



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED
31 MARCH 2009

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

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

		3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
	Note		
Net interest income		122.574	171.180
Net fee and commission income		51.494	73.787
Profit/(loss) on disposal and revaluation of securities		34.721	(9.257)
Foreign exchange and other income		23.117	21.819
Operating income		231.906	257.529
Staff costs		(89.108)	(77.490)
Depreciation and amortisation		(12.405)	(11.142)
Administrative expenses		(40.440)	(35.195)
Profit before provision for impairment of advances		89.953	133.702
Provision for impairment of advances	9	(48.640)	(24.951)
Profit before share of profit from associates		41.313	108.751
Share of profit from associates		2.782	203
Profit before tax		44.095	108.954
Tax		(3.664)	(17.459)
Profit after tax from continuing operations		40.431	91.495
Profit after tax from discontinued operations	6	-	15.384
Profit for the period		40.431	106.879
Attributable to:			
Owners of the Bank		40.041	104.395
Non-controlling interests		390	2.484
		40.431	106.879
Earnings per share – for profit attributable to the owners of the Bank			
Earnings per share - cent	4	4,8	13,1
Earnings per share - for profit after tax from continuing operations attributable to the owners of the Bank			
Earnings per share - cent	4		11,2

The notes on pages 6 to 24 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
31 March 2009

	Note	31.03.2009 € '000	31.12.2008 € '000
Assets			
Cash and balances with Central Banks		1.040.418	1.839.670
Due from other banks		5.103.524	4.354.181
Financial assets at fair value through profit or loss	7	274.111	356.919
Advances to customers	8	23.875.043	23.427.226
Debt securities lending		947.179	938.295
Available-for-sale financial assets		5.190.809	3.606.173
Held-to-maturity financial assets		1.561.367	1.164.036
Other assets	7	662.769	663.338
Investments in associates		102.096	99.473
Intangible assets		1.654.731	1.636.609
Property and equipment	10	285.046	274.858
Total assets		40.697.093	38.360.778
Liabilities			
Due to other banks		8.759.586	6.863.205
Customer deposits		25.295.949	24.828.269
Senior debt	11	1.078.896	1.079.042
Loan capital	12	720.605	725.907
Other liabilities	7	1.296.663	1.299.029
Total liabilities		37.151.699	34.795.452
Share capital and reserves attributable to the owners of the Bank			
Share capital	13	705.607	705.607
Share premium	13	2.144.141	2.144.141
Reserves	14	541.392	580.073
		3.391.140	3.429.821
Non-controlling interests		154.254	135.505
Total equity		3.545.394	3.565.326
Total equity and liabilities		40.697.093	38.360.778

The notes on pages 6 to 24 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 31 March 2009

	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Profit for the period	40.431	106.879
Other comprehensive income:		
Revaluation and transfer to results on disposal of available-for-sale financial assets	(80.241)	(4.570)
Deferred tax on revaluation of available-for-sale financial assets	5.282	4.434
	(74.959)	(136)
Amortisation of loss on available-for-sale financial assets reclassified	773	-
Share of fair value reserves of associates	(194)	-
Exchange differences arising in the period	(10.418)	(10.245)
Other comprehensive income for the period, net of tax	(84.798)	(10.381)
Total comprehensive income for the period	(44.367)	96.498
Total comprehensive income attributable to:		
Owners of the Bank	(42.587)	95.087
Non-controlling interests	(1.780)	1.411
	(44.367)	96.498

The notes on pages 6 to 24 are an integral part of these condensed interim consolidated financial statements.

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

		Attributable to the owners of the Bank				Non-controlling interests	Total
	Note	Share capital € '000	Share premium € '000	Other reserves € '000	Revenue reserves € '000	€ '000	€ '000
Three months ended 31 March 2009							
Balance 1 January 2009		705.607	2.144.141	(278.653)	858.726	135.505	3.565.326
Cost of share-based payments to employees	14	-	-	-	728	18	746
Effect of change in non-controlling interests from changes in shareholdings in subsidiaries and other movements	14	-	-	-	3.178	20.511	23.689
		705.607	2.144.141	(278.653)	862.632	156.034	3.589.761
Profit for the period		-	-	-	40.041	390	40.431
Other comprehensive income for the period, net of tax		-	-	(82.628)	-	(2.170)	(84.798)
Total comprehensive income for the period		-	-	(82.628)	40.041	(1.780)	(44.367)
Balance 31 March 2009		705.607	2.144.141	(361.281)	902.673	154.254	3.545.394
Three months ended 31 March 2008							
Balance 1 January 2008		680.613	2.017.708	(45.074)	736.348	92.623	3.482.218
Difference from conversion of share capital into Euro	13,14	(3.426)	-	3.426	-	-	-
Cost of share-based payments to employees	14	-	-	-	920	19	939
Dividend paid by subsidiaries		-	-	-	-	(559)	(559)
Acquisition of subsidiary		-	-	-	-	33.585	33.585
Effect of change in non-controlling interests from changes in shareholdings in subsidiaries and other movements	14	-	-	-	255	(9.884)	(9.629)
		677.187	2.017.708	(41.648)	737.523	115.784	3.506.554
Profit for the period		-	-	-	104.395	2.484	106.879
Other comprehensive income for the period, net of tax		-	-	(9.308)	-	(1.073)	(10.381)
Total comprehensive income for the period		-	-	(9.308)	104.395	1.411	96.498
Balance 31 March 2008		677.187	2.017.708	(50.956)	841.918	117.195	3.603.052

The notes on pages 6 to 24 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 three months ended 31 March 2009

		3 months ended 31.03.2009	3 months ended 31.03.2008
	Note	€ '000	€ '000
Cash generated from/(used in) operations		1.298.686	(329.357)
Tax paid		(36.285)	(33.837)
Net cash from/(used in) operating activities		1.262.401	(363.194)
Cash flows from investing activities			
Purchase less proceeds from disposal of property and equipment		(5.529)	(792)
Purchase less proceeds from disposal of computer software		(710)	(1.653)
Purchase less proceeds from disposal of investment property		(1.480)	(29)
Additions less proceeds from redemption and sale of available-for-sale financial assets and redemption of held-to-maturity financial assets		(2.003.439)	(213.287)
Income received from financial assets		29.989	41.374
Acquisition of subsidiaries net of cash and cash equivalents acquired	17	5.149	82.069
Changes in shareholdings in subsidiaries		(1.495)	(13.481)
Net cash used in investing activities		(1.977.515)	(105.799)
Cash flows from financing activities			
Proceeds from the issue of senior debt		65.625	50.000
Repayment of senior debt and loan capital		(78.827)	-
Interest paid on senior debt and loan capital		(19.228)	(20.865)
Dividend paid by subsidiaries to non-controlling interests		-	(559)
Net cash (used in)/from financing activities		(32.430)	28.576
Effects of exchange rate changes		(9.919)	31.930
Net decrease in cash and cash equivalents		(757.463)	(408.487)
Cash and cash equivalents at beginning of period		5.283.772	5.018.066
Cash and cash equivalents at end of period		4.526.309	4.609.579

The notes on pages 6 to 24 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 three months ended 31 March, 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 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 consolidated 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 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”.

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 three months ended 31 March, 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 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 31 March, 2008 has been restated to reflect the classification of the insurance operations of the Group as discontinued operations.

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

4. EARNINGS PER SHARE

	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Profit attributable to the owners of the Bank	40.041	104.395
	'000	'000
Weighted average number of ordinary shares in issue during the period	830.126	796.691
Earnings per share – cent	4,8	13,1
		3 months ended 31.03.2008 € '000
Profit after tax from continuing operations		91.495
Non-controlling interests		<u>(2.476)</u>
Profit after tax from continuing operations attributable to the owners of the Bank		<u>89.019</u>
		'000
Weighted average number of ordinary shares in issue during the period		<u>796.691</u>
Earnings per share – cent		<u>11,2</u>

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.

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
Three months ended 31 March 2009							
Operating income	94.526	59.811	7.022	34.410	38.934	(2.797)	231.906
Profit/(loss) before tax	51.706	(55.602)	(2.632)	27.677	34.282	(8.856)	46.575
Three months ended 31 March 2008							
Operating income	86.461	99.106	27.527	34.364	9.157	914	257.529
Profit/(loss) before tax	51.948	13.776	18.184	29.533	5.649	(5.578)	113.512

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

	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Segment profit before tax	46.575	113.512
Share of profit from associates	2.782	203
Amortisation of intangibles	(5.262)	(4.761)
Group profit before tax and discontinued operations	44.095	108.954

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

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 Bank's 49,9% participation in these companies is now classified as investment in associate.

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

	€ '000
Net interest income	1.140
Net fee and commission income	320
Profit on disposal and revaluation of securities	57
Net premiums and other income from insurance contracts	34.202
Net benefits, claims and other expenses from insurance contracts	(24.643)
Net expenses from assets backing policyholders' liabilities	(2.556)
Other income	15.541
Operating income	24.061
Staff costs	(3.534)
Depreciation and amortisation	(138)
Administrative expenses	(1.419)
Profit before tax	18.970
Tax	(3.586)
Profit after tax from discontinued operations	15.384

7. DERIVATIVE FINANCIAL INSTRUMENTS

Included within financial assets at fair value through profit or loss is an amount of € 88,2 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 € 2,5 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 € 330,4 m (31 December, 2008: € 327 m), which relates to the negative fair value of derivative financial instruments.

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

8. ADVANCES TO CUSTOMERS

	31.03.2009	31.12.2008
	€ '000	€ '000
Advances to customers	23.521.946	23.027.351
Instalment finance and leasing	1.021.716	1.030.211
	24.543.662	24.057.562
Provision for impairment of advances (Note 9)	(668.619)	(630.336)
	23.875.043	23.427.226

9. PROVISION FOR IMPAIRMENT OF ADVANCES

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

	2009	2008
	€ '000	€ '000
Balance 1 January	630.336	570.386
Provision for impairment of advances from acquisition of subsidiaries	-	2.563
Provision for impairment of advances for the period	74.740	48.295
Release of provision and recoveries	(26.100)	(23.344)
Advances written-off	(8.660)	(14.174)
Exchange differences	(1.697)	(1.030)
Balance 31 March	668.619	582.696

10. PROPERTY AND EQUIPMENT

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

	2009	2008
	€ '000	€ '000
Net book value at 1 January	274.858	286.760
Property and equipment from acquisition of subsidiaries	13.672	10.415
Transfer to the category "Investment property"	(2.764)	-
Additions less disposals of property and equipment	5.526	2.663
Depreciation	(5.448)	(4.817)
Exchange differences	(798)	(2.556)
Net book value at 31 March	285.046	292.465

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

11. SENIOR DEBT

	31.03.2009	31.12.2008
	€ '000	€ '000
Debentures Marfin Popular Bank Public Co Ltd (2007/2010)	697.267	683.897
Debentures Egnatia Finance Plc (2009/2010)	10.000	-
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	21.629	45.145
	1.078.896	1.079.042

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

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%.

Pursuant to the aforementioned Programme, in March 2009, Egnatia Finance Plc, subsidiary of Marfin Egnatia Bank S.A., issued € 10 m of senior debt due in March 2010. The debentures pay 12% interest every six months, beginning in September 2009.

The bonds 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 debentures 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 debentures or part of them can be repurchased earlier after a decision of Marfin Egnatia Bank S.A.

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 31 March, 2009 the issued promissory notes bore interest rates for Russian Rubles up to 18% and for Euro and USD up to 11%. These promissory notes were issued at a discount and will be repaid at face value on their maturity.

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

12. LOAN CAPITAL

	31.03.2009	31.12.2008
	€ '000	€ '000
Convertible debentures 2003/2013	-	231
Non-convertible debentures 2005/2015	80.000	80.000
Eurobonds due 2016	431.570	437.162
Capital securities	199.971	199.974
Subordinated debt 2004/2014	9.064	8.540
	720.605	725.907

Convertible debentures 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.

Non-convertible debentures 2005/2015

In May 2005, Egnatia Finance Plc issued € 80 m non-convertible debentures due on 4 May, 2015. Interest is set at 1,10% above the three-month rate of Euro (Euribor) until their call in date and 2,40% until maturity. The debentures pay interest every three months on 4 February, 4 May, 4 August and 4 November. The issuing company has the right to call in the debentures after the end of the fifth year.

The debentures are not secured, 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.

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 GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

12. 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.

Subordinated debt 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
Three months ended 31 March 2009				
Balance 1 January and 31 March	830.126	705.607	2.144.141	2.849.748
Three months ended 31 March 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)
Balance 31 March	796.691	677.187	2.017.708	2.694.895

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 14) 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.

13. SHARE CAPITAL AND SHARE PREMIUM (continued)

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

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

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 three months ended 31 March, 2009 for Options granted amounts to € 746.000 (31 March, 2008: € 939.000). 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 GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

14. RESERVES

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

	2009 € '000	2008 € '000
Revenue reserves		
Balance 1 January	858.726	736.348
Profit for the period attributable to owners of the Bank	40.041	104.395
Cost of share-based payments to employees	728	920
Effect of change in non-controlling interests from changes in shareholdings in subsidiaries and other movements	3.178	255
	<hr/> 902.673	<hr/> 841.918
Property fair value reserves		
Balance 1 January and 31 March	<hr/> 50.219	<hr/> 55.644
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	(80.013)	(3.450)
Deferred tax on revaluation	5.084	4.259
Amortisation of loss on available-for-sale financial assets reclassified	762	-
Share of fair value reserves of associates	(194)	-
	<hr/> (359.699)	<hr/> (115.452)
Currency translation reserves		
Balance 1 January	(46.960)	15.543
Exchange differences arising in the period	(8.267)	(10.117)
	<hr/> (55.227)	<hr/> 5.426
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/> 3.426	<hr/> 3.426
Total reserves 31 March	<hr/> 541.392	<hr/> 790.962

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. 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 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 GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

16. CONTINGENCIES AND COMMITMENTS

Commitments for capital expenditure of the Group 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 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 made in the condensed interim consolidated financial statements regarding these cases.

17. INVESTMENTS IN SUBSIDIARY COMPANIES

The main subsidiary companies of the Group, 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 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 (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.

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) 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. 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%.

(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%.

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	213
	<hr/>
Total consideration for acquisition	29.355
Fair value of net assets acquired	(834)
	<hr/>
Goodwill	28.521
	<hr/>

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	(10.279)	(10.279)
Current tax liabilities	(183)	(183)
Deferred tax liabilities	(1.929)	(1.929)
	<hr/>	<hr/>
Net assets acquired	834	834
	<hr/>	<hr/>
Acquisition expenses		(213)
Cash and cash equivalents acquired		5.362
		<hr/>
Cash inflow from acquisition		5.149
		<hr/>

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

17. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

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

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.

(c) Acquisition of Rossiysky Promyshlenny 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.

The Group is still 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.

All details regarding the acquisition are disclosed in the audited consolidated financial statements of the Group for the year ended 31 December, 2008.

(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% and the goodwill arising was € 98.000.

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 of the Group.

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 GROUP
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

17. INVESTMENTS IN SUBSIDIARY COMPANIES (continued)

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

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 € '000	Book value € '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/>

In March 2008, 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 € 167.000. A deferred tax liability of € 3,7 m in relation to the aforementioned intangible assets has also been recognised.

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

18. RELATED PARTY TRANSACTIONS

	31.03.2009 € '000	31.12.2008 € '000
Advances to Directors and their connected persons	280.311	280.083
Advances to other key management personnel and their connected persons	7.788	7.153
Total advances	288.099	287.236
Commitments for guarantees and letters of credit:		
Guarantees to Directors and their connected persons	29.949	14.239
Letters of credit to Directors and their connected persons	4.019	14.603
	33.968	28.842
Total advances and commitments	322.067	316.078
Tangible securities	392.777	382.521
Deposits	67.104	122.939
	3 months ended 31.03.2009 € '000	3 months ended 31.03.2008 € '000
Interest income	3.408	2.191
Interest expense	1.237	369

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 31 March, 2009 amounts to € 60,2 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 as at 31 March, 2009 amounted to € 241,3 m and € 633.000 respectively (31 December, 2008: € 274 m and € 1,2 m respectively), other receivables and other payables amounted to € 1,3 m and € 3,6 m respectively (31 December, 2008: € 3,6 m and € 1,5 respectively), interest expense and interest income during the three months ended 31 March, 2009 amounted to € 3,3 m and € 319.000 respectively and other expenses and other income amounted to € 745.000 and € 582.000 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 m and € 1.000 respectively (31 March, 2008: € 17.000 interest expense). The deposits of the Provident Funds of the employees of the Group in Cyprus, 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). The advances of the group of Dubai Financial Limited Liability Company as at 31 March, 2009 amounted to € 18,8 m and the total income recognised by the Group for the three months ended 31 March, 2009 amounted to € 286.000.

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

18. RELATED PARTY TRANSACTIONS (continued)

Other transactions with related parties

During the first three months of 2009 the Group received commissions on stock exchange transactions from key management personnel amounting to € 12.000 (31 March, 2008: € 43.000) and 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 Group, on commercial terms.

Group 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	366	423
Employer's social insurance contributions	31	22
Retirement benefits scheme expense	25	18
	422	463
Consultancy services fees of Directors under non executive role	134	81
Compensation of other key management personnel:		
Salaries and other short-term benefits	299	157
Employer's social insurance contributions	17	8
Retirement benefits scheme expense	7	5
	323	170
Share-based payment compensation	268	345
	1.195	1.111

Key management personnel for the three months ended 31 March, 2009 include the fourteen members of the Board of 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

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.

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.

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

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 € 1.033 m and € 803,8 m respectively (31 December, 2008: € 1.013 m and € 598 m respectively) and the total income and expenses recognised by the Group during the three months ended 31 March, 2009 amounted to € 14,6 m and € 11,7 m respectively (31 March, 2008: € 15,3 m and € 2,4 m respectively).

21. APPROVAL OF FINANCIAL STATEMENTS

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