



**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2009**

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
for the nine months ended 30 September 2009

CONTENTS	Page
Condensed Interim Consolidated Income Statement for the nine months ended 30 September 2009	1
Condensed Interim Consolidated Income Statement for the three months ended 30 September 2009	2
Condensed Interim Consolidated Statement of Financial Position	3
Condensed Interim Consolidated Statement of Comprehensive Income for the nine months ended 30 September 2009	4
Condensed Interim Consolidated Statement of Comprehensive Income for the three months ended 30 September 2009	5
Condensed Interim Consolidated Statement of Changes in Equity	6
Condensed Interim Consolidated Statement of Cash Flows	7
Notes to the Condensed Interim Consolidated Financial Statements	8

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT
for the nine months ended 30 September 2009

	9 months ended 30.09.2009	9 months ended 30.09.2008
Note	€ '000	€ '000
Net interest income	455.925	556.434
Net fee and commission income	164.541	221.500
Profit/(loss) on disposal and revaluation of securities	122.291	(23.302)
Foreign exchange and other income	59.132	84.653
Operating income	801.889	839.285
Staff costs	(271.086)	(248.895)
Depreciation and amortisation	(39.586)	(34.744)
Administrative expenses	(132.238)	(121.436)
Profit before provision for impairment of advances	358.979	434.210
Provision for impairment of advances	(183.882)	(69.889)
Profit before share of profit from associates	175.097	364.321
Share of profit from associates	11.464	1.871
Profit before tax	186.561	366.192
Tax	(41.815)	(57.612)
Profit after tax from continuing operations	144.746	308.580
Profit after tax from discontinued operations	-	24.330
Profit for the period	144.746	332.910
Attributable to:		
Owners of the Bank	143.918	323.322
Non-controlling interests	828	9.588
	144.746	332.910
Earnings per share – for profit attributable to the owners of the Bank		
Earnings per share - cent	4	39,8
Earnings per share - for profit after tax from continuing operations attributable to the owners of the Bank		
Earnings per share - cent	4	36,8

The notes on pages 8 to 29 are an integral part of these condensed interim consolidated financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT
for the three months ended 30 September 2009

	3 months ended 30.09.2009	3 months ended 30.09.2008
Note	€ '000	€ '000
Net interest income	169.968	199.958
Net fee and commission income	60.665	75.151
Profit/(loss) on disposal and revaluation of securities	43.512	(21.227)
Foreign exchange and other income	16.524	33.227
Operating income	290.669	287.109
Staff costs	(91.618)	(89.024)
Depreciation and amortisation	(13.970)	(11.964)
Administrative expenses	(47.067)	(44.472)
Profit before provision for impairment of advances	138.014	141.649
Provision for impairment of advances	(60.291)	(22.680)
Profit before share of profit from associates	77.723	118.969
Share of profit from associates	4.567	728
Profit before tax	82.290	119.697
Tax	(27.638)	(19.537)
Profit after tax from continuing operations	54.652	100.160
Profit after tax from discontinued operations	-	5.340
Profit for the period	54.652	105.500
Attributable to:		
Owners of the Bank	53.587	102.918
Non-controlling interests	1.065	2.582
	54.652	105.500
Earnings per share – for profit attributable to the owners of the Bank		
Earnings per share – cent	4	12,4
	6,4	
Earnings per share - for profit after tax from continuing operations attributable to the owners of the Bank		
Earnings per share – cent	4	11,8

The notes on pages 8 to 29 are an integral part of these condensed interim consolidated financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 September 2009

	Note	30.09.2009 € '000	31.12.2008 € '000
Assets			
Cash and balances with Central Banks		747.373	1.839.670
Due from other banks		3.755.029	4.354.181
Financial assets at fair value through profit or loss	7	261.987	356.919
Advances to customers	8	24.357.780	23.427.226
Debt securities lending		932.377	938.295
Available-for-sale financial assets		5.594.884	3.606.173
Held-to-maturity financial assets		1.798.351	1.164.036
Other assets	7	694.743	663.338
Investments in associates		109.556	99.473
Intangible assets		1.644.339	1.642.983
Property and equipment	10	295.411	274.858
Total assets		40.191.830	38.367.152
Liabilities			
Due to other banks		8.049.331	6.863.205
Customer deposits		24.552.176	24.828.269
Senior debt	11	1.419.006	1.079.042
Loan capital	12	1.061.947	725.907
Other liabilities	7	1.363.795	1.301.153
Total liabilities		36.446.255	34.797.576
Share capital and reserves attributable to the owners of the Bank			
Share capital	13	716.016	705.607
Share premium	13	2.161.217	2.144.141
Reserves	14	707.082	580.073
		3.584.315	3.429.821
Non-controlling interests		161.260	139.755
Total equity		3.745.575	3.569.576
Total equity and liabilities		40.191.830	38.367.152

The notes on pages 8 to 29 are an integral part of these condensed interim consolidated financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the nine months ended 30 September 2009

	9 months ended 30.09.2009 € '000	9 months ended 30.09.2008 € '000
Profit for the period	144.746	332.910
Other comprehensive income		
Revaluation and transfer to results on disposal and impairment of available-for-sale financial assets	143.919	(101.775)
Deferred tax on revaluation of available-for-sale financial assets	(23.565)	16.594
	120.354	(85.181)
Revaluation of property	-	192
Amortisation of loss on available-for-sale financial assets reclassified	2.658	1.567
Share of fair value reserves of associates	(131)	-
Exchange differences arising in the period	(18.720)	79
Other comprehensive income for the period, net of tax	104.161	(83.343)
Total comprehensive income for the period	248.907	249.567
Total comprehensive income attributable to:		
Owners of the Bank	245.966	243.323
Non-controlling interests	2.941	6.244
	248.907	249.567

The notes on pages 8 to 29 are an integral part of these condensed interim consolidated financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the three months ended 30 September 2009

	3 months ended 30.09.2009 € '000	3 months ended 30.09.2008 € '000
Profit for the period	54.652	105.500
Other comprehensive income		
Revaluation and transfer to results on disposal and impairment of available-for-sale financial assets	73.011	(61.637)
Deferred tax on revaluation of available-for-sale financial assets	(10.517)	7.118
	62.494	(54.519)
Revaluation of property	-	(13)
Amortisation of loss on available-for-sale financial assets reclassified	1.205	1.567
Share of fair value reserves of associates	156	-
Exchange differences arising in the period	(11.093)	(2.840)
Other comprehensive income for the period, net of tax	52.762	(55.805)
Total comprehensive income for the period	107.414	49.695
Total comprehensive income attributable to:		
Owners of the Bank	105.594	48.786
Non-controlling interests	1.820	909
	107.414	49.695

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MARFIN POPULAR BANK PUBLIC CO LTD GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the nine months ended 30 September 2009

	Note	Attributable to the owners of the Bank				Non-controlling interests	Total
		Share capital € '000	Share premium € '000	Other reserves € '000	Revenue reserves € '000	€ '000	€ '000
Nine months ended 30 September 2009							
Balance 1 January 2009		705.607	2.144.141	(278.653)	858.726	139.755	3.569.576
Dividend	14,15	-	-	-	(124.519)	-	(124.519)
Dividend re-investment	13,15	10.409	17.144	-	-	-	27.553
Share issue costs	13	-	(68)	-	-	-	(68)
Cost of share-based payments to employees	13,14	-	-	-	2.183	55	2.238
Dividend paid by subsidiaries		-	-	-	-	(1.702)	(1.702)
Effect of change in non-controlling interests from changes in shareholdings in subsidiaries and other movements	14	-	-	-	3.379	20.211	23.590
		716.016	2.161.217	(278.653)	739.769	158.319	3.496.668
Profit for the period		-	-	-	143.918	828	144.746
Other comprehensive income for the period, net of tax		-	-	102.048	-	2.113	104.161
Total comprehensive income for the period		-	-	102.048	143.918	2.941	248.907
Balance 30 September 2009		716.016	2.161.217	(176.605)	883.687	161.260	3.745.575
Nine months ended 30 September 2008							
Balance 1 January 2008		680.613	2.017.708	(45.074)	736.348	92.623	3.482.218
Dividend	14,15	-	-	-	(278.842)	-	(278.842)
Dividend re-investment	13,15	28.420	126.717	-	-	-	155.137
Share issue costs	13	-	(284)	-	-	-	(284)
Difference from conversion of share capital into Euro	13,14	(3.426)	-	3.426	-	-	-
Cost of share-based payments to employees	13,14	-	-	-	2.736	79	2.815
Dividend paid by subsidiaries		-	-	-	-	(1.850)	(1.850)
Acquisition of subsidiary		-	-	-	-	66.035	66.035
Effect of change in non-controlling interests from changes in shareholdings in subsidiaries and other movements	14	-	-	-	38	(21.112)	(21.074)
		705.607	2.144.141	(41.648)	460.280	135.775	3.404.155
Profit for the period		-	-	-	323.322	9.588	332.910
Other comprehensive income for the period, net of tax		-	-	(79.999)	-	(3.344)	(83.343)
Total comprehensive income for the period		-	-	(79.999)	323.322	6.244	249.567
Balance 30 September 2008		705.607	2.144.141	(121.647)	783.602	142.019	3.653.722

The notes on pages 8 to 29 are an integral part of these condensed interim consolidated financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
for the nine months ended 30 September 2009

	9 months ended 30.09.2009	9 months ended 30.09.2008
Note	€ '000	€ '000
Cash (used in)/generated from operations	(36.516)	1.474.138
Tax paid	(69.057)	(83.679)
	(105.573)	1.390.459
Cash flows from investing activities		
Purchase less proceeds from disposal of property and equipment	(28.255)	(21.277)
Purchase less proceeds from disposal of computer software	(4.276)	(4.665)
Purchase less proceeds from disposal of investment property	(5.523)	30.336
Additions less proceeds from redemption and sale of available-for-sale financial assets and redemption of held-to-maturity financial assets	(2.382.953)	(2.591.762)
Income received from financial assets	137.652	183.214
Acquisition of subsidiaries net of cash and cash equivalents acquired	5.042	46.453
Changes in shareholdings in subsidiaries	(3.040)	(28.160)
Dividend received from investments in associates	936	-
	(2.280.417)	(2.385.861)
Cash flows from financing activities		
Dividend paid	(96.966)	(123.705)
Share issue costs	(68)	(284)
Proceeds from the issue of senior debt and loan capital	907.808	509.506
Repayment of senior debt and loan capital	(134.696)	(318.685)
Interest paid on senior debt and loan capital	(42.374)	(68.645)
Dividend and return of share capital by subsidiaries to non-controlling interests	(1.270)	(1.175)
	632.434	(2.988)
Net cash from/(used in) financing activities	632.434	(2.988)
Effects of exchange rate changes	(3.675)	(881)
Net decrease in cash and cash equivalents	(1.757.231)	(999.271)
Cash and cash equivalents at beginning of period	5.283.772	5.018.066
Cash and cash equivalents at end of period	3.526.541	4.018.795

The notes on pages 8 to 29 are an integral part of these condensed interim consolidated financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The condensed interim consolidated financial statements consolidate the financial statements of Marfin Popular Bank Public Co Ltd (the “Bank”) and its subsidiaries (the “Group”), for the nine months ended 30 September, 2009.

The principal activities of the Group are the provision of banking and financial services.

The Bank was established in Cyprus in 1901 under the name “Popular Savings Bank of Limassol”. In 1924 it was registered as the first public company in Cyprus under the name “The Popular Bank of Limassol Ltd”. In 1967 the Bank changed its name to “Cyprus Popular Bank Ltd” and on 26 May, 2004 it was renamed to “Cyprus Popular Bank Public Company Ltd”. An Extraordinary General Meeting held on 31 October, 2006 unanimously approved the change of its name to “Marfin Popular Bank Public Co Ltd”. The Bank’s shares are listed on the Cyprus Stock Exchange and the Athens Exchange. The Bank’s registered office is at 154, Limassol Avenue, 2025 Nicosia, Cyprus.

2. SIGNIFICANT ACCOUNTING POLICIES

The condensed interim consolidated financial statements for the nine months ended 30 September, 2009 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board and adopted by the European Union.

The condensed interim consolidated financial statements are presented in Euro, which is the functional and presentation currency of the Bank. All amounts are rounded to the nearest thousand, unless where reported otherwise.

The same accounting policies as for the annual consolidated financial statements for the year 2008 have been adopted in the preparation of the condensed interim consolidated financial statements except for the adoption by the Group of International Accounting Standard 1 (Revised 2007) “Presentation of Financial Statements” and International Financial Reporting Standard 8 “Operating Segments”, as described below.

The condensed interim consolidated financial statements do not include all the information and disclosures required for the annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December, 2008.

The condensed interim consolidated financial statements for the nine months ended 30 September, 2009 have not been audited or reviewed by the Group’s external independent auditors.

The Group has adopted all applicable new and revised International Financial Reporting Standards (IFRSs) and all revised International Accounting Standards (IASs), which are relevant to its operations and are applicable for accounting periods beginning on 1 January, 2009 as stated below:

(a) IAS 1 (Revised 2007), Presentation of Financial Statements

The revised standard prohibits the presentation of items of income and expenses (that is non-owner changes in equity) in the statement of changes in equity, requiring non-owner changes in equity to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement. Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has elected to present two statements: an income statement and a statement of comprehensive income. The condensed interim consolidated financial statements have been prepared under the revised disclosure requirements.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) IFRS 8, Operating Segments

IFRS 8 replaces IAS 14 “Segment Reporting”. It requires a “management approach” under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. Operating segments are reported in a manner consistent with the internal reporting provided to management. In the previous annual and interim financial statements, segments were identified by reference to the principal sources and nature of the Group’s risks and returns.

(c) IFRS 2, Share-based Payment (Amendment 2008: Vesting Conditions and Cancellations)

This amendment clarifies that only service conditions and performance conditions are vesting conditions. All other features are not vesting conditions and need to be included in the grant date fair value and do not impact the number of awards expected to vest or the valuation subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment.

(d) IFRIC 13, Customer Loyalty Programmes

IFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement by using fair values.

(e) IFRIC 16, Hedges of a Net Investment in a Foreign Operation

IFRIC 16 clarifies the accounting treatment in respect of net investment hedging.

(f) IAS 39 (Amendment), Financial Instruments: Recognition and Measurement

This amendment clarifies that it is possible that there are movements into and out of the fair value through profit or loss category where a derivative commences or ceases to qualify as a hedging instrument and requires use of revised effective interest rate on cessation of fair value hedge accounting.

3. COMPARATIVES

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current period. The condensed interim consolidated statement of financial position at 31 December, 2008 has been restated to reflect the adjustments to the initial accounting in relation to the initial results of the purchase price allocation regarding the acquisition of Lombard Bank Malta Plc and Rossiysky Promyishlenny Bank as explained in Note 17. No comparative statement of financial position is presented as at 31 December, 2007 as it has not been affected by the aforementioned. The condensed interim consolidated income statement for the period ended 30 September, 2008 has been restated to reflect the classification of the insurance operations of the Group as discontinued operations (Note 6).

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. EARNINGS PER SHARE

	9 months ended 30.09.2009 € '000	9 months ended 30.09.2008 € '000	3 months ended 30.09.2009 € '000	3 months ended 30.09.2008 € '000
Profit attributable to the owners of the Bank	143.918	323.322	53.587	102.918
	'000	'000	'000	'000
Weighted average number of ordinary shares in issue during the period	835.115	811.550	842.372	830.126
Earnings per share – cent	17,2	39,8	6,4	12,4
			9 months ended 30.09.2008 € '000	3 months ended 30.09.2008 € '000
Profit after tax from continuing operations			308.580	100.160
Non-controlling interests			(9.575)	(2.582)
Profit after tax from continuing operations attributable to the owners of the Bank			299.005	97.578
			'000	'000
Weighted average number of ordinary shares in issue during the period			811.550	830.126
Earnings per share – cent			36,8	11,8

Diluted earnings per share in relation to the Share Options is not presented, as the exercise price of the Share Options was higher than the average market price of Marfin Popular Bank Public Co Ltd shares at the Cyprus Stock Exchange and Athens Exchange during the period ended 30 September, 2008 and 30 September, 2009.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

5. SEGMENTAL ANALYSIS

Under IFRS 8, reported segment profits are based on internal management reporting information that is regularly reviewed by management, and is reconciled to the Group's profit. The Group operates six main business segments:

- (a) Corporate and investment banking which includes all commercial and investment banking business derived from corporate clients.
- (b) Retail banking which includes all commercial banking business from retail clients.
- (c) Wealth management which includes all business from high net worth individuals (banking and asset management business).
- (d) International business banking which includes all business from services offered to international business banking customers.
- (e) Treasury and capital markets which includes all treasury and capital market activity.
- (f) Participations, investments and other segments which includes the various participations and investments of the Group and all other business not falling into any of the other segments.

	Corporate and investment banking € '000	Retail banking € '000	Wealth management € '000	International business banking € '000	Treasury and capital markets € '000	Participations, investments and other segments € '000	Total € '000
Nine months ended 30 September 2009							
Operating income from third parties	291.923	225.351	40.446	76.286	176.657	(8.774)	801.889
Profit/(loss) before tax	151.676	(167.933)	5.189	48.452	163.352	(9.325)	191.411
Nine months ended 30 September 2008							
Operating income from third parties	292.013	321.859	83.444	157.164	43.168	(58.363)	839.285
Profit/(loss) before tax	174.757	28.494	63.809	137.504	31.840	(57.801)	378.603

Segment profit is the profit before share of profit from associates excluding amortisation of intangibles. The computation of the profit before share of profit from associates is as presented in the condensed interim consolidated income statement, that is net interest income, net fee and commission income, profit/(loss) on disposal and revaluation of securities, foreign exchange and other income less staff costs, depreciation (except for amortisation of intangible assets), administrative expenses and provision for impairment of advances.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

5. SEGMENTAL ANALYSIS (continued)

Segment profit before tax is reconciled to the Group's profit before tax and discontinued operations as follows:

	9 months ended 30.09.2009 € '000	9 months ended 30.09.2008 € '000
Segment profit before tax	191.411	378.603
Share of profit from associates	11.464	1.871
Amortisation of intangibles	(16.314)	(14.282)
Group profit before tax and discontinued operations	186.561	366.192

6. DISCONTINUED OPERATIONS

On 18 December, 2008 the long-term cooperation agreement between the French CNP Assurances S.A. (CNP) and the Group for the development of insurance activities in Greece and Cyprus via the Group's networks was finalised. This agreement included the transfer of 50,1% of the share capital of Marfin Insurance Holdings Ltd from the Bank to CNP and the reaching of a ten year renewable, exclusive distribution agreement with the option to expand to other countries that the Group is active. Marfin Insurance Holdings Ltd holds 100% of Laiki Cyprialife Ltd (life insurance in Cyprus), Laiki Insurance Ltd (general insurance in Cyprus and Greece), Marfin Life S.A. (life insurance in Greece) and Marfin Insurance Brokers S.A. (agency insurance activities in Greece).

As a result of the aforementioned and in accordance with IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", the assets and liabilities of the insurance companies are no longer consolidated as from the date on which CNP assumed management control of these companies. The 49,9% participation of the Bank in these companies is now classified as investment in associate.

The results of the insurance companies for the first nine months of 2008 when the Bank owned 100% of the companies, are included in the condensed interim consolidated income statement as profit after tax from discontinued operations. This profit is analysed as follows:

	€ '000
Net interest income	4.300
Net fee and commission income	875
Loss on disposal and revaluation of securities	(184)
Net premiums and other income from insurance contracts	106.388
Net benefits, claims and other expenses from insurance contracts	(36.148)
Net expenses from assets backing policyholders' liabilities	(42.970)
Other income	15.106
Operating income	47.367
Staff costs	(11.396)
Depreciation and amortisation	(472)
Administrative expenses	(4.760)
Profit before provision for impairment of advances	30.739
Provision for impairment of advances	(9)
Profit before tax	30.730
Tax	(6.400)
Profit after tax from discontinued operations	24.330

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

7. DERIVATIVE FINANCIAL INSTRUMENTS

Included within financial assets at fair value through profit or loss is an amount of € 84,7 m (31 December, 2008: € 149,4 m) which relates to the positive fair value of derivative financial instruments and within other assets an amount of € 2,2 m (31 December, 2008: € 2,7 m), which relates to the positive fair value of derivative financial instruments, for which hedge accounting is applied. Included within other liabilities is an amount of € 271,3 m (31 December, 2008: € 327 m), which relates to the negative fair value of derivative financial instruments.

8. ADVANCES TO CUSTOMERS

	30.09.2009	31.12.2008
	€ '000	€ '000
Advances to customers	24.084.305	23.027.351
Installment finance and leasing	1.054.176	1.030.211
	25.138.481	24.057.562
Provision for impairment of advances (Note 9)	(780.701)	(630.336)
	24.357.780	23.427.226

9. PROVISION FOR IMPAIRMENT OF ADVANCES

Movement in the nine months ended 30 September, 2009 and 30 September, 2008:

	2009	2008
	€ '000	€ '000
Balance 1 January	630.336	570.386
Provision for impairment of advances from acquisition of subsidiaries	-	9.992
Provision for impairment of advances for the period:		
Continuing operations	228.979	126.077
Discontinued operations	-	9
Release of provision and recoveries	(45.097)	(56.188)
Advances written-off	(30.662)	(37.023)
Exchange differences	(2.855)	856
Balance 30 September	780.701	614.109

10. PROPERTY AND EQUIPMENT

Movement in the nine months ended 30 September, 2009 and 30 September, 2008:

	2009	2008
	€ '000	€ '000
Net book value at 1 January	274.858	286.760
Property and equipment from acquisition of subsidiaries	13.672	14.268
Transfer to the category "Investment property"	(2.764)	-
Additions less disposals of property and equipment	28.241	23.358
Revaluation of property	-	192
Depreciation	(17.718)	(15.608)
Exchange differences	(878)	(1.184)
Net book value at 30 September	295.411	307.786

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

11. SENIOR DEBT

	30.09.2009	31.12.2008
	€ '000	€ '000
Debentures Marfin Popular Bank Public Co Ltd (2007/2010)	625.421	683.897
Debentures Marfin Popular Bank Public Co Ltd (2009/2012)	418.307	-
Debentures Egnatia Finance Plc (2009/2010)	7.850	-
Debentures Egnatia Finance Plc (2009/2013)	7.422	-
Bond loan (Schuldschein) Marfin Egnatia Bank S.A. (2007/2010)	50.000	50.000
Bond loan (Schuldschein) Marfin Egnatia Bank S.A. (2008/2011)	50.000	50.000
Syndicated loan Marfin Egnatia Bank S.A. (2008/2010)	250.000	250.000
Promissory Notes Rossiysky Promyishlenny Bank	10.006	45.145
	<u>1.419.006</u>	<u>1.079.042</u>

Debentures Marfin Popular Bank Public Co Ltd (2007/2010), Debentures Marfin Popular Bank Public Co Ltd (2009/2012), Debentures Egnatia Finance Plc (2009/2010) and Debentures Egnatia Finance Plc (2009/2013)

During 2004 the Bank set up a Euro Medium Term Note (EMTN) Programme (the "Programme") for a total amount of € 750 m. In May 2006, an increase of the size of the Programme to € 1 bln was approved and in May 2007 a further increase to € 3 bln was approved. Pursuant to the Programme the Bank has the ability to issue senior and/or subordinated debt in accordance to its needs. In December 2008 the Programme was revised to enable Marfin Egnatia Bank S.A. and Egnatia Finance Plc guaranteed by Marfin Egnatia Bank S.A. to issue senior and/or subordinated debt.

In May 2007, the Bank issued € 750 m of senior debt due in 2010. The debentures are repayable within three years from their issue and pay interest every three months. The interest rate is set at the three-month rate of Euro (Euribor) plus 0,29%. In May 2009, the Bank repurchased and cancelled debentures of € 100 m. Part of the debentures is held by Group companies.

In September 2009, the Bank issued € 500 m of senior debt due in 2012. The debentures are repayable within three years from their issue and pay interest once a year, on 21 September. The interest rate is set at 4,375%. Part of the debentures is held by Group companies.

In March 2009, Egnatia Finance Plc, subsidiary of Marfin Egnatia Bank S.A., issued € 10 m of senior debt due in 2010. The debentures are repayable within one year from their issue and pay interest every six months. The interest rate is set at 12%. Part of the debentures is held by Group companies.

In September 2009, Egnatia Finance Plc issued USD 30 m (€ 21 m) of senior debt due in 2013. The debentures are repayable within four years from their issue and pay interest every three months. The interest rate is set at the three-month rate of United States Dollar. Part of the debentures is held by Group companies.

All the above debentures are issued based on the Programme and are listed on the Luxembourg Stock Exchange.

Bond loan (Schuldschein) Marfin Egnatia Bank S.A. (2007/2010)

In December 2007, Marfin Egnatia Bank S.A. issued € 50 m three year bond loan (Schuldschein) due in December 2010. Interest is paid monthly, quarterly or half yearly, based on the decision of Marfin Egnatia Bank S.A., with the interest rate of Euro (Euribor) of the respective period (month, quarter, half year) plus 0,25%. The bonds or part of them can be repurchased earlier after a decision of Marfin Egnatia Bank S.A.

Bond loan (Schuldschein) Marfin Egnatia Bank S.A. (2008/2011)

In March 2008, Marfin Egnatia Bank S.A. issued € 50 m three year bond loan (Schuldschein) due in March 2011. Interest is paid half yearly, with the six-month interest rate of Euro (Euribor) plus 0,25%. The bonds or part of them can be repurchased earlier after a decision of Marfin Egnatia Bank S.A.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

11. SENIOR DEBT (continued)

Syndicated loan Marfin Egnatia Bank S.A. (2008/2010)

In September 2008, Marfin Egnatia Bank S.A. issued € 250 m two year syndicated loan due in September 2010. Interest is paid every three months, with the three-month rate of Euro (Euribor) plus 0,60%. The loan or part of it can be repurchased earlier after a decision of Marfin Egnatia Bank S.A.

Promissory Notes Rossiysky Promyishlenny Bank

Rossiysky Promyishlenny Bank issues promissory notes to customers. As at 30 September, 2009 the issued promissory notes bore interest rates for Russian Rubles up to 18% and for Euro and United States Dollar up to 11% and maturity up to 15 July, 2010. These promissory notes were issued at a discount and will be repaid at face value on their maturity.

12. LOAN CAPITAL

	30.09.2009	31.12.2008
	€ '000	€ '000
Convertible debentures Marfin Egnatia Bank S.A. (2003/2013)	-	231
Debentures Egnatia Finance Plc (2005/2015)	80.000	80.000
Eurobonds Marfin Popular Bank Public Co Ltd due 2016	436.938	437.162
Debentures Egnatia Finance Plc (2009/2019)	94.569	-
Capital securities Marfin Popular Bank Public Co Ltd	442.229	199.974
Subordinated debt Rossiysky Promyishlenny Bank (2004/2014)	8.211	8.540
	1.061.947	725.907

Convertible debentures Marfin Egnatia Bank S.A. (2003/2013)

In January 2003, Marfin Egnatia Bank S.A. issued € 30 m convertible debentures due in 2013. Interest rate was equal to the three-month rate of Euro (Euribor) plus 1,75% until their call in date and 3,25% until maturity. The interest was paid every three months on 31 March, 30 June, 30 September and 31 December. The issuing bank had the right to call in the debentures after the end of the fifth year. The debentures were not secured and they ranked for payment after the claims of depositors and other creditors. The convertible debentures formed a series of nominal debentures convertible into new ordinary shares of the issuing bank of a nominal value of € 1,27 at the conversion rate of ten to ten. On 31 March, 2009 Marfin Egnatia Bank S.A. called in all remaining debentures, after allowing the debenture holders to exercise their right to convert their debentures prior to the call in date.

Debentures Egnatia Finance Plc (2005/2015)

In May 2005, Egnatia Finance Plc issued € 80 m debentures due in 2015. The debentures are repayable within ten years from their issue and pay interest every three months. The interest rate is set at the three-month rate of Euro (Euribor) plus 1,10% until their call in date and 2,40% until maturity. The issuing bank has the right to call in the debentures after the end of the fifth year.

The debentures constitute direct, unsecured, subordinated obligations (Tier II Capital), but are guaranteed by Marfin Egnatia Bank S.A. and they rank for payment after the claims of depositors and other creditors. The debentures are listed on the Luxembourg Stock Exchange.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

12. LOAN CAPITAL (continued)

Eurobonds Marfin Popular Bank Public Co Ltd due 2016 and Debentures Egnatia Finance Plc (2009/2019)

During 2004 the Bank set up a Euro Medium Term Note (EMTN) Programme for a total amount of € 750 m. In May 2006, an increase of the size of the Programme to € 1 bln was approved and in May 2007 a further increase to € 3 bln was approved. Pursuant to the Programme the Bank has the ability to issue senior and/or subordinated debt in accordance to its needs. In December 2008 the Programme was revised to enable Marfin Egnatia Bank S.A. and Egnatia Finance Plc guaranteed by Marfin Egnatia Bank S.A. to issue senior and/or subordinated debt.

In May 2006, the Bank issued € 450 m of subordinated debt. The issue was in the form of subordinated bonds, maturing in 10 years. The Bank has the right to call in the bonds after five years from their issue. The interest rate is set at the three-month rate of Euro (Euribor) plus 0,75% for the first five years, increased by 1% if the bonds are not called in. Part of the debentures is held by Group companies.

In May 2009, Egnatia Finance Plc, subsidiary of Marfin Egnatia Bank S.A. issued USD 60 m (€ 41 m) of subordinated debt. The issue was in the form of subordinated bonds, maturing in 10 years, under the guarantee of Marfin Egnatia Bank S.A. with the right to call in the bonds after five years from the issue date, upon written authorisation of the Bank of Greece. The interest rate is set at 5,5% over their whole duration. Part of the debentures is held by Group companies.

In July 2009, Egnatia Finance Plc, issued € 60 m of subordinated debt. The issue was in the form of subordinated bonds, maturing in 10 years, under the guarantee of Marfin Egnatia Bank S.A., with the right to call in the bonds after five years from the issue date, upon written authorisation of the Bank of Greece. The interest rate is set at 6,5% over their whole duration.

The bonds constitute direct, unsecured, subordinated obligations (Tier II Capital) and rank for payment after the claims of the depositors and other creditors. All the above bonds are issued based on the Programme and listed on the Luxembourg Stock Exchange.

Capital securities Marfin Popular Bank Public Co Ltd

On 17 March, 2008 the Board of Directors of the Bank approved the issue of capital securities up to the amount of € 200 m which would be included in the Hybrid Tier I Capital of the Bank. Capital securities of € 116 m (1st Tranche) that were offered to a limited group of individuals, professional investors and individuals who each invested at least € 50.000, were issued on 14 April, 2008 at a nominal value of € 1.000 each. During the second phase (2nd Tranche), capital securities of € 84 m that were offered to the general public through a Public Offer, were issued on 30 June, 2008, at a nominal value of € 1.000 each. The capital securities of the 1st Tranche pay 6,50% fixed interest rate for the first four quarters and the capital securities of the 2nd Tranche pay 6,50% fixed interest rate for the first three quarters, and subsequently a floating rate, which is reviewed on a quarterly basis. The interest rate is equal to the three-month rate of Euro (Euribor) at the beginning of each quarter plus 1,50% and interest is payable every three months, at 31 March, 30 June, 30 September and 31 December. The capital securities of the 1st Tranche were listed on the Cyprus Stock Exchange on 24 July, 2008 and of the 2nd Tranche on 6 November, 2008.

On 19 March, 2009 the Board of Directors of the Bank approved the issue of capital securities up to the amount of € 250 m which would also be included in the Hybrid Tier I Capital of the Bank. The issue, which was addressed to a limited group of individuals, professional investors and individuals who invested at least € 50.000 each, was completed on 13 May, 2009 and amounted to € 242,2 m. The capital securities bear a fixed interest rate of 7% and the interest is payable every three months. The capital securities were listed on the Cyprus Stock Exchange on 12 August, 2009.

The capital securities do not have a maturity date but may, at the Bank's discretion, after approval by the Central Bank of Cyprus, be acquired in their entirety at their nominal value, together with any accrued interest, five years after the date of issue or on any interest payment date after that. The capital securities constitute direct, unsecured, subordinated obligations of the Bank and rank for payment after the claims of the depositors and other creditors.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

12. LOAN CAPITAL (continued)

Subordinated debt Rossiysky Promyishlenny Bank (2004/2014)

In December 2004, Rossiysky Promyishlenny Bank received a deposit maturing in 2014. Interest rate is set at 8% annually. The deposit constitutes direct obligation and ranks for payment after the claims of other creditors.

13. SHARE CAPITAL AND SHARE PREMIUM

	Number of shares '000	Share capital € '000	Share premium € '000	Total € '000
Nine months ended 30 September 2009				
Balance 1 January	830.126	705.607	2.144.141	2.849.748
Dividend re-investment	12.246	10.409	17.144	27.553
Share issue costs	-	-	(68)	(68)
	<u>842.372</u>	<u>716.016</u>	<u>2.161.217</u>	<u>2.877.233</u>
Balance 30 September				
Nine months ended 30 September 2008				
Balance 1 January	796.691	680.613	2.017.708	2.698.321
Difference from conversion of share capital into Euro	-	(3.426)	-	(3.426)
Dividend re-investment	33.435	28.420	126.717	155.137
Share issue costs	-	-	(284)	(284)
	<u>830.126</u>	<u>705.607</u>	<u>2.144.141</u>	<u>2.849.748</u>
Balance 30 September				

At the Extraordinary General Meeting of the shareholders of the Bank which was held on 19 May, 2009 approval was granted for the increase of the authorised nominal share capital of the Bank from € 807.500.000 to € 935.000.000 by the creation of 150.000.000 additional shares of € 0,85 nominal value each.

In June 2009, the Bank issued 12.246.000 new ordinary shares, of nominal value € 0,85, which resulted from the re-investment of the dividend for the year 2008 in accordance with the Dividend Re-investment Scheme. Based on the Scheme the Bank's shareholders had the option of part or full re-investment of the net 2008 dividend that was paid, into additional shares of the Bank. The exercise price of the re-investment right of the 2008 dividend was set at € 2,25 per share, that was 10% lower than the average closing price of the Bank's share on the Cyprus Stock Exchange and the Athens Exchange for the period from 26 May to 1 June, 2009. The trading of the newly issued shares commenced on 25 June, 2009.

As at 30 September, 2009 the Bank's authorised share capital comprises 1,1 bln shares (31 December, 2008: 950 m shares) of € 0,85 each (31 December, 2008: € 0,85).

All issued ordinary shares are fully paid and carry the same rights.

The share premium is not available for distribution to equity holders.

13. SHARE CAPITAL AND SHARE PREMIUM (continued)

Share Options

In April 2007, the Extraordinary General Meeting of the shareholders approved the introduction of a Share Options Scheme (the "Scheme") for the members of the Board of Directors of the Bank and the Group's employees. The shares to be issued with the application of this Scheme will have the same nominal value as the existing issued shares, that is, € 0,85 each. The exercise price of each share option (the "Option") was set at € 10.

Following the aforementioned approval and the ensuing decision of the Bank's Board of Directors on 9 May, 2007, 70.305.000 Options were granted with a maturity date 15 December, 2011. The Options can be exercised by the holders during the years 2007 to 2011, according to the allocation determined by the Board of Directors, following a recommendation by the Remuneration Committee, based on the holders' performance being up to the Bank's expectations.

The fair value of the Options granted was measured during the year 2007 using the Black and Scholes model. The significant inputs into the model were: share price of € 8,48 at the grant date, risk-free Euro interest rate curve for the duration of the Scheme 4,15% (average), share price volatility determined on the basis of historic volatility 12% and dividend yield 3,82%. The weighted average fair value of Options granted during the period was € 0,19 per Option. The total expense recognised in the condensed interim consolidated income statement for the nine months ended 30 September, 2009 for Options granted amounts to € 2.238.000 (30 September, 2008: € 2.815.000). During the years 2007, 2008 and the first nine months of 2009 no Options were exercised and as at 30 September, 2009 the number of Options outstanding was 70.305.000.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

14. RESERVES

Movement in the nine months ended 30 September, 2009 and 30 September, 2008:

	2009	2008
	€ '000	€ '000
Revenue reserves		
Balance 1 January	858.726	736.348
Profit for the period attributable to owners of the Bank	143.918	323.322
Dividend (Note 15)	(124.519)	(278.842)
Cost of share-based payments to employees	2.183	2.736
Effect of change in non-controlling interests from changes in shareholdings in subsidiaries and other movements	3.379	38
Balance 30 September	883.687	783.602
Property fair value reserves		
Balance 1 January	50.219	55.644
Revaluation of property	-	192
Share of fair value reserves of associates	(3)	-
Balance 30 September	50.216	55.836
Available-for-sale financial assets fair value reserves		
Balance 1 January	(285.338)	(116.261)
Revaluation for the period and transfer to results on disposal of available-for-sale financial assets	136.751	(108.071)
Deferred tax on revaluation	(22.837)	15.754
Transfer to results due to impairment	2.038	10.300
Amortisation of loss on available-for-sale financial assets reclassified	2.614	1.518
Share of fair value reserves of associates	(128)	-
Balance 30 September	(166.900)	(196.760)
Currency translation reserves		
Balance 1 January	(46.960)	15.543
Exchange differences arising in the period	(16.387)	308
Balance 30 September	(63.347)	15.851
Difference from conversion of share capital into Euro reserve		
Balance 1 January	3.426	-
Difference arising on conversion of share capital into Euro	-	3.426
Balance 30 September	3.426	3.426
Total reserves 30 September	707.082	661.955

15. DIVIDEND

The Annual General Meeting of the shareholders of the Bank, held on 19 May, 2009, approved the payment of a dividend of € 0,15 per share of nominal value € 0,85, of a total amount of € 124.519.000 (30 September, 2008: € 278.842.000, € 0,35 per share). The dividend was paid to the shareholders on 12 June, 2009.

The Annual General Meeting also approved the Dividend Re-investment Scheme proposed by the Board of Directors (Note 13).

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

16. CONTINGENCIES AND COMMITMENTS

Commitments for capital expenditure of the Group at 30 September, 2009 amounted to € 9,2 m (31 December, 2008: € 10 m).

As at 30 September, 2009 there were pending litigations against the Group in connection with its activities. Based on legal advice the Board of Directors believes that there is adequate defence against all claims and it is not probable that the Group will suffer any significant damage. Therefore, no provision has been recognised in the condensed interim consolidated financial statements regarding these cases.

17. INVESTMENTS IN SUBSIDIARY COMPANIES

The main subsidiary companies of the Group, as at 30 September, 2009 were as follows:

(1)			
Company name	Effective shareholding	Country of incorporation	Activity sector
Marfin Egnatia Bank S.A. (a), (b)	97%	Greece	Banking
Investment Bank of Greece S.A. (c)	90%	Greece	Investment banking
Marfin CLR Public Co Ltd (d)	54%	Cyprus	Portfolio management, investment and brokerage services
Marfin Leasing S.A.	97%	Greece	Leasing
Laiki Bank (Australia) Ltd	100%	Australia	Banking
Marfin Bank JSC Belgrade (e)	99%	Serbia	Banking
Marfin Bank (Romania) S.A. (f)	96%	Romania	Banking
Open Joint-Stock Company Marine Transport Bank	100%	Ukraine	Banking
Rossiysky Promyishlenny Bank Company Ltd (g)	50%	Russia	Banking
Closed Joint-Stock Company RPB Holding (g)	50%	Russia	Investment company
Pan-European Insurance Co Ltd	100%	Cyprus	Investment company
Marfin Bank Eesti AS	53%	Estonia	Banking
Marfin Factors & Forfaiters S.A.	97%	Greece	Factoring, invoice discounting
Philiki Insurance Co Ltd	100%	Cyprus	Investment company
Lombard Bank Malta Plc (h)	44,9%	Malta	Banking
Cyprialife Ltd	100%	Cyprus	Investment company
Marfin Global Asset Management Mutual Funds Management S.A.	96%	Greece	Mutual funds and private portfolio management
Laiki Bank (Guernsey) Ltd	100%	Guernsey	Banking
Laiki Factors Ltd	100%	Cyprus	Factoring, invoice discounting
IBG Investments S.A. (i)	90%	British Virgin Islands	Investment services
Marfin Capital Partners Ltd	68%	United Kingdom	Investment management

(1) The effective shareholding includes the direct holding of Marfin Popular Bank Public Co Ltd and the indirect holding through its subsidiary companies.

Marfin Popular Bank Public Co Ltd is registered in Cyprus and operates in Cyprus and in the United Kingdom.

The full consolidation method is applied to all the subsidiary companies of the Group.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

17. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

(a) Merger through the absorption of Marfin Egnatia Bank S.A. by Marfin Popular Bank Public Co Ltd

The Boards of Directors of Marfin Egnatia Bank S.A. and of its parent company Marfin Popular Bank Public Co Ltd convened on 15 September, 2009 and decided the continuation of the merger process of the two banks through the absorption of Marfin Egnatia Bank S.A. by Marfin Popular Bank Public Co Ltd. The Boards of Directors authorised the legal representatives of the two Banks, in conjunction with their financial and legal advisors, to proceed with all necessary steps for the implementation of these decisions and for the creation of the Common Cross-Border Merger Plan as well as for the provision of the Reports by the Boards of Directors addressed to the General Meetings of Shareholders in which all legal and financial aspects of the merger for shareholders, creditors and employees will be outlined.

The merger will be effected according to the provisions of the EU Directive 2005/56/EC regarding cross-border mergers of limited liability companies which has been incorporated in the Cypriot and Greek legislation through laws L.186(1)/2007 and L.3777/2009 respectively. It is anticipated that within the following two months the Boards of Directors of the two banks will convene to approve the Common Cross-Border Merger Plan and the Reports by the Boards addressed to the General Meetings of Shareholders. Within the same timeframe, it is anticipated that the Opinions by the independent financial experts, appointed by the legal and administrative authorities, regarding the methods of determination of the share exchange ratios, the suitability of the said methods as well as any technical challenges in utilizing the aforementioned methods will be compiled and will be submitted to the General Meetings of Shareholders. The General Meetings of Shareholders of the two banks are expected to convene in order to approve the Common Cross-Border Merger Plan before the current year-end. Following obtaining all necessary approvals, the legal completion of the merger process is anticipated with the first quarter of 2010.

(b) Increase in shareholding in Marfin Egnatia Bank S.A.

During the nine months ended 30 September, 2009, 66.000 shares of Marfin Egnatia Bank S.A. were acquired for € 108.000. An amount of € 122.000 relating to the excess of the Bank's interest in the fair value of the identifiable net assets of Marfin Egnatia Bank S.A. was recognised in the results for 2009. This acquisition increases the Bank's holding in Marfin Egnatia Bank S.A. by 0,02%.

(c) Increase in shareholding in Investment Bank of Greece S.A.

In May 2009, Marfin Egnatia Bank S.A. acquired 3.000 shares in its subsidiary Investment Bank of Greece S.A. These were acquired for € 233.000 and increased Marfin Egnatia Bank S.A. holding in its subsidiary from 92,19% to 92,27%. Goodwill from this increase was € 36.000.

(d) Acquisition of CLR Capital Public Ltd and change in shareholding in Marfin CLR Public Co Ltd

According to the terms of the Reorganisation and Merger Plan dated 1 August, 2008, CLR Capital Public Ltd merged with Laiki Investments (Financial Services) Public Company Ltd (renamed to Marfin CLR Public Co Ltd on 5 January, 2009). On 9 January, 2009 Marfin CLR Public Co Ltd decided to issue and allocate 85.713.000 new ordinary shares of Marfin CLR Public Co Ltd to the shareholders of CLR Capital Public Ltd. As a result of this new issue the Bank's shareholding in Marfin CLR Public Co Ltd decreased to 52,97%.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

17. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

(d) Acquisition of CLR Capital Public Ltd and change in shareholding in Marfin CLR Public Co Ltd (continued)

Details regarding the net assets of CLR Capital Public Ltd that were acquired are as follows:

	€ '000
Consideration for acquisition:	
Fair value of shares issued	29.142
Acquisition expenses	<u>320</u>
Total consideration for acquisition	29.462
Fair value of net assets acquired	<u>(839)</u>
Goodwill	<u>28.623</u>

The assets and liabilities acquired at the acquisition date were as follows:

	Fair value € '000	Book value € '000
Cash and cash equivalents	5.362	5.362
Financial assets at fair value through profit or loss	2.387	2.387
Available-for-sale financial assets	8.001	8.001
Other assets	1.541	1.541
Intangible assets	35	35
Investment property	3.246	3.246
Property and equipment	13.672	13.672
Due to other banks	(21.019)	(21.019)
Other liabilities	(10.274)	(10.274)
Current tax liabilities	(183)	(183)
Deferred tax liabilities	<u>(1.929)</u>	<u>(1.929)</u>
Net assets acquired	<u>839</u>	<u>839</u>
Acquisition expenses		(320)
Cash and cash equivalents acquired		<u>5.362</u>
Cash inflow from acquisition		<u>5.042</u>

The aforementioned information is based on initial accounting determined provisionally according to IFRS 3. The Group is in the process of carrying out the fair valuation of the net assets acquired, including intangible assets and the purchase price allocation. The accounting will be completed within twelve months from the date of acquisition and as a result any adjustment to the preliminary values and to the purchase price allocation will be recognised within a period of twelve months from the acquisition date according to the provisions of IFRS 3.

In March 2009, the Bank acquired an additional 4,2 m shares of Marfin CLR Public Co Ltd for € 1,4 m. This acquisition brings the Bank's holding to 54,45%. Goodwill arising on the additional shares acquired was € 224.000.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

17. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

(e) Increase of share capital of Marfin Bank JSC Belgrade

In September 2009, an increase of the share capital of Marfin Bank JSC Belgrade was made for the amount of € 15 m, which was fully covered by the Bank. As a result the Bank's holding increased from 98,21% to 98,71% and an additional goodwill of € 29.000 arose.

(f) Increase of share capital of Marfin Bank (Romania) S.A.

On 27 July, 2009 Marfin Bank (Romania) S.A. increased its share capital by € 10 m. This increase, which was approved by the Central Banks of Greece and Romania, was fully covered by Marfin Egnatia Bank S.A. as the remaining shareholders waived their rights. As a result, the shareholding of Marfin Egnatia Bank S.A. increased to 99,23%.

(g) Acquisition of Rossiysky Promyishlenny Bank (Rosprombank)

On 4 September, 2008 the Bank finalised the acquisition of Rosprombank, after securing all necessary approvals by the supervisory authorities of Russia and Cyprus. The acquisition was finalised with the transfer of 50,04% of the share capital of the Russian Closed Joint-Stock Company RPB Holding, parent company of Rosprombank against the sum of € 85,7 m.

Rosprombank was established in 1997 and has a dynamic presence in Russia. Details regarding the net assets acquired are as follows:

	€ '000
Consideration for acquisition	83.992
Acquisition expenses	1.719
	<hr/>
Total consideration for acquisition	85.711
Fair value of net assets acquired	(32.655)
	<hr/>
Goodwill	53.056
	<hr/>

Goodwill is attributable to the acquisition of a base of operations in an emerging, large market with attractive spreads and revenue growth, that favors the expansion of international business banking, which is one of the Group's strategic objectives.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

17. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

(g) Acquisition of Rossiysky Promyishlenny Bank (Rosprombank) (continued)

The assets and liabilities acquired at the acquisition date were as follows:

	Fair value € '000	Book value € '000
Cash and cash equivalents	50.095	50.095
Restricted balances with Central Bank	4.938	4.938
Due from other banks (due in more than 3 months)	2.759	2.759
Advances to customers	184.719	187.636
Debt securities lending	18.853	18.853
Available-for-sale financial assets	5.251	5.251
Held-to-maturity financial assets	2.242	2.242
Other assets	13.061	13.061
Tax refundable	1.011	1.011
Intangible assets	11.140	516
Property and equipment	3.939	3.939
Due to other banks	(3.091)	(3.091)
Customer deposits	(152.986)	(152.986)
Senior debt	(61.722)	(61.722)
Loan capital	(8.128)	(8.128)
Other liabilities	(2.462)	(2.462)
Current tax liabilities	(43)	(43)
Deferred tax liabilities	(4.278)	(2.153)
	<hr/>	<hr/>
Net assets	65.298	59.716
Minority interest	(32.643)	(29.852)
	<hr/>	<hr/>
Net assets acquired	32.655	29.864
	<hr/>	<hr/>
Consideration for acquisition		(83.992)
Acquisition expenses		(1.719)
Cash and cash equivalents in subsidiary acquired		50.095
		<hr/>
Cash outflow from acquisition		(35.616)
		<hr/>

In September 2009, the Bank completed the fair valuation and purchase price allocation for the acquisition of Rosprombank. Based on adjustments to the preliminary accounting adopted in the consolidated financial statements for the year ended 31 December, 2008, the Group recognised € 10,6 m intangible assets, which relate to the estimated fair value for core deposits and customer relationships. The results were charged with amortisation of the intangible assets recognised amounting to € 570.000. A deferred tax liability of € 2,1 m in relation to the aforementioned intangible assets has also been recognised.

(h) Acquisition of Lombard Bank Malta Plc

On 28 February, 2008 the Bank acquired 42,86% of the share capital of Lombard Bank Malta Plc for € 50,2 m. During 2008, Lombard Bank Malta Plc paid a dividend of € 2.243.000. The amount attributable to the Bank, which was re-invested, was € 962.000. This re-investment brings the Bank's holding to 43,08% and the goodwill arising was € 98.000.

The Bank exercises control over Lombard Bank Malta Plc because its significant shareholding allows the control of the decisions taken at the Annual General Meeting, including the decisions for the appointment of Directors, and therefore Lombard Bank Malta Plc is accounted for as a subsidiary company of the Group.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

17. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

(h) Acquisition of Lombard Bank Malta Plc (continued)

Lombard Bank Malta Plc is Malta's third largest bank listed on the local stock exchange and operates under the supervision of the Central Bank of Malta. It was established in 1969 in Valletta and it offers complete banking services via a network of six branches. Lombard Bank Malta Plc also offers services via MaltaPost, in which it is a major shareholder.

Details regarding the net assets acquired are as follows:

	€ '000
Consideration for acquisition	49.663
Acquisition expenses	519
	<hr/>
Total consideration for acquisition	50.182
Fair value of net assets acquired	(25.397)
	<hr/>
Goodwill	24.785
	<hr/>

Goodwill is attributable to the acquisition of a base of operations in a European Union and Euro zone country, which favors the expansion of international business banking which is one of the Group's strategic objectives.

The assets and liabilities acquired at the acquisition date were as follows:

	Fair value	Book value
	€ '000	€ '000
Cash and cash equivalents	132.251	132.251
Restricted balances with Central Bank	8.810	8.810
Due from other banks (due in more than 3 months)	3.020	3.020
Advances to customers	263.072	263.072
Available-for-sale financial assets	8.175	8.175
Held-to-maturity financial assets	63.717	63.717
Other assets	11.611	11.611
Deferred tax assets	3.060	3.060
Goodwill	856	856
Intangible assets	10.976	504
Investment property	745	745
Property and equipment	10.329	10.329
Due to other banks	(344)	(344)
Customer deposits	(401.782)	(401.782)
Other liabilities	(44.591)	(44.591)
Current tax liabilities	(2.483)	(2.483)
Deferred tax liabilities	(4.508)	(843)
	<hr/>	<hr/>
Net assets	62.914	56.107
Non-controlling interests	(37.517)	(33.628)
	<hr/>	<hr/>
Net assets acquired	25.397	22.479
	<hr/>	<hr/>
Consideration for acquisition		(49.663)
Acquisition expenses		(519)
Cash and cash equivalents in subsidiary acquired		132.251
		<hr/>
Cash inflow from acquisition		82.069
		<hr/>

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

17. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

(h) Acquisition of Lombard Bank Malta Plc (continued)

In March 2009, the Bank completed the fair valuation and purchase price allocation for the acquisition of Lombard Bank Malta Plc. Based on adjustments to the preliminary accounting adopted in the consolidated financial statements for the year ended 31 December, 2008, the Group recognised € 10,5 m intangible assets, which relate to the estimated fair value for core deposits and customer relationships. The results were charged with amortisation of the intangible assets recognised amounting to € 501.000. A deferred tax liability of € 3,7 m in relation to the aforementioned intangible assets has also been recognised.

In April 2009, Lombard Bank Malta Plc paid a dividend of € 2.278.000. The amount attributable to the Bank, which was re-invested, was € 981.000. Additionally, in April 2009, the Bank acquired 500.000 shares of Lombard Bank Malta Plc for € 1,3 m. The aforementioned bring the Bank's holding to 44,9% and the goodwill arising was € 462.000.

(i) Increase of share capital of IBG Investments S.A.

During the first nine months of 2009 an increase of the share capital of IBG Investments S.A. was made, for the amount of € 419.000, which was covered by Investment Bank of Greece S.A. (90%) and IBG Capital S.A. (10%) pro rata, based on the respective shareholdings.

(j) Synergatis Plc

Synergatis Plc was incorporated in the United Kingdom on 23 April, 2009 with principal activities the issue of debentures with tangible securities. Synergatis Plc is a special purpose entity and is included in the interim condensed consolidated financial statements using the full consolidation method, as its activities are wholly to serve the needs of the Group.

In August 2009 the securitisation of bonds and other corporate loans for the total amount of € 2,3 bln was completed. The issue of the debentures from the securitisation was delivered by Synergatis Plc. All the debentures are held by Group companies.

18. RELATED PARTY TRANSACTIONS

	30.09.2009	31.12.2008
	€ '000	€ '000
Advances to Directors and their connected persons	291.372	280.083
Advances to other key management personnel and their connected persons	12.233	7.153
Total advances	303.605	287.236
Commitments for guarantees and letters of credit:		
Guarantees to Directors and their connected persons	36.965	14.239
Letters of credit to Directors and their connected persons	-	14.603
	36.965	28.842
Total advances and commitments	340.570	316.078
Tangible securities	415.798	382.521
Deposits	80.836	122.939

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

18. RELATED PARTY TRANSACTIONS (continued)

	9 months ended 30.09.2009 € '000	9 months ended 30.09.2008 € '000
Interest income	9.273	7.789
Interest expense	2.009	5.385

There were no commitments relating to other key management personnel of the Group.

The amount of tangible securities is presented aggregately in the preceding table. Therefore, it is possible that some individual facilities are not fully covered with tangible securities. The total amount of facilities that are unsecured at 30 September, 2009 amounts to € 45,7 m (31 December, 2008: € 58,6 m).

Connected persons include the spouse, minor children and companies in which key management personnel hold directly or indirectly at least 20% of the voting rights in a general meeting.

The deposits and advances of the group of Marfin Insurance Holdings Ltd (an associate) as at 30 September, 2009 amounted to € 217,2 m and € 619.000 respectively (31 December, 2008: € 274 m and € 1,2 m respectively), other receivables and other payables amounted to € 4,6 m and € 1,5 m respectively (31 December, 2008: € 3,6 m and € 1,5 respectively), interest expense and interest income during the nine months ended 30 September, 2009 amounted to € 7,7 m and € 15.000 respectively and other expenses and other income amounted to € 3 m and € 2,6 m respectively. The deposits and advances of JCC Payment Systems Ltd (an associate) as at 30 September, 2009 amounted to € 24,1 m and € 3,2 m respectively (31 December, 2008: € 20,6 m and € 1,7 m respectively) and the interest expense and interest income during the nine months ended 30 September, 2009 amounted to € 914.000 and € 2.000 respectively (30 September, 2008: € 616.000 interest expense). In addition, during the nine months ended 30 September, 2009 the Group also received dividend of € 936.000 from JCC Payment Systems Ltd (30 September, 2008: € 849.000). The deposits of the Provident Funds of the employees of the Group in Cyprus, which are also regarded as related parties, amounted as at 30 September, 2009 to € 15,2 m (31 December, 2008: € 12,4 m), the interest expense during the nine months ended 30 September, 2009 amounted to € 640.000 (30 September, 2008: € 278.000) and other income amounted to € 15.000. In addition, the total income recognised by the Group relating to the group of Dubai Financial Limited Liability Company (a shareholder) for the nine months ended 30 September, 2009 amounted to € 560.000 (30 September, 2008: € 1.230.000).

Other transactions with related parties

During the nine months ended 30 September, 2009 the Group received commissions on stock exchange transactions from key management personnel amounting to € 58.000 (30 September, 2008: € 217.000) and purchased goods and received services amounting to € 34.000 (30 September, 2008: € 145.000) from companies connected to Lanitis group. Additionally, during the nine months ended 30 September, 2008 the Group sold land to a company connected to Lanitis group at a consideration of € 29.600.000, realising a profit of € 14.200.000.

The above transactions are carried out as part of the normal activities of the Group, on commercial terms.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

18. RELATED PARTY TRANSACTIONS (continued)

Group key management personnel compensation

	9 months ended 30.09.2009 € '000	9 months ended 30.09.2008 € '000
Fees paid to Directors as members of the Board	126	143
Remuneration of Directors under executive role:		
Salaries and other short-term benefits	1.008	1.213
Employer's social insurance contributions	96	75
Retirement benefits scheme expense	78	61
	1.182	1.349
Consultancy services fees of Directors under non executive role	218	241
Compensation of other key management personnel:		
Salaries and other short-term benefits	869	821
Employer's social insurance contributions	55	45
Retirement benefits scheme expense	21	17
	945	883
Share-based payment compensation	805	1.036
	3.276	3.652

In addition to the above, the members of the Board of Directors who retired received:

	9 months ended 30.09.2009 € '000	9 months ended 30.09.2008 € '000
Fees paid to Directors as members of the Board	17	-

During the nine months ended 30 September, 2009, key management personnel received a total bonus of € 2,2 m based on the results of 2008 (30 September, 2008: € 3,6 m).

Key management personnel for the nine months ended 30 September, 2009 include fourteen Directors, five of which had executive duties and the members of the executive management.

MARFIN POPULAR BANK PUBLIC CO LTD GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

19. POST BALANCE SHEET EVENTS

The Board of Directors of Marfin Popular Bank Public Co Ltd at its meeting held on 13 November, 2009, having taken into account the book value of the merging companies in accordance with the Financial Statements and the Transformation Balance Sheet dated 30 June, 2009, approved the Common Draft Terms of Cross Border Merger through absorption of Marfin Egnatia Bank S.A. by Marfin Popular Bank Public Co Ltd and prepared the Report of the Board of Directors on the above Merger in accordance with Article 201ID of Companies Law. The share exchange ratio of the absorbed company recommended to be approved at the General Meetings of the merging companies is the following: 0,6726990008 new common ordinary shares of Marfin Popular Bank Public Co Ltd of € 0,85 nominal value each, for each existing ordinary share of Marfin Egnatia Bank S.A. of € 1,27 nominal value each. As a result of the issue of new shares the issued share capital of Marfin Popular Bank Public Co Ltd will be increased by 5.781.121 new common ordinary shares of € 0,85 nominal value each. The shareholders of Marfin Popular Bank Public Co Ltd continue to hold the same number of shares which they held before the beginning of the results of the merger. The above share exchange ratio and all the terms of the Common Draft Terms of Cross Border Merger are subject to the approval of the General Meetings of the merging companies and on condition of obtaining the mandatory permissions and approvals of the responsible Authorities.

On 23 November, 2009 Marfin Popular Bank Public Co Ltd announced that the Common Draft Terms of Cross-Border Merger through absorption of Marfin Egnatia Bank S.A. by Marfin Popular Bank Public Co Ltd has been subjected to the publication requirements of the provisions of the (Cyprus) Company law of 2007 and the (Greek) Law 3777/2009. In particular, it was submitted to the Registrar of Companies of the Republic of Cyprus on 19 November, 2009 and published in the Gazette of the Republic of Cyprus on 20 November, 2009 and was also submitted to the Companies Registry of the Directorate of Societes Anonymes and Credit at the General Secretarial of the Ministry of Finance, Competitiveness and Mercantile Marine (former Ministry of Development) on 20 November, 2009.

20. TRANSACTIONS WITH THE GROUP OF MARFIN INVESTMENT GROUP HOLDINGS S.A.

The deposits and advances of the group of Marfin Investment Group Holdings S.A. on 30 September, 2009 amounted to € 576,9 m and € 779,4 m respectively (31 December, 2008: € 1.013 m and € 598 m respectively) and the total income and expenses recognised by the Group during the nine months ended 30 September, 2009 amounted to € 30,9 m and € 24,4 m respectively (30 September, 2008: € 60 m and € 31 m respectively).

21. APPROVAL OF FINANCIAL STATEMENTS

The condensed interim consolidated financial statements were approved by the Board of Directors of the Bank on 26 November, 2009.

Andreas Vgenopoulos
Executive Vice Chairman
Identity Card No. K231260

Efthimios Bouloutas
Group Chief Executive Officer
Identity Card No. X501092/02

Annita Philippidou
Group Chief Financial Officer
Identity Card No. 704873