



# **MARFIN EGNATIA BANK**

**MARFIN EGNATIA BANK S.A.**

**Interim Consolidated Financial Statements**

**30 September 2008**

**According to International Financial Reporting Standards**

The attached consolidated financial statements were approved by the Board of Directors of MARFIN EGNATIA BANK S.A. on 24 November 2008 and have been posted to the site [www.marfinegnatiabank.gr](http://www.marfinegnatiabank.gr).

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Interim Consolidated Income Statement  
for the period ended as at 30 September 2008  
(Amounts in thousand Euro)

	Note	1 Jan-30 Sep 2008	1 Jan-30 Sep 2007	1 July-30 Sep 2008	1 July-30 Sep 2007
Interest and similar income		689.244	495.663	271.047	189.862
Interest and similar expense		(466.533)	(296.969)	(189.187)	(123.038)
<b>Net interest income</b>		<b>222.711</b>	<b>198.694</b>	<b>81.860</b>	<b>66.824</b>
Fee and commission interest		146.846	193.640	46.534	113.283
Fee and commission expense		(31.078)	(41.353)	(8.172)	(21.314)
<b>Net fee and commission income</b>		<b>115.768</b>	<b>152.287</b>	<b>38.362</b>	<b>91.969</b>
Income from dividends		3.983	1.680	1.830	538
Net trading income		14.112	37.439	639	8.392
Other income		9.004	5.967	2.496	1.110
<b>Operating income</b>		<b>365.578</b>	<b>396.067</b>	<b>125.187</b>	<b>168.833</b>
Provisions for credit risks	8	(50.087)	(44.908)	(21.279)	(15.458)
Staff costs		(114.867)	(101.312)	(39.654)	(33.906)
Other operating expense		(71.580)	(58.392)	(27.501)	(20.978)
Depreciation		(10.556)	(9.804)	(3.582)	(3.333)
Income from investment in associates		167	(87)	(60)	(28)
<b>Profit/Loss before tax</b>		<b>118.655</b>	<b>181.564</b>	<b>33.111</b>	<b>95.130</b>
Taxes	6	(30.598)	(45.461)	(8.779)	(22.365)
<b>Profit/Loss after tax</b>		<b>88.057</b>	<b>136.103</b>	<b>24.332</b>	<b>72.765</b>
<b><u>Distributed to:</u></b>					
Company Shareholders		83.946	131.124	23.186	69.397
Minority interest		4.111	4.979	1.146	3.368
<b>Profit/Loss per share (in Euro)</b>					
Basic	7	0,2907	0,4635	0,0803	0,2463
Diluted	7	0,2906	0,4631	0,0803	0,2461

The notes presented on pages from 6 to 21 constitute an integral part of the consolidated financial statements as at 30 September 2008.

Interim Consolidated Balance Sheet  
30 September 2008  
(Amounts in thousand Euro)

<b>ASSETS</b>	<b>Note</b>	<b>30 September 2008</b>	<b>31 December 2007</b>
Cash and balances in Central Bank		825.437	585.464
Loans and advances to Banks		601.229	1.933.596
Loans and advances to Customers (net of impairment)	<b>8</b>	12.749.589	9.648.283
Derivative financial instruments - assets		70.454	10.935
Financial assets at fair value thorough profit and loss		228.197	340.274
Available for sale financial instruments	<b>9</b>	1.517.309	588.543
Investments held to maturity	<b>10</b>	530.099	91.826
Loan portfolio debt instruments	<b>11</b>	596.144	-
Investments in associates	<b>12</b>	2.219	1.988
Self used property, plant and equipment		85.384	90.209
Investment property		33.895	31.856
Intangible assets	<b>13</b>	61.978	62.181
Deferred tax assets		52.052	34.141
Other assets		386.140	295.665
<b>TOTAL ASSETS</b>		<b>17.740.126</b>	<b>13.714.961</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	<b>14</b>	366.846	366.556
Share premium	<b>14</b>	327.699	327.261
Other reserves and retained earnings	<b>15</b>	154.042	118.680
<b>Total Equity of the Company's Shareholders (a)</b>		<b>848.587</b>	<b>812.497</b>
Minority interest (b)		20.081	15.868
<b>TOTAL EQUITY (c) = (a) + (b)</b>		<b>868.668</b>	<b>828.365</b>
Deposits from Banks	<b>16</b>	4.321.003	2.415.322
Deposits from customers	<b>17</b>	11.405.816	9.300.747
Derivative financial instruments – liabilities		39.955	33.869
Other borrowed funds	<b>18</b>	630.231	530.803
Provisions for staff due to leave of service		12.284	11.317
Other provisions	<b>19</b>	4.930	16.128
Deferred tax liabilities		20.591	17.023
Other liabilities		436.648	561.387
<b>TOTAL LIABILITIES (d)</b>		<b>16.871.458</b>	<b>12.886.596</b>
<b>TOTAL EQUITY AND LIABILITIES (c) + (d)</b>		<b>17.740.126</b>	<b>13.714.961</b>

The notes presented on pages from 6 to 21 constitute an integral part of the consolidated financial statements as at 30 September 2008.



Consolidated Statement of Changes in Equity  
For the period ended 30 September 2008  
(Amounts in thousand Euro)

	Share Capital	Share premium	Reserves	Investment valuation differences	Retained earnings	Net Equity of the Bank's Sharehold ers	Minority interests	Total equity
<b>Balance 01 January 2007</b>	<b>353.520</b>	<b>312.125</b>	<b>38.211</b>	<b>(3.505)</b>	<b>8.113</b>	<b>708.464</b>	<b>21.002</b>	<b>729.466</b>
Share Capital increase	13.034	15.132				28.166		28.166
Dividends for the fiscal year ended in 2006			8.719		(13.383)	(4.664)	(1.323)	(5.987)
Revaluation of available for sale portfolio				(36.586)		(36.586)	64	(36.522)
Results for the period					131.124	131.124	4.979	136.103
Impact through Percentage of participation in subsidiaries and other movements			6.367	(29)	(6.959)	(621)	(10.013)	(10.634)
<b>Balance 30 September 2007</b>	<b>366.554</b>	<b>327.257</b>	<b>53.297</b>	<b>(40.120)</b>	<b>118.895</b>	<b>825.883</b>	<b>14.709</b>	<b>840.592</b>
<b>Balance 01 January 2008</b>	<b>366.556</b>	<b>327.261</b>	<b>54.808</b>	<b>(58.218)</b>	<b>122.090</b>	<b>812.497</b>	<b>15.868</b>	<b>828.365</b>
Share capital increase through transformation of bonds	290	438				728	0	728
Dividends for the fiscal year ended in 2007			11.460		(11.460)		(9)	(9)
Revaluation of available for sale portfolio				(48.019)		(48.019)	(14)	(48.033)
Results for the period					83.946	83.946	4.111	88.057
Reserves for the stock option plan			1.366			1.366	27	1.393
Reserves Tax			(2.875)		2.875			
Impact through Percentage of participation in subsidiaries and other movements			(313)		(1.618)	(1.931)	98	(1.833)
<b>Balance 30 September 2008</b>	<b>366.846</b>	<b>327.699</b>	<b>64.446</b>	<b>(106.237)</b>	<b>195.833</b>	<b>848.587</b>	<b>20.081</b>	<b>868.668</b>

The notes presented on pages from 6 to 21 constitute an integral part of the consolidated financial statements as at 30 September 2008.

Consolidated Cash Flow Statement  
For the period ended 30 September 2008  
(Amounts in thousand Euro)

	30/9/2008	30/9/2007
<b>Cash flows from operating activities</b>		
Profit/Loss before tax	118.655	181.564
<b>Adjustments for non-cash items</b>		
Depreciation	10.556	9.804
Loans impairment	50.087	44.908
Other provisions	1.763	366
Employee benefits	1.295	1.822
Trading portfolio valuation	(3.742)	(8.607)
Transfer to investing activities	(74.728)	(28.483)
Transfer to financing activities	22.692	10.235
	<b>126.578</b>	<b>211.609</b>
<b>Net changes in operating assets</b>		
Loans and advances to Banks	(334.326)	0
Trading securities and derivatives	52.557	(85.414)
Loans and advances to customers	(3.151.393)	(2.738.260)
Other assets	(76.133)	(245.199)
<b>Net changes in operating liabilities</b>		
Deposits from Banks	1.905.681	178.053
Deposits from customers	2.105.068	3.227.435
Other liabilities	(137.082)	135.367
<b>Net cash flows from Operating Activities before tax</b>	<b>490.950</b>	<b>683.591</b>
Income tax paid	(32.309)	(21.481)
<b>Net Cash Flows from Operating Activities</b>	<b>458.641</b>	<b>662.110</b>
<b>Cash Flows from Investing Activities</b>		
Investments in subsidiaries and associates	0	(10.353)
Disposal / Liquidation of subsidiaries-associates and their cash available	0	0
Net (increase) decrease in investments	(2.026.004)	(208.447)
Dividends received	1.308	178
Purchase of assets	(15.997)	(13.385)
Sale of assets	9.118	3.383
Investment portfolio interests received	66.218	28.314
Other flows from investing activities	5.865	688
<b>Net Cash Flows from Investing Activities</b>	<b>(1.959.492)</b>	<b>(199.622)</b>
<b>Cash Flows from Financing Activities</b>		
Dividends distributed	(9)	(5.342)
Issue (payment) of debts	77.524	(10.068)
Share capital increase	0	0
Other flows from Financing Activities	0	(7)
<b>Net Cash Flows from Financing Activities</b>	<b>77.515</b>	<b>(15.417)</b>
<b>Total Net Cash Flows</b>	<b>(1.423.336)</b>	<b>447.071</b>
Impact of foreign exchange differences on Cash and Cash equivalents	(3.384)	425
<b>Net cash flow increase (decrease)</b>	<b>(1.426.720)</b>	<b>447.496</b>
<b>Cash and cash equivalents, opening</b>	<b>2.436.061</b>	<b>1.892.883</b>
<b>Cash and cash equivalents, closing</b>	<b>1.009.341</b>	<b>2.340.379</b>
Cash and cash equivalents consist of:		
<b>Cash and balances with Central Bank</b>	456.502	428.295
<b>Due from Banks</b>	552.839	1.912.084
	<b>1.009.341</b>	<b>2.340.379</b>

The notes presented on pages from 6 to 21 constitute an integral part of the consolidated financial statements as at 30 September 2008.

## 1. General information on the Group

«MARFIN EGNATIA BANK S.A.» (former EGNATIA BANK S.A. and hereinafter referred to as «the Bank»), with its registered office in Greece, whose shares are traded on Athens Stock Exchange, operates as a Societe Anonyme bank, in compliance with the requirements of effective Company Law 2190/1920 on societe anonyme, the requirements of Law 3601/2007 on credit institutions, as well as, requirements of other similar legislations.

The Group of Marfin Egnatia Bank's companies, hereinafter referred to as "the Group", operates mainly in the financial sector, and provides a broad variety of financial and banking services to individuals and businesses.

The Group's primary activities are in Greece, but it also has subsidiaries that operate in Romania and Cyprus. The Group employs a total of 3.564 people (30/09/2007: 3.234).

The Bank (Registry No. 6072/06/B/86/11), the parent company of the Group, arose following the merger of: a) MARFIN BANK S.A. (R. No. 6079/06/B/86/18) and b) LAIKI BANK (Hellas) S.A. (R. No. 27084/06/B/92/16) with EGNATIA BANK S.A. in accordance with decision K2 – 9985/29.06.2007 of the Ministry of Development. Furthermore, in accordance with the aforementioned decision of the Ministry of Development, the modification of Article 1 of the Bank's Charter of Incorporation was also approved in compliance with which the name and the discreet title of the Bank have been changed to «**MARFIN EGNATIA BANK S.A.**», under the discreet title «**MARFIN ΕΓΝΑΤΙΑ ΤΡΑΠΕΖΑ**» and «**MARFIN EGNATIA BANK**».

The corporate registered office of the Bank is in the Municipality of Thessalonica and in particular, at 4 Danaïdon Str.

The objective of the Bank, in accordance with Article 3 of its Charter of Incorporation is to operate in Greece or abroad and provide services recognized or legally assigned to Banks, on its behalf or on behalf of third parties.

### **Management**

The Board of Directors at its meeting on 29/02/2008 reorganized its body as follows:

The Chairman (Non executive member):	Vassilios N. Theocharakis
The Vice Chairman (Non executive member) :	Alexandros K. Mpakatselos
The Managing Director (Executive member) :	Konstantinos Vassilakopoulos
Executive members:	Andreas E. Vgenopoulos Efthimios T. Bouloutas Androniki. D. Plakomichelaki Fotios D. Karatzenis
Non executive members:	Panagiotis I. Theocharakis Despina V. Theocharaki
Non executive independent members:	Panagiotis K. Throuvalas Markos A. Foros

The current condensed interim consolidated financial statements were approved by the Board of Directors on 24 November 2008.

## 2. Basis of preparation of condensed interim consolidated financial statements

The condensed interim consolidated financial statements as of 30/09/2008 have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Statements" and must be reviewed alongside the annual financial statements of the Bank for the period ended 31 December 2007.

The Group adopted for its interim condensed consolidated financial statements as at 30/09/2008 the same accounting policies that are included in the publicized financial statements for the period ended 31/12/2007.

The Group made use of the Amendments to International Accounting Standard (IAS) 39 and International Financial Reporting Standard (IFRS) 7, issued in October 2008 and effective as from 01/07/2008. The effects from application of the aforementioned amendments are presented in Note 11.

The consolidated financial statements are presented in Euro, which is the reporting currency, rounded to the nearest thousand.

## 3. Reclassification of comparative periods

Results for the period 1/1 – 30/9/2007	As published 30/09/2007	As presented 30/09/2008	Reclassification
Interest and similar income	534.111	495.663	(38.448)
Interest and similar expense	(335.417)	(296.969)	38.448
Fee and commission income	191.223	193.640	2.417
Other income	8.384	5.967	(2.417)

Results for the period 1/7 – 30/9/2007	As published 30/09/2007	As presented 30/09/2008	Reclassification
Interest and similar income	213.097	189.862	(23.235)
Interest and similar expense	(146.338)	(123.038)	23.300
Fee and commission income	111.635	113.283	1.648
Fee and commission expense	(21.342)	(21.314)	28
Trading income (expense)	9.138	8.392	(746)
Other income	1.674	1.110	(564)
Staff fees and expenses	(33.900)	(33.906)	(6)
General operating expenses	(20.509)	(20.978)	(469)
Taxes	(22.409)	(22.365)	44

The comparative data have been reclassified so as to be consistent with the changes that the Bank has adopted in the presentation of its financial information for the current period that ended at 30 September 2008.



#### 4. Segment reporting

##### **Geographical segment**

The Group operates mainly in Greece. The branch network of the Group has 200 branches, 174 of which are located in Greece and 26 in Romania. 89,22% of its operating income is generated from its operations in Greece, while its assets constitute 95,57% of the Group.

##### **Business segment**

The Group is organized into the following business segments:

- a) Investment and corporate banking
- b) Retail banking
- c) Asset Management
- d) Treasury
- e) Investments and participations

30 September 2008						
Amounts in thousand Euro	Investment and corporate banking	Retail banking	Asset management	Treasury	Investments and participations	Total
Operating revenue	102.056	181.008	49.963	32.109	442	<b>365.578</b>
Profit before tax	66.477	958	28.033	23.313	(126)	<b>118.655</b>
Income tax						<b>(30.598)</b>
Profit after tax						<b>88.057</b>

30 September 2007						
Amounts in thousand Euro	Investment and corporate banking	Retail banking	Asset management	Treasury	Investments and participations	Total
Operating revenue	116.613	148.517	55.742	73.370	1.825	<b>396.067</b>
Profit before tax	78.684	7.141	36.808	58.757	174	<b>181.564</b>
Income tax						<b>(45.461)</b>
Profit after tax						<b>136.103</b>

## 5. Group structure

In the consolidated financial statements of the Group, the following companies are also included:

**Under full consolidation method:**

		30/09/2008			31/12/2007			Tax non-inspected years
Name	Country of incorporation	% Direct participation	% Indirect participation	Total % participation	% Direct participation	% Indirect participation	Total % participation	
1. Marfin Egnatia Bank S.A. (1)	Greece	-	-	-	-	-	-	2005 – 2007
2. Marfin Bank Romania S.A. (2)	Romania	98,98%	-	98,98%	98,98%	-	98,98%	-
3. Marfin Leasing IFN Romania S.A. (3)	Romania	99,00%	-	99,00%	99,00%	-	99,00%	-
4. Marfin Leasing S.A. (4)	Greece	100,00%	-	100,00%	100,00%	-	100,00%	2005 - 2007
5. Dynamic Asset Operating Leases S.A. (5)	Greece	-	100%	100%	-	-	-	-
6. Marfin Egnatia Fin S.A..	Greece	99,00%	-	99,00%	99,00%	-	99,00%	2007
7. EUROCAMBIO Foreign Exchange S.A. (6)	Greece	90,29%	-	90,29%	90,29%	-	90,29%	2007
8. Marfin Insurance Brokers S.A. (9)	Greece	100,00%	-	100,00%	100,00%	-	100,00%	2007
9. Egnatia Finance PLC	United Kingdom/ London	99,998%	0,002%	100,00%	99,998%	0,002%	100,00%	-
10. Marfin Travel LTD (7)	Greece	-	99,00%	99,00%	-	99,00%	99,00%	2005 - 2007
11. Obafemi Holdings LTD	Cyprus	100,00%	-	100,00%	100,00%	-	100,00%	-
12. Egnatia Properties SRL	Romania	-	100,00%	100,00%	-	100,00%	100,00%	-
13. Investment Bank of Greece S.A.(8)	Greece	92,04%	-	92,04%	92,04%	-	92,04%	2007
14. MFG Capital Partners Ltd	United Kingdom/ London	70,00%	-	70,00%	70,00%	-	70,00%	-
15. Marfin Global Asset Management S.A.	Greece	94,5148%	4,0504%	98,5652%	94,5148%	4,0504%	98,5652%	2007
16. IBG Investments A.E.	British Virgin Island	-	92,04%	92,04%	-	92,04%	92,04%	-
17. IBG Mutual Funds Management S.A.	Greece	-	92,04%	92,04%	-	92,04%	92,04%	2007
18. Marfin Securities (Cyprus) Ltd	Cyprus	-	92,04%	92,04%	-	92,04%	92,04%	-
19. IBG Capital S.A.	Greece	-	92,03%	92,03%	-	92,03%	92,03%	2007
20. Marfin Life Insurance S.A. (9)	Greece	100,00%	-	100,00%	100,00%	-	100,00%	2007
21. Laiki ATTALOS S.A.	Greece	97,51%	-	97,51%	97,51%	-	97,51%	2007
22. Marfin Factors & Forfaiters S.A.	Greece	100,00%	-	100,00%	100,00%	-	100,00%	2007

(1) Refers only to the absorbing Bank Egnatia Bank S.A. The absorbed Marfin Bank and Laiki Bank (Greece) have been tax inspected as until the year 2006.

(2) On 15/5/2008, the subsidiary was renamed from Egnatia Bank (Romania) SA to Marfin Bank (Romania) S.A.

In June 2008 the latest share capital increase of the company has taken place for the amount of 20.000 thousand Euro. The increase was covered pro rata of the participation in the company's share capital by Marfin Egnatia Bank S.A. for 98,98% and thus by the amount of 19.797 thousand Euro. From this total the amount of 5.797 thousand Euro were paid in cash, while the amount of 14.000 thousand Euro through the conversion of the subordinated debt bond loan.

(3) On 20/06/2008 the company was renamed from Egnatia Leasing Romania S.A. to Marfin Leasing IFN Romania S.A.

(4) The company arose following the merger of Egnatia Leasing S.A. (tax non-inspected for 2005-2007) and Laiki Leasing S.A. (tax inspected until 2006), with absorption of the latter by the former.

(5) The newly established company is 100% subsidiary of Marfin Leasing S.A. and was first included in the consolidation as at 30/09/2008.

(6) The company Eurocambio is fully depreciated and in the state of liquidation. It was not included in the consolidation of 30/09/2008 and of 30/06/2008, as well as, of the comparative period of 30/09/2007.

(7) On 11/02/2008 the subsidiary was renamed from Egnatia Bank Travel LTD to Marfin Travel LTD.

(8) The company arose following the merger of Investment Bank of Greece S.A. (tax inspected until 2006) and Egnatia Finance S.A. (tax non-inspected years 2002-2006), with absorption of the latter by the former.

(9) On 22 July 2008 the parent company Marfin Popular Bank and CNP Assurance have signed a long-term collaboration agreement for the development of life insurance and retirement services vis-à-vis the branch networks of the Group in Greece and Cyprus, and the capability for extension of their collaboration in Southeastern Europe. According to the terms of the agreement CNP Assurance acquires 50,1% of the insurance services of the Group as well as the management of these companies. The agreement is due to approval by relevant regulatory authorities.

In the context of the aforementioned agreement the Bank, following the approval of the Extraordinary General Assembly of 26/08/2008, has proceeded with the sale of 100% of its subsidiaries Marfin Life Insurance S.A. and Marfin Insurance Brokers S.A. to the company MARFIN INSURANCE HOLDINGS LTD, also a subsidiary of MARFIN POPULAR BANK.

As till the date of signing the financial statements, the sale has not been performed.

**Basic sizes of the subsidiaries:**  
*(amounts in thousand Euro)*

<b>Sizes 30/09/2008</b>	<b>Marfin Life Insurance S.A.</b>	<b>Marfin Insurance Brokers S.A.</b>
Total assets	33.695	5.059
Total equity	5.834	957
Income statement	281	163

The company Egnatia Consumer Services S.A. was not included in the consolidated financial statements of 30/09/2008 as well as of 31/06/2008 due to the state of liquidation within 2007. In the corresponding period 30/09/2007 it was fully consolidated. The aforementioned change did not cause changes higher than 25% to the turnover or/and earnings after taxes and minority rights of the company and/or the equity of the company's shareholders.

### Under equity method:

	Name	Country of incorporation	30/09/2008			31/12/2007		
			% Direct participation	% Indirect participation	Total % participation	% Direct participation	% Indirect participation	Total % participation
1.	ARIS Capital Management	USA.	30,00%	-	30,00%	30,00%	-	30,00%

## 6. Income tax

(amounts in thousand Euro)

	1/1 - 30/9/2008	1/1 - 30/9/2007	1/7 - 30/9/2008	1/7 - 30/9/2007
Current tax	28.813	39.889	11.454	22.270
Deferred tax	1.684	4.149	(2.675)	(4)
Provision for tax inspection differences	101	1.423	0	99
<b>Total income tax recognized in the Income Statement</b>	<b>30.598</b>	<b>45.461</b>	<b>8.779</b>	<b>22.365</b>

In Greece, the results reported to tax authorities by an entity are provisional and subject to revision until such time as the tax authorities examine the books and records of the entity and the related tax returns are accepted as final. Therefore, entities remain contingently liable for additional taxes and penalties, which may be assessed upon such examination. In compliance with the method of settling the tax obligations in Greece, the Bank and the Group remain contingently liable for tax non-inspected years for which provisions have been made amounting to 800 thousand Euro and 866 thousand Euro respectively.

For tax non-inspected financial years 2005-2006 of the former Egnatia Bank an application has been made for tax inspection under Prot. No. 2619/26-06-2007 to tax authorities of Thessalonica.

As far as companies of the former "Egnatia Bank S.A." Group are concerned, applications have been made inclusively for tax inspection until the year 2006 as follows:

Company	Non tax inspected fiscal years	Responsible Tax Authority	Protocol Number of application for tax inspection
Egnatia Finance S.A.	2002-2007	Δ.Ε.Κ. ΑΘΗΝΩΝ	6452/20.09.2006
Egnatia Leasing S.A..	2005-2007	Δ.Ε.Κ. ΑΘΗΝΩΝ	4.613/26.06.2007
Marfin Travel LTD	2005-2007	Δ' ΑΘΗΝΩΝ	15.527/26.06.2007

## 7. Earnings per share

Basic earnings per share are calculated by dividing the profit after tax that is attributable to the shareholders of the parent company with the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the profit after tax that is attributable to the shareholders of the parent company after adjusting for the interest expense attributable to the holders of the Bank's convertible bond issue with the weighted average number of ordinary shares adjusted by the number of ordinary shares converted from the convertible bond issue.

	1/1 - 30/9/2008	1/1 - 30/9/2007	1/7 - 30/9/2008	1/7 - 30/9/2007
<b>Basic earnings per share</b>				
Profit attributable to shareholders of the Bank	83.946	131.124	23.186	69.397
Weighted average number of outstanding ordinary shares	288.806.346	282.923.440	288.855.096	281.783.115
<b>Basic earnings per share</b>	<b>0,2907</b>	<b>0,4635</b>	<b>0,0803</b>	<b>0,2463</b>
<b>Diluted earnings per share</b>				
Profit attributable to shareholders of the Bank	83.972	131.165	23.190	69.411
Weighted average number of outstanding ordinary shares	288.927.346	283.225.813	288.927.346	282.085.535
<b>Diluted earnings per share</b>	<b>0,2906</b>	<b>0,4631</b>	<b>0,0803</b>	<b>0,2461</b>

## 8. Loans and advances to customers

(amounts in thousand Euro)

	30/09/2008	31/12/2007
<b>Loans to individuals:</b>		
Consumer	1.614.850	1.457.712
Credit cards	358.734	162.082
Mortgages	2.063.369	1.797.699
Other	23.845	25.190
	<b>4.060.798</b>	<b>3.442.683</b>
<b>Corporate loans:</b>	<b>8.955.736</b>	<b>6.427.598</b>
<b>Total loans and advances to customers</b>	<b>13.016.534</b>	<b>9.870.281</b>
Less: Impairment loss for loans and advances	(266.945)	(221.998)
<b>Total</b>	<b>12.749.589</b>	<b>9.648.283</b>
<b>Movement of impairment loss for loans and advances to customers:</b>		
Opening balance	221.998	169.804
Expense for the period	50.087	59.846
Write off	(5.519)	(7.652)
Other movements	379	0
<b>Closing balance</b>	<b>266.945</b>	<b>221.998</b>

## 9. Available for sale financial instruments

(amounts in thousand Euro)

	30/09/2008	31/12/2007
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Mutual funds (domestic)	4.643	13.462
Shares listed in Athens Stock Exchange	14.706	7.043
Shares listed in Athens Stock Exchange (pledged)	0	414
Entries to shares currently not issued (domestic)	251	31
Shares listed in foreign stock exchanges	3.726	2.069
Not-listed shares	1.123	1.110
Bond loans of companies listed in Athens Stock Exchange	30.355	0
Greek government treasury bills (fixed interest)	431.343	161.528
Greek government treasury bills (floating interest)	137.003	115.553
Other government treasury bills (fixed interest)	70.985	97.559
Corporate entity bonds (fixed interest)	424.565	105.822
Corporate entity bonds (floating interest)	398.609	83.952
	<b>1.517.309</b>	<b>588.543</b>

## 10. Held to maturity investments

(amounts in thousand Euro)

	30/09/2008	31/12/2007
Fixed rate Greek Government bonds	31.200	53.314
Floating rate Greek Government bonds	10.000	10.000
Fixed rate corporate bonds	2.963	2.025
Floating rate corporate bonds	485.936	26.487
	<b>530.099</b>	<b>91.826</b>

## 11. Loan portfolio debt instruments

(amounts in thousand Euro)

	30/09/2008	31/12/2007
Other government treasury bills (fixed interest )	83.449	0
Fixed rate corporate bonds	254.403	0
Floating rate corporate bonds	258.292	0
	<b>596.144</b>	<b>0</b>

The Bank applied the amendments of IAS 39 and IFRS 7 "Reclassification of Financial Assets" and reclassified investments in trading portfolio into available for sale financial instruments and available for sale financial instruments into loan portfolio debt instruments. In compliance with amended IAS 39, the Bank defined the assets for which as at 1<sup>st</sup> July 2008 it had no intention to dispose of in the nearest future. The reclassification is effective as from 1<sup>st</sup> July 2008, in conformity with the amended IAS 39 at the carrying amount of the investments as at that date. The carrying amount and the fair value of the reclassified investments are presented below:

(amounts in thousand Euro)

	1 July 2008	30 September 2008	
	Carrying amount	Carrying amount	Carrying amount
Investments in trading portfolio transferred into available for sale financial instruments	11.442	11.860	10.294
Available for sale financial instruments transferred into loan portfolio debt instruments	513.537	523.729	467.052

If the Bank had not reclassified its investments in securities as at 1 July 2008, the income statement for the third three month period of 2008 would have included valuation losses from the changes in the fair value of the reclassified financial assets available for sale amounting to 1.566 thousand Euro, burdening the Equity.

As at the reclassification date, the interest rates of the trading portfolio fluctuate from 5,162% to 8,20% and their recoverable amount comes to 11.991 thousand Euro.

Furthermore, if the aforementioned reclassification had not been carried out, there would have been recognized in fair value reserves of financial assets available for sale valuation losses, amounting to 56.677 thousand Euro, representing the change in fair value for the third three month period of 2008 of the reclassified investments available for sale.

Of the amount of available for sale portfolio that has been transferred, the amount of 207.245 thousand Euro has been hedged for changes in fair value, which are due to the risk of interest rate changes, for which the Bank will continue to apply hedging policy. The interest rates from the securities that have been transferred will continue to be recognized in interest rate income, using the effective rate method.

As at the reclassification date, the interest rates of available for sale portfolio fluctuated from 4,0% to 8,875% and their recoverable amount came to 568.774 thousand Euro.

## 12. Investments in associates

(amounts in thousand Euro)

	30/09/2008	31/12/2007
Company	<b>ARIS Capital Management (USA)</b>	
% Direct Participation	30,00%	30,00%
<b>Investment</b>	<b>2.219</b>	<b>1.988</b>

## 13. Intangible Assets

(amounts in thousand Euro)

	30/09/2008	31/12/2007
Software	11.780	11.983
Goodwill	50.198	50.198
	<b>61.978</b>	<b>62.181</b>

## 14. Share Capital

	30/09/2008	31/12/2007
Number of ordinary shares	288.855.236	288.626.666
Nominal value	1,27	1,27
Share capital paid (in thousand Euro)	366.846	366.556
Share premium (in thousand Euro)	327.699	327.261

Within the nine-month period of 2008, the Share Capital and the Share Premium have increased by 290 thousand Euro and 438 thousand Euro respectively, due to the conversion of 228.570 ordinary bonds of the Convertible Bond Loan issued as at 21/01/2003 into ordinary shares.

The shares of the Bank are nominal, indivisible and are traded under the Special Stock Exchange Characteristics category in the Athens Stock Exchange (ASE) and have been issued in accordance with the requirements of Law 2190/1920 and the Bank's Charter of Incorporation.

## 15. Other reserves and retained earnings

(amounts in thousand Euro)

	30/09/2008	31/12/2007
Statutory reserve	26.037	19.346
Untaxed reserve	1.242	5.449
Extraordinary reserve	34.145	28.382
Revaluation reserve available-for-sale securities	(106.238)	(58.218)
Reserves for Stock Options plan	3.022	1.630
	<b>(41.792)</b>	<b>(3.411)</b>
Retained Earnings	195.834	122.091
	<b>154.042</b>	<b>118.680</b>

*Statutory reserve:* Under the provisions of Greek corporate law, entities are required to transfer 5% of their annual profits to a statutory reserve until the reserve equals one third of the issued capital. This reserve is not available for distribution but may be applied to cover losses.

*Untaxed reserve:* In the event of reserves being distributed, tax is applied on the rate in effect as at the date of distribution.

In accordance with Law 3634/2008, untaxed reserves of banking organizations from: profits by listed shares (both domestic and foreign), profits by derivative financial instruments (both domestic and foreign), as well as, untaxed earnings in accordance with article 99 of Law 2238/1994, were taxed at the rate of 25% in September 2008. The Group defrayed the amount of 2.875 thousand Euro for reserves thus burdening the income statements of the prior periods. The reserves in question were transferred to "extraordinary reserves" and can be distributed or capitalized at any time with no further taxes applied.

*Extraordinary reserve:* Includes all other reserves that cannot be categorized within the aforementioned categories.

## 16. Deposits from banks

(amounts in thousand Euro)

	30/09/2008	31/12/2007
Deposits in Central Bank	1.332.781	180.000
Sight	16.139	13.512



Time	190.002	24.551
Placements in banks	2.117.592	1.884.111
Interbank deposits	664.489	313.148
	<b>4.321.003</b>	<b>2.415.322</b>

## 17. Deposits from customers

(amounts in thousand Euro)

	30/09/2008	31/12/2007
<b>Retail customers:</b>		
Current accounts	478.637	728.612
Saving accounts	713.974	763.119
Term deposits	5.420.670	4.095.186
	<b>6.613.281</b>	<b>5.586.917</b>
<b>Corporate customers:</b>		
Sight	926.016	1.179.977
Term	3.759.899	2.442.817
	<b>4.685.915</b>	<b>3.622.794</b>
<b>Government entities:</b>		
Sight	74.973	77.754
Term	31.647	13.282
	<b>106.620</b>	<b>91.036</b>
	<b>11.405.816</b>	<b>9.300.747</b>

## 18. Other borrowed funds

(amounts in thousand Euro)

	30/09/2008	31/12/2007
Convertible subordinated debt maturity 2013	231	862
Subordinated debt maturity 2015	80.000	80.000
Subordinated debt maturity 2017	200.000	200.000
Bond loan maturity 2010	50.000	50.000
Bond loan maturity 2011	50.000	0
Syndicated loan maturity 2010	250.000	0
Loan maturity 2008	0	199.941
	<b>630.231</b>	<b>530.803</b>

The convertible bond was issued on 21st January 2003 and has a maturity of 10 years with the right of first redemption after 5 years. It has a 3-month Euribor interest rate plus 1,75% up to the date of redemption and 3,25% until maturity. Interest accrues every 3 months starting from 21 January 2003.

Convertible subordinated debt holders have the right to exchange ten notes for ten shares. At 30/09/2008 there were 72.110 common bonds, the holders of which have the right to exchange for the respective number of common shares. The par value of each debt security is Euro 3,20.

The subordinated debt with maturity 2015 was issued 4 May 2005 and it has a 10 year term with the right to fixed redemption after the end of the fifth year. It has a 3-month Euribor interest rate plus 1,10% up to redemption date and 2,40% up to maturity. It accrues interest on a quarterly basis starting from 4 August 2005.

The subordinated debt with maturity 2017 was issued on 31 December 2007 it has a 10 year term with the right to fixed redemption after the end of the fifth year. It has an interest rate of Euribor three months plus 0.95% up to redemption date and 1.95% up to maturity. It accrues interest quarterly starting 31 March 2008. The issue of the bond loan was decided following the approval of the Ordinary General Assembly of the Shareholders of the company on 22 June 2006 and was covered in total by the parent «Marfin Popular Bank Public co ltd».

The subordinated debt is used as secondary capital (Tier II Capital) for capital adequacy purposes.

The bond loan (Schuldschein) with maturity 2010 was issued on 28 December 2007 and it has a 3 year term. It has an interest rate of Euribor 1, 3 or 6 months plus 0.25% up to maturity. It accrues interest every 1, 3 or 6 months starting on 28 January 2008.

The bond loan (Schuldschein) with maturity 2011 was issued on 5 March 2008 and it has a 3 year term. It has an interest rate of Euribor 6 months plus 0.25% up to maturity. It accrues interest every 6 months starting on 4 September 2008.

In September there was undertaken a syndicated loan of two years' term amounting to 250 million Euro. The issue date is 25/09/2008 and the term is 2 years. It has an interest rate of Euribor 3 months plus 0.60% up to maturity. It accrues interest every 3 months starting on 29/12/2008.

On 11/08/2008 there matured the loan issued on 11/08/2005 amounting to 200 million Euro.

## 19. Other provisions

(amounts in thousand Euro)

	30/09/2008	31/12/2007
Provisions for risks and liens	4.035	5.585
Provisions for taxes	866	800
Other personnel provisions	29	9.743
<b>Other provisions</b>	<b>4.930</b>	<b>16.128</b>

From total provisions for risks and liens amounting to 4.035 thousand Euro for the nine month period of 2008 and 5.585 thousand Euro for 2007, the amount of 1.011 thousand Euro pertains to disputed claims. The remaining amounts of 2.874 thousand Euro and 4.574 thousand Euro respectively pertain to the coverage of extraordinary losses that might arise from doubtful receivables other than loans.

## 20. Contingent liabilities and commitments

### 20.1 Litigations

The Group is a defendant in certain claims and legal actions arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial position of the Group apart from those referred to in Note 19.

### 20.2 Credit commitments

The contractual amounts of the off balance sheet items, binding the Group to issue credits to customers are as follows (amounts in thousand Euro):

	30/09/2008	31/12/2007
Letters of guarantee	637.652	499.750
Letters of credit	7.258	5.069

## 21. Related parties transactions

Related parties consist of: a) members of the Board of Directors and management, b) the parent Bank's group (Marfin Popular Bank), as well as, c) other related parties (members of the BoD – management of the Group's subsidiaries, next of kin or financially dependent members for members of the BoD and management, and companies that trade with the Bank, in cases where total participation of the members of the BoD and management in these companies and of their dependent members does not exceed 20% in total.

Letters of guarantee and letters of credit to related parties comprise a minimum percentage of total loans and advances of the Group.

All of the Group's transactions are objective and are conducted during the ordinary conditions and terms, and are within the framework of day-to-day operations.

The volume of transactions per category is as follows (amounts in thousand Euro):

A) Management and Board of Directors	30 September 2008	31 December 2007
Loans and advances to customers	4.677	3.907
Deposits and similar liabilities to customers	126.673	149.565
<b>Income</b>	<b>1/1 - 30/09/2008</b>	<b>1/1 - 30/09/2007</b>
Interest – Commission	280	63
<b>Expense</b>		
Interest – Commission	5.443	703
Wages	3.347	2.683
Employer contributions	165	190
Other employee benefits	91	71
Share based payments	597	0
<b>Total benefits</b>	<b>4.199</b>	<b>2.944</b>

During the period that ended on 30/09/2008 the members of the Board of Directors and management received bonus of 2.930 thousand Euro.

<b>B) Group of the parent company (Marfin Popular Bank)</b>	<b>30 September 2008</b>	<b>31 December 2007</b>
<b><u>Assets</u></b>		
Loans and advances to customers	0	0
Loans and advances to banks	291.949	264.458
Other loans and advances	1.029	20.952
<b><u>Total assets</u></b>	<b>292.978</b>	<b>285.410</b>
<b><u>Liabilities</u></b>		
Deposits from customers	13.513	18.633
Deposits from banks	428.855	355.944
Issued bonds and other borrowed funds	200.000	200.000
Other liabilities	340	5.421
<b><u>Total liabilities</u></b>	<b>642.708</b>	<b>579.998</b>
<b><u>Income</u></b>	<b>1/1 - 30/09/2008</b>	<b>1/1 - 30/09/2007</b>
Interest and similar income	5.570	5.578
Commission income	1.742	2.268
Other income	13	64
<b><u>Total income</u></b>	<b>7.325</b>	<b>7.910</b>
<b><u>Expense</u></b>		
Interest and similar expense	24.945	9.577
Commission expense	26	288
Other operating expense	1.544	0
<b><u>Total expense</u></b>	<b>26.515</b>	<b>9.865</b>
<b>C) Other related parties</b>	<b>30 September 2008</b>	<b>31 December 2007</b>
<b><u>Assets</u></b>		
Loans and advances to banks	35.407	37.500
Other loans and advances	56	245
Property, Plant and Equipment	463	1.100
<b><u>Total assets</u></b>	<b>35.926</b>	<b>38.845</b>
<b><u>Liabilities</u></b>		
Deposits from customers	16.681	19.359
<b><u>Total liabilities</u></b>	<b>16.681</b>	<b>19.359</b>
<b><u>Income</u></b>	<b>1/1 - 30/09/2008</b>	<b>1/1 - 30/09/2007</b>
Interest and similar income	1.615	1.112
Commission income	42	41
Other income	0	0
<b><u>Total income</u></b>	<b>1.657</b>	<b>1.153</b>
<b><u>Expense</u></b>		
Interest and similar expense	561	433
Commission expense	0	0
Other expense	158	384
<b><u>Total expense</u></b>	<b>719</b>	<b>817</b>

	30 September 2008	31 December 2007
Letters of guarantee and letters of credit	128	2.602

## 22. Transactions with Marfin Investment Group

(amounts in thousand Euro)

Transactions with MIG Group	30 September 2008	31 December 2007
<b>Assets</b>		
Loans and advances to customers	140.882	136.122
Investment portfolio	30.657	0
Other loans and advances	11.208	0
<b>Total assets</b>	182.746	136.122
<b>Liabilities</b>		
Deposits from customers	1.177.151	461.787
Other liabilities	2.935	0
<b>Total liabilities</b>	1.180.086	461.787
<b>Income</b>	<b>1/1 - 30/09/2008</b>	<b>1/1 - 30/09/2007</b>
Interest and similar income	8.540	837
Commission income	36.067	966
Other income	217	0
<b>Total income</b>	<b>44.824</b>	<b>1.803</b>
<b>Expense</b>		
Interest and similar expense	28.684	15.454
Other expense	1.842	0
<b>Total expense</b>	<b>30.526</b>	<b>15.454</b>

	30 September 2008	31 December 2007
Letters of guarantee and letters of credit	0	44.000

During the nine-month period of the current year MIG Real Estate S.A. acquired property, plant and equipment of the Bank for the total amount of 8.420 thousand Euro. The profit from the aforementioned sale has reached the amount of 1.898 thousand Euro.

## 23. Post Balance Sheet Date events

The Board of directors of the Bank at its meeting on 17/11/2008 decided on the issue of the first part of (ordinary) covered bonds amounting to 1 billion Euro with the term of 2 years as starting from the issue date, provision for extension - 1 year, with EKT interest rate and the annual margin of 1,10%. The Bonds were granted the creditability degree AAA/Aaa by international actuaries Fitch Ratings and Moody's Investors respectively. The first in Greece direct issue of Bond was performed within the frame of the plan of issue of (ordinary) covered bonds amounting up to 3 billion Euro. The insurance portfolio, as provided by the «coverage», in compliance with the definition of Bands stated in par. 3, Article 91 of the Law 3601/2007 is



composed of mortgages. Moreover, in order to satisfy potential demands of the Bond Lenders and all the Insured creditors, MARFIN POPULAR BANK PUBLIC CO LTD has agreed to provide to the Bank credit accommodations. The Bonds were listed for trading in Irish Stock Exchange and, following their issue, were acquired by the Bank itself at issue price, i.e. as against one (1) billion Euro with the aim of re-disposing them to institutional investors, at any time prior to their maturity date. As until the new disposal of the Bonds to institutional investors, the Bonds will be used as insurance for liquidity purposes by European Central Bank through The Bank of Greece.

Athens, 24 November 2008

The Chairman  
Of the Board of Directors

The Managing Director

The Chief Financial Officer

Vassilios N. Theocharakis  
I.D. No AB 340063/06

Konstantinos I. Vassilakopoulos  
I.D. No M 310696/82

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