the subjectivity and the high degree of judgment to be applied by Management, we considered that it is a key audit matter.

Management has provided further information on Note 12 "Provisions", paragraph "b. Provision for defined benefit obligations to insured persons" of the financial statements.

On the basis of the audit risk assessment, and following a risk-based approach, we evaluated the methodology and assumptions used by Management with regard to the provision for defined benefit obligations to insured persons. Our audit procedures include, among others, the following:

- Assessment of the design of the internal controls related to the completeness and accuracy of the data, the methodology and the assumptions used by Management to estimate the provisions for defined benefit obligations to insured persons.
- Assessment, with the support of our specialists (actuarial specialists), of the appropriateness and the reasonableness of the significant actuarial assumptions used in the actuarial report for estimating provisions for defined benefit obligations to insured persons.
- Testing of the completeness of the data used by the external actuary and on a sample basis testing its accuracy.
- Assessment of the accuracy of the disclosures related to this key audit matter.



Other information

Management is responsible for the other information. The other information is included in the General Council's Report, referred to in the "Report on Other Legal and Regulatory Requirements" and in the Report on the Greek Economy (Part A of the Governor's Report for the financial year 2019), but does not include the financial statements and our auditor's report thereon. The Governor's Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, upon our reading of the Governor's Report, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to communicate that fact to those charged with governance of the Bank.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting principles prescribed by the European Central Bank (ECB), under the "Guideline (EU) 2016/2249 of 3.11.2016 (ECB/2016/34)" as amended and currently in force, as adopted by the Bank in Article 54A of its Statute, and for any issues that are not covered by the aforementioned ECB rules and guidelines, in accordance with Law 4548/2018 "Sociétés anonymes Law reform" and Law 4308/2014 "Greek Accounting Standards", where these have been implemented by the Bank, and for such internal controls as Management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

The Audit Committee (article 44 of Law 4449/2017) of the Bank is responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as these have been incorporated into Greek legislation, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.



Auditor's responsibilities for the audit of the financial statements - Continued

As part of an audit in accordance with ISAs, as these have been incorporated into Greek legislation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit, 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements present fairly the underlying transactions and events.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those of most significance in the audit of the financial statements for the current period and are, therefore, the key audit matters.



Report on Other Legal and Regulatory Requirements

1. General Council's Report

Taking into consideration that Management is responsible for the preparation of the General Council's Report for the financial year 2019, which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 of Law 4336/2015 (part B), we note the following:

- a) The General Council's Report includes the Corporate Governance Statement, which provides the information required by article 152 of Law 4548/2018.
- b) In our opinion, the General Council's Report for the financial year 2019 has been prepared in accordance with the Bank's Statute and the applicable legal requirements of articles 150-151 and paragraph 1 (subparagraphs c' and d') of article 152 of Law 4548/2018 and its content is consistent with the accompanying financial statements for the year ended 31 December 2019.
- c) Based on the knowledge we obtained during our audit of the Bank of Greece and its environment, we have not identified any material inconsistencies in the General Council's Report.

2. Additional Report to the Audit Committee

Our audit opinion on the accompanying financial statements is consistent with the additional report to the Bank's Audit Committee referred to in Article 11 of European Union (EU) Regulation 537/2014.

3. Non-audit Services

We have not provided to the Bank any prohibited non-audit services referred to in Article 5 of European Union (EU) Regulation 537/2014.

The allowable non-audit services provided to the Bank, during the year ended 31 December 2019 are disclosed in Note "VI. Additional Information" of the accompanying financial statements.

4. Appointment

We were appointed statutory auditors for the first time by the General Assembly of the Bank of Greece on 24 February 2017. Our appointment has been, since then, uninterruptedly renewed for two consecutive years based on the decisions reached by shareholder's Annual General Assembly.

17 February 2020

The Certified Public Accountant

The Certified Public Accountant

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