



CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

31 MARCH 2009

MARFIN POPULAR BANK PUBLIC CO LTD
CONDENSED INTERIM FINANCIAL STATEMENTS
for the three months ended 31 March 2009

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MARFIN POPULAR BANK PUBLIC CO LTD
CONDENSED INTERIM INCOME STATEMENT
for the three months ended 31 March 2009

		3 months ended 31.03.2009	3 months ended 31.03.2008
	Note	€ '000	€ '000
Net interest income		68.318	92.220
Net fee and commission income		22.654	29.765
Profit on disposal and revaluation of securities	6	3.715	61.813
Foreign exchange and other income		11.279	15.712
Operating income		105.966	199.510
Staff costs		(37.629)	(33.748)
Depreciation and amortisation		(1.933)	(2.196)
Administrative expenses		(10.892)	(9.958)
Profit before provision for impairment of advances		55.512	153.608
Provision for impairment of advances	9	(9.505)	(7.554)
Profit before tax		46.007	146.054
Tax		(4.596)	(8.521)
Profit for the period		41.411	137.533
Earnings per share – cent	4	5,0	17,3

The notes on pages 6 to 19 are an integral part of these condensed interim financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
31 March 2009

	Note	31.03.2009 € '000	31.12.2008 € '000
Assets			
Cash and balances with the Central Bank		153.264	191.301
Due from other banks		3.509.100	3.438.808
Financial assets at fair value through profit or loss	7	76.937	122.581
Advances to customers	8	9.226.411	9.031.470
Debt securities lending		305.377	303.306
Balances with subsidiary companies		1.391.556	1.151.507
Available-for-sale financial assets		2.615.748	1.942.238
Held-to-maturity financial assets		797.245	502.302
Other assets		106.802	113.459
Investments in subsidiary companies	10	2.424.370	2.441.385
Investments in associates		99.843	97.272
Intangible assets		5.702	5.927
Property and equipment	11	151.734	151.345
Total assets		20.864.089	19.492.901
Liabilities			
Due to other banks		3.166.824	1.779.912
Customer deposits		12.035.728	11.902.439
Senior debt	12	703.859	712.050
Loan capital	13	638.802	638.805
Balances with subsidiary companies		487.126	576.784
Other liabilities	7	477.468	491.651
Total liabilities		17.509.807	16.101.641
Share capital and reserves			
Share capital	14	705.607	705.607
Share premium	14	2.054.004	2.054.004
Reserves	15	594.671	631.649
Total equity		3.354.282	3.391.260
Total equity and liabilities		20.864.089	19.492.901

The notes on pages 6 to 19 are an integral part of these condensed interim financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
for the three months ended 31 March 2009

	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Profit for the period	41.411	137.533
Other comprehensive income:		
Revaluation and transfer to results on disposal of available-for-sale financial assets, investments in subsidiary companies and associates	(77.550)	(58.676)
Amortisation of loss on available-for-sale financial assets reclassified	376	-
Exchange differences arising in the period	(1.588)	1.346
Other comprehensive income for the period	(78.762)	(57.330)
Total comprehensive income for the period	(37.351)	80.203

The notes on pages 6 to 19 are an integral part of these condensed interim financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
for the three months ended 31 March 2009

	Note	Share capital € '000	Share premium € '000	Other reserves € '000	Revenue reserves € '000	Total € '000
Three months ended 31 March 2009						
Balance 1 January 2009		705.607	2.054.004	(22.112)	653.761	3.391.260
Cost of share-based payments to employees	15	-	-	-	373	373
		705.607	2.054.004	(22.112)	654.134	3.391.633
Profit for the period		-	-	-	41.411	41.411
Other comprehensive income for the period		-	-	(78.762)	-	(78.762)
Total comprehensive income for the period		-	-	(78.762)	41.411	(37.351)
Balance 31 March 2009		705.607	2.054.004	(100.874)	695.545	3.354.282
Three months ended 31 March 2008						
Balance 1 January 2008		680.613	1.927.571	249.172	504.929	3.362.285
Difference from conversion of share capital into Euro	14,15	(3.426)	-	3.426	-	-
Cost of share-based payments to employees	15	-	-	-	474	474
Effect of merger of Cyprus Popular Bank (Finance) Ltd with the Bank	15	-	-	(44.178)	44.178	-
		677.187	1.927.571	208.420	549.581	3.362.759
Profit for the period		-	-	-	137.533	137.533
Other comprehensive income for the period		-	-	(57.330)	-	(57.330)
Total comprehensive income for the period		-	-	(57.330)	137.533	80.203
Balance 31 March 2008		677.187	1.927.571	151.090	687.114	3.442.962

The notes on pages 6 to 19 are an integral part of these condensed interim financial statements.

MARFIN POPULAR BANK PUBLIC CO LTD
CONDENSED INTERIM STATEMENT OF CASH FLOWS
for the three months ended 31 March 2009

	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Cash generated from/(used in) operations	587.626	(133.113)
Tax paid	(922)	(1.199)
Net cash from/(used in) operating activities	586.704	(134.312)
Cash flows from investing activities		
Purchase less proceeds from disposal of property and equipment	(1.510)	(4.222)
Purchase less proceeds from disposal of computer software	(386)	(507)
Additions less proceeds from redemption and sale of available-for-sale financial assets and redemption of held-to-maturity financial assets	(1.007.142)	272.076
Income received from financial assets	29.355	27.579
Changes in shareholdings and capital of subsidiary companies	(1.495)	(8.556)
Payment for the acquisition of subsidiary companies	-	(49.662)
Net cash (used in)/from investing activities	(981.178)	236.708
Cash flows from financing activities		
Interest paid on senior debt and loan capital	(13.702)	(16.403)
Net cash used in financing activities	(13.702)	(16.403)
Effects of exchange rate changes	1.105	(3.941)
Net (decrease)/increase in cash and cash equivalents	(407.071)	82.052
Cash and cash equivalents at beginning of period	3.288.050	3.006.627
Cash and cash equivalents at end of period	2.880.979	3.088.679

The notes on pages 6 to 19 are an integral part of these condensed interim financial statements.

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

1. GENERAL INFORMATION

The condensed interim financial statements present the financial statements of Marfin Popular Bank Public Co Ltd (the “Bank”) for the three months ended 31 March, 2009.

The principal activity of the Bank, which was unchanged from last year, is the provision of banking 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 financial statements for the three months ended 31 March, 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 financial statements are presented in Euro, which is the functional and presentation currency of the Bank as from 1 January, 2008. All amounts are rounded to the nearest thousand, unless where reported otherwise.

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

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

The condensed interim financial statements for the three months ended 31 March, 2009 have not been audited or reviewed by the Bank’s external independent auditors.

The Bank 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 Bank has elected to present two statements: an income statement and a statement of comprehensive income. The condensed interim financial statements have been prepared under the revised disclosure requirements.

MARFIN POPULAR BANK PUBLIC CO LTD
NOTES TO THE CONDENSED INTERIM 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 Bank'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.

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

4. EARNINGS PER SHARE

	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Profit for the period	41.411	137.533
	'000	'000
Weighted average number of ordinary shares in issue during the period	830.126	796.691
Earnings per share – cent	5,0	17,3

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 31 March, 2008 and 31 March, 2009.

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 Bank's profit. The Bank 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 Bank 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
Three months ended 31 March 2009							
Operating income	50.839	22.082	971	34.410	6.788	(9.124)	105.966
Profit/(loss) before tax	34.454	(6.123)	(489)	27.677	5.401	(14.913)	46.007
Three months ended 31 March 2008							
Operating income	45.406	38.557	10.441	34.364	4.388	66.354	199.510
Profit before tax	29.520	14.039	9.307	29.533	3.347	60.308	146.054

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

6. PROFIT ON DISPOSAL AND REVALUATION OF SECURITIES

Included within profit on disposal and revaluation of securities for 2008 is an amount of € 65 m which relates to the profit from the sale of 6,45% of the Bank's investment in Marfin Investment Group Holdings S.A.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Included within financial assets at fair value through profit or loss is an amount of € 39,3 m (31 December, 2008: € 74,9 m), which relates to the positive fair value of derivative financial instruments. Included within other liabilities is an amount of € 43,9 m (31 December, 2008: € 79,4 m), which relates to the negative fair value of derivative financial instruments.

8. ADVANCES TO CUSTOMERS

	31.03.2009 € '000	31.12.2008 € '000
Advances to customers	9.086.782	8.888.741
Instalment finance and leasing	432.376	434.428
	<hr/>	<hr/>
Provision for impairment of advances (Note 9)	9.519.158 (292.747)	9.323.169 (291.699)
	<hr/>	<hr/>
	9.226.411	9.031.470
	<hr/>	<hr/>

9. PROVISION FOR IMPAIRMENT OF ADVANCES

Movement in the three months ended 31 March, 2009 and 31 March, 2008:

	2009 € '000	2008 € '000
Balance 1 January	291.699	230.035
Provision for impairment of advances from the merger of Cyprus Popular Bank (Finance) Ltd with the Bank	-	82.642
Provision for impairment of advances for the period	31.978	25.965
Release of provision and recoveries	(22.473)	(18.411)
Advances written-off	(8.504)	(11.295)
Exchange differences	47	(224)
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Balance 31 March	292.747	308.712
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MARFIN POPULAR BANK PUBLIC CO LTD
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

10. INVESTMENTS IN SUBSIDIARY COMPANIES

Movement in the three months ended 31 March, 2009 and 31 March, 2008:

	2009 € '000	2008 € '000
Balance 1 January	2.441.385	2.550.443
Increase of investment in Marfin CLR Public Co Ltd	2.238	-
Increase of shareholding in Marfin Egnatia Bank S.A.	108	-
Acquisition of Lombard Bank Malta Plc	95	49.662
Restructuring and merger with the Cyprus Popular Bank (Finance) Ltd	-	(53.251)
Disposal of Egnatia Financial Services (Cyprus) Ltd	-	(5.181)
Other changes in subsidiary shareholding	-	14.878
Revaluation for the period	(19.456)	(3.914)
Balance 31 March	2.424.370	2.552.637

The main subsidiary companies of the Bank as at 31 March, 2009 were as follows:

(1)			
Company name	Effective shareholding	Country of incorporation	Activity sector
Marfin Egnatia Bank S.A. (a)	97%	Greece	Banking
Investment Bank of Greece S.A.	89%	Greece	Investment banking
Marfin CLR Public Co Ltd (b)	54%	Cyprus	Portfolio management and investment and brokerage services
Marfin Leasing S.A.	97%	Greece	Leasing
Laiki Bank (Australia) Ltd	100%	Australia	Banking
Open Joint-Stock Company			
Marine Transport Bank	100%	Ukraine	Banking
Marfin Bank JSC Belgrade	98%	Serbia	Banking
Marfin Bank (Romania) S.A.	96%	Romania	Banking
Rossiysky Promyshlenny Bank Company Ltd (c)	50%	Russia	Banking
Closed Joint-Stock Company			
RPB Holding (c)	50%	Russia	Investment company
Pan-European Insurance Co Ltd	100%	Cyprus	Investment company
Marfin Pank 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 (d)	43%	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.	89%	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.

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

10. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

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

During the first quarter of 2009, 66.000 shares of Marfin Egnatia Bank S.A. were acquired for € 108.000. This acquisition increases the Bank's holding in Marfin Egnatia Bank S.A. by 0,02%.

(b) 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%.

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%.

(c) 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 € 85,2 m.

(d) 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%.

The Bank exercises control over Lombard Bank Malta Plc through the power to control 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.

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.

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

11. PROPERTY AND EQUIPMENT

Movement in the three months ended 31 March, 2009 and 31 March, 2008:

	2009 € '000	2008 € '000
Net book value at 1 January	151.345	144.676
Net book value of property and equipment of Cyprus Popular Bank (Finance) Ltd merged with the Bank	-	241
Additions less disposals of property and equipment	1.493	4.195
Depreciation	(1.309)	(1.318)
Exchange differences	205	(641)
Net book value at 31 March	151.734	147.153

12. SENIOR DEBT

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 May 2007, the Bank issued € 750 m of senior debt due in 2010. The bonds 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%.

The bonds are listed on the Luxembourg Stock Exchange.

13. LOAN CAPITAL

	31.03.2009 € '000	31.12.2008 € '000
Eurobonds due 2016	438.831	438.831
Capital securities	199.971	199.974
	638.802	638.805

Eurobonds due 2016

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 May 2006, the Bank issued € 450 m of subordinated debt (Tier II capital). 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 the issue date. 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.

The bonds constitute direct, unsecured, subordinated obligations of the Bank and rank for payment after the claims of the depositors and other creditors. The bonds are listed on the Luxembourg Stock Exchange.

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

13. LOAN CAPITAL (continued)

Capital securities

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 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 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 constitute direct, unsecured, subordinated obligations of the Bank and rank for payment after the claims of the depositors and other creditors. 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.

14. SHARE CAPITAL AND SHARE PREMIUM

	Number of shares '000	Share capital € '000	Share premium € '000	Total € '000
Three months ended 31 March 2009				
Balance 1 January and 31 March	830.126	705.607	2.054.004	2.759.611
Three months ended 31 March 2008				
Balance 1 January	796.691	680.613	1.927.571	2.608.184
Difference from conversion of share capital into Euro	-	(3.426)	-	(3.426)
Balance 31 March	796.691	677.187	1.927.571	2.604.758

On 15 May, 2008 the Extraordinary General Meeting approved the conversion and reduction of the nominal value of the Bank's share, after rounding, from C£ 0,50 to € 0,85. Furthermore, the Extraordinary General Meeting approved that the Bank's authorised nominal share capital be converted and reduced to € 807.500.000 and the issued share capital to € 677.187.000, and that the reduction on the issued share capital resulting from the above conversion of Cyprus Pounds to Euro totalling € 3.426.000 is recorded into a special reserve account which is called "Difference from the conversion of share capital into Euro" (Note 15) for future capitalisation or other lawful use.

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

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

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

14. 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 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 income statement for the three months ended 31 March, 2009 for Options granted amounts to € 373.000 (31 March, 2008: € 474.000). During the years 2007, 2008 and the first quarter of 2009 no Options were exercised and as at 31 March, 2009 the number of Options outstanding was 70.305.000.

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

15. RESERVES

Movement in the three months ended 31 March, 2009 and 31 March, 2008:

	2009	2008
	€ '000	€ '000
Revenue reserves		
Balance 1 January	653.761	504.929
Effect of merger of Cyprus Popular Bank (Finance) Ltd with the Bank	-	44.178
Profit for the period	41.411	137.533
Cost of share-based payments to employees	373	474
	<hr/>	<hr/>
Balance 31 March	695.545	687.114
Property fair value reserves		
Balance 1 January and 31 March	44.888	44.957
	<hr/>	<hr/>
Available-for-sale financial assets and investments in subsidiary companies and associates fair value reserves		
Balance 1 January	(75.282)	203.923
Effect of merger of Cyprus Popular Bank (Finance) Ltd with the Bank	-	(44.178)
Revaluation for the period and transfer to results on disposal of available-for-sale financial assets, investments in subsidiary companies and associates	(77.550)	(58.676)
Amortisation of loss on available-for-sale financial assets reclassified	376	-
	<hr/>	<hr/>
Balance 31 March	(152.456)	101.069
Currency translation reserves		
Balance 1 January	4.856	292
Exchange differences arising in the period	(1.588)	1.346
	<hr/>	<hr/>
Balance 31 March	3.268	1.638
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
	<hr/>	<hr/>
Balance 31 March	3.426	3.426
	<hr/>	<hr/>
Total reserves 31 March	594.671	838.204
	<hr/>	<hr/>

16. 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. The dividend will be paid to the shareholders beginning on 12 June, 2009 and will be accounted for in the Bank's equity during the three month period ending 30 June, 2009.

The Annual General Meeting also approved the Dividend Re-investment Scheme proposed by the Board of Directors. According to the Dividend Re-investment Scheme, the exercise price of the right for the dividend re-investment of 2008 dividend in Bank's shares will be 10% lower than the average closing price of the share in the Cyprus Stock Exchange and the Athens Exchange for the period from 26 May, 2009 until 1 June, 2009.

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

17. CONTINGENCIES AND COMMITMENTS

Commitments for capital expenditure of the Bank at 31 March, 2009 amounted to € 9,3 m (31 December, 2008: € 10 m).

As at 31 March, 2009 there were pending litigations against the Bank 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 Bank will suffer any significant damage. Therefore, no provision has been made in the condensed interim financial statements regarding these cases.

18. RELATED PARTY TRANSACTIONS

	31.03.2009 € '000	31.12.2008 € '000
Advances to Directors and their connected persons	199.218	192.024
Advances to other key management personnel and their connected persons	360	351
Total advances	199.578	192.375
Commitments for guarantees and letters of credit:		
Guarantees to Directors and their connected persons	29.123	13.415
Letters of credit to Directors and their connected persons	3.918	14.603
	33.041	28.018
Total advances and commitments	232.619	220.393
Tangible securities	356.191	332.567
Deposits	10.849	18.387
	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Interest income	2.391	650
Interest expense	213	23

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

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 31 March, 2009 amounts to € 5,5 m (31 December, 2008: € 5,3 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.

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

18. RELATED PARTY TRANSACTIONS (continued)

The deposits and advances of the group of Marfin Insurance Holdings Ltd as at 31 March, 2009 amounted to € 200,1 m and € 633.000 respectively (31 December, 2008: € 217,8 m and € 962.000 respectively), other payables amounted to € 6.000, the interest expense and interest income during the three months ended 31 March, 2009 amounted to € 3,1 m and € 6.000 respectively and other expenses and other income amounted to € 61.000 and € 132.000 respectively. The deposits and advances of JCC Payment Systems Ltd as at 31 March, 2009 amounted to € 21,8 m and € 3,6 m respectively (31 December, 2008: € 20,6 m and € 1,7 m respectively) and the interest expense and interest income during the three months ended 31 March, 2009 amounted to € 396.000 and € 1.000 respectively (31 March, 2008: € 17.000 interest expense). The deposits of the Provident Funds of the employees of the Bank, which are also regarded as related parties, amounted as at 31 March, 2009 to € 11,9 m (31 December, 2008: € 12,4 m) and the interest expense during the three months ended 31 March, 2009 amounted to € 215.000 (31 March, 2008: € 65.000).

Other transactions with related parties

During the three months ended 31 March, 2009 the Bank purchased goods and received services amounting to € 1.000 (31 March, 2008: € 110.000) from companies connected to Lanitis group.

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

Key management personnel compensation

	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Fees paid to Directors as members of the Board	48	52
Remuneration of Directors under executive role:		
Salaries and other short-term benefits	113	83
Employer's social insurance contributions	24	17
Retirement benefits scheme expense	25	18
	162	118
Consultancy services fees of Directors under non executive role	134	81
Compensation of other key management personnel:		
Salaries and other short-term benefits	31	23
Employer's social insurance contributions	6	4
Retirement benefits scheme expense	7	5
	44	32
Share-based payment compensation	215	276
	603	559

Key management personnel for the three months ended 31 March, 2009 include the fourteen Directors, five of which had executive duties and the members of the executive management.

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

18. RELATED PARTY TRANSACTIONS (continued)

Transactions with subsidiary companies

(a) Income and expenses from transactions with subsidiary companies

	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Interest income	9.523	10.464
Interest expense	3.145	6.077
Other income	104	190
Other expenses	55	1.037

(b) Balances with subsidiary companies

	31.03.2009 € '000	31.12.2008 € '000
Placements	1.391.556	1.151.507
Deposits	487.126	576.784

19. POST BALANCE SHEET EVENTS

On 6 May, 2009 the subsidiary of Marfin Egnatia Bank S.A. in London, Egnatia Finance Plc, issued subordinated debt with defined duration for a total amount of 60 m USD, with the guarantee of Marfin Egnatia Bank S.A. The issue was in the form of subordinated bonds maturing in 10 years, with the right to call in the bonds after five years from the issue date, after the written approval of the Bank of Greece and are expected to be treated as Lower Tier II capital in accordance with the existing legislation by the Bank of Greece. The bonds pay 5,5% interest for the total of their duration and are listed on the Luxembourg Stock Exchange.

On 13 May, 2009 the issue of capital securities up to the amount of € 250 m was completed and amounted to € 242.229.000. The issue was addressed to a limited group of individuals, professional investors and individuals who invested at least € 50.000 each. The capital securities will bear a fixed interest rate of 7% and the interest will be payable every three months.

On 15 May, 2009 the Boards of Directors of the Bank and its subsidiary Marfin Egnatia Bank S.A., after convening, took the decision to commence the process of merging the two banks through the absorption of the Bank by Marfin Egnatia Bank S.A. with the transformation date being 30 June, 2009. The exchange relation among the shareholders will be calculated at a later stage on the basis of the financial statements of the merging banks on 30 June, 2009. According to the existing legislative framework, the Boards of Directors of the merging banks will decide the exchange relation within the framework of the approval of the Cross-Border Merger Joint Plan, while an Independent Experts' Report will be prepared too, which will refer to the suitability of the methods that will be used. The exchange relation is subject to the shareholders' General Meetings' approval of the merging banks. The completion of the merger procedure depends on the obtaining of the necessary approvals by the competent Greek and Cypriot authorities. It is estimated that it will take around seven months from the reorganisation date. Upon completion of the merger, the Bank's management, in co-operation with the Central Bank of Cyprus, will seek to establish a Cyprus-based banking subsidiary that will undertake the Group's banking business in Cyprus.

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

19. POST BALANCE SHEET EVENTS (continued)

On 19 May, 2009 the Annual General Meeting was informed that Mr. Sayanta Basu and Mr. Nicholas Wrigley have submitted their resignation as from the date of the Annual General Meeting. Approval was then granted for the election of a new Board of Directors which was then constituted as follows: Neoclis Lysandrou – Chairman, Non Executive Member, Andreas Vgenopoulos – Vice Chairman, Executive Member, Efthimios Bouloutas – Group Chief Executive Officer, Christos Stylianides – Deputy Chief Executive Officer, Panayiotis Kounnis – Deputy Chief Executive Officer, Eleftherios Hiliadakis – Executive Member, Soud Ba'alawy – Non Executive Member, Platon Lanitis – Non Executive Member, Vasilios Theocharakis – Non Executive Member, Stylianos Stylianou – Non Executive Member, Moustafa Farid Moustafa – Non Executive Member, Joseph Kamal Eskandar – Non Executive Member, Constantinos Mylonas – Independent Non Executive Member, Markos Foros – Independent Non Executive Member. The Board of Directors after its constitution elected Mr. Constantinos Mylonas as Senior Independent Non Executive Director.

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. Approval was also granted for the authorisation of the Board of Directors of the Bank that, within the framework of the terms of issue of capital securities up to € 250 m in one or more tranches as approved by the Board of Directors of the Bank at its meeting held on 19 March, 2009 and especially within the framework of the Alternative Satisfaction Mechanism for Interest Not Paid, to issue up to 103.000.000 ordinary or preference shares of the Bank of € 0,85 nominal value each, without the shares being first offered to the existing shareholders of the Bank as provided by the Articles of Association of the Bank and the law.

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. amounted to € 3,9 m and € 344,5 m respectively (31 December, 2008: € 4 m and € 344 m respectively) and the total income and expenses recognised by the Bank during the three months ended 31 March, 2009 amounted to € 4,3 m and € 156.000 respectively (31 March, 2008: € 343.000 total expenses).

21. APPROVAL OF FINANCIAL STATEMENTS

The condensed interim financial statements of the Bank were approved by the Board of Directors of the Bank on 28 May, 2009.