



## **EGNATIA BANK A.E.**

**Interim consolidated financial statements**

**30 September 2006**

**In accordance with International Financial Reporting Standards**

The attached interim consolidated financial statements were approved by the Board of Directors of EGNATIA BANK A.E. on 3 November 2006 and have been posted on the Bank's website [www.egnatibank.gr](http://www.egnatibank.gr).

**4 Danaïdon Street, 546 26 Thessaloniki  
Company Reg. No. 6072/06/B/86/11**

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	Notes	1/1 - 30/09/2006	1/1 - 30/09/2005	1/7 - 30/09/2006	1/7 - 30/09/2005
Interest and similar income		148,583	123,670	52,068	42,530
Interest expense and similar charges		72,489	51,986	26,205	18,966
<b>Net interest income</b>		<b>76,094</b>	<b>71,684</b>	<b>25,863</b>	<b>23,564</b>
Fee and commission income		39,770	31,356	11,624	11,297
Fee and commission expense		9,498	6,949	3,219	2,607
<b>Net fee and commission income</b>		<b>30,272</b>	<b>24,407</b>	<b>8,405</b>	<b>8,690</b>
Dividend income		165	172	10	83
Net trading income/ (expense)		5,541	3,390	2,716	2,086
Other income		1,992	3,605	424	2,478
<b>Operating income</b>		<b>114,064</b>	<b>103,258</b>	<b>37,418</b>	<b>36,901</b>
Impairment loss on loans and advances		15,178	11,020	3,597	3,791
Staff costs		51,497	45,670	16,581	15,335
Other operating expenses		23,872	19,837	8,165	6,679
Depreciation		5,364	5,365	1,825	1,877
Share of gain (loss) of associates		374	(55)	125	(27)
<b>Profit before tax</b>		<b>18,527</b>	<b>21,311</b>	<b>7,375</b>	<b>9,192</b>
Tax	8	4,641	6,860	1,708	2,744
<b>Profit after tax</b>		<b>13,886</b>	<b>14,451</b>	<b>5,667</b>	<b>6,448</b>

**Attributable to :**

Equity holders of the Bank	12,953	14,145	5,549	6,223
Minority interests	933	306	118	225

**Earnings per share (Euro per share)**

	9			
Basic		0.14	0.16	0.06
Diluted		0.14	0.16	0.06

The Chairman  
of the Board of Directors

Vassilios N. Theocharakis  
ADT S 231179/98

The Managing Director

Eleftherios A. Chiliadakis  
ADT P 073667/90

The Manager  
of the Finance Department

Aggelos N. Saprannidis  
ADT AA 273117/05  
Permit Class A, Reg. No.  
0016834/18-07-2001

<b><u>ASSETS</u></b>	<b><u>Notes</u></b>	<b><u>30 September 2006</u></b>	<b><u>31 December 2005</u></b>
Cash and balances with Central Bank		148,924	130,481
Loans and advances to banks		498,490	587,872
Trading securities		17,572	18,326
Derivative financial instruments – assets		285	499
Loans and advances to customers (net of impairment)		2,572,047	2,392,513
Investment securities		194,782	137,239
Investment in associates		1,907	1,533
Intangible assets	<b>10</b>	8,103	8,345
Property, plant and equipment	<b>11</b>	55,767	47,178
Other assets		<u>88,215</u>	<u>69,656</u>
<b><u>TOTAL ASSETS</u></b>		<b><u>3,586,092</u></b>	<b><u>3,393,642</u></b>
<b><u>LIABILITIES</u></b>			
Deposits from banks		216,250	23,989
Deposits from customers		2,673,118	2,700,022
Derivative financial instruments – liabilities		1,005	2,135
Debt securities in issue and other borrowed funds	<b>12</b>	334,212	339,921
<b>Provisions</b>			
Employee benefits		8,587	9,496
Other provisions		<u>4,215</u>	<u>7,234</u>
<b>Other liabilities</b>			
Tax		4,597	1,113
Other liabilities		<u>79,817</u>	<u>60,329</u>
<b>Total liabilities (a)</b>		<b>3,321,801</b>	<b>3,144,239</b>
Share capital	<b>13</b>	109,115	107,840
Share premium		116,773	138,479
Reserves		19,084	17,833
Retained earnings / (loss)		11,434	(22,036)
<b><u>Total equity attributable to shareholders</u></b>		<b><u>256,406</u></b>	<b><u>242,116</u></b>
Minority interests		7,885	7,287
<b>Total equity (b)</b>		<b><u>264,291</u></b>	<b><u>249,403</u></b>
<b><u>TOTAL LIABILITIES AND EQUITY (a) + (b)</u></b>		<b><u>3,586,092</u></b>	<b><u>3,393,642</u></b>

Interim Consolidated statement of changes in equity  
For the period ended 30 September 2006  
(Amounts in thousands of Euros)

	Share capital	Share Premium	Reserves	Revaluation reserves available-for-sale	Retained Earnings	Net position equity holders Bank	Minority Interest	Total
<b>Balance 01 January 2005</b>	<b>99,893</b>	<b>124,786</b>	<b>17,990</b>	<b>(571)</b>	<b>(32,671)</b>	<b>209,427</b>	<b>7,065</b>	<b>216,492</b>
Share capital increase from debt securities conversion	4,951	8,531				13,482		13,482
Dividends					(6,830)	(6,830)	(392)	(7,222)
Distribution to reserves			412		(412)			
Available for sale valuation				272		272	(68)	204
Results for the period					14,145	14,145	306	14,451
FX differences and other movements					1,054	1,054	158	1,212
<b>Balance 30 September 2005</b>	<b>104,844</b>	<b>133,317</b>	<b>18,402</b>	<b>(299)</b>	<b>(24,714)</b>	<b>231,550</b>	<b>7,069</b>	<b>238,619</b>
<b>Balance 01 October 2005</b>	<b>104,844</b>	<b>133,317</b>	<b>18,402</b>	<b>(299)</b>	<b>(24,714)</b>	<b>231,550</b>	<b>7,069</b>	<b>238,619</b>
Share capital increase from debt securities conversion	2,996	5,162				8,158		8,158
Available for sale valuation				(176)		(176)	37	(139)
Results for the period					3,940	3,940	180	4,120
FX differences and other movements			(94)		(1,262)	(1,356)	1	(1,355)
<b>Balance 31 December 2005</b>	<b>107,840</b>	<b>138,479</b>	<b>18,308</b>	<b>(475)</b>	<b>(22,036)</b>	<b>242,116</b>	<b>7,287</b>	<b>249,403</b>
<b>Balance 01 January 2006</b>	<b>107,840</b>	<b>138,479</b>	<b>18,308</b>	<b>(475)</b>	<b>(22,036)</b>	<b>242,116</b>	<b>7,287</b>	<b>249,403</b>
Share capital increase from debt securities conversion	1,275	1,938				3,213		3,213
Dividends					(4,462)	(4,462)	(343)	(4,805)
Distribution to reserves			1,598		(1,598)			
Available for sale valuation				(346)		(346)	5	(341)
Results for the period					12,953	12,953	933	13,886
Deficit compensation by reserve capitalization		(23,644)			23,644			
Deficit compensation by preferred shares					2,745	2,745		2,745
FX differences and other movements					187	187	3	190
<b>Balance 30 September 2006</b>	<b>109,115</b>	<b>116,773</b>	<b>19,906</b>	<b>(821)</b>	<b>11,433</b>	<b>256,406</b>	<b>7,885</b>	<b>264,291</b>

Interim Consolidated Cash flow statement  
For the period ended 30 September 2006  
(Amounts in thousands of Euros)

	<u>01/01/2006 – 30/09/2006</u>	<u>01/01/2005 - 30/09/2005</u>
<b>Operating activities</b>		
Profit/ (loss) before tax	18,527	21,312
<b>Adjustments for non-cash items</b>		
Depreciation	5,364	5,365
Impairment loans and advances	15,178	11,020
Employee benefit	870	717
Valuation trading portfolio	(1,516)	(479)
Transfer to investing activities	(4,453)	(3,004)
Transfer to financing activities	10,837	3,997
	<b>44,807</b>	<b>38,928</b>
<b>Changes in operating assets</b>		
Loans and advances to banks	(6,766)	1,550
Trading securities and derivatives	2,483	7,055
Loans and advances to customers	(194,368)	(201,707)
Other assets	(18,561)	(31,443)
<b>Changes in operating liabilities</b>		
Deposits from banks	192,261	986
Deposits from customers	(26,904)	41,460
Other liabilities	13,502	24,208
<b>Net cash flow from operating activities before taxes</b>	<b>6,454</b>	<b>(118,963)</b>
Tax paid	(2,017)	(4,495)
<b>Net cash flow from operating activities</b>	<b>4,437</b>	<b>(123,458)</b>
<b>Investing activities</b>		
Investments in subsidiaries and associates	0	38
Net (increase)/decrease in investments	(57,889)	(34,159)
Dividends	139	172
Purchase of assets	(13,771)	(9,458)
Sale of assets	40	158
Other flows from investing activities	3,961	3,160
<b>Cash flows from investing activities</b>	<b>(67,520)</b>	<b>(40,089)</b>
<b>Financing activities</b>		
Dividends	(4,805)	(7,222)
Issue/ (payment) of debt	(16,546)	261,506
Share capital increase	(20,431)	13,482
Other flows from financing activities	26,585	1,143
<b>Cash flows from financing activities</b>	<b>(15,197)</b>	<b>268,909</b>
<b>Total cash flows</b>	<b>(78,280)</b>	<b>105,362</b>
Foreign exchange difference	574	575
<b>Net cash flow increase (decrease)</b>	<b>(77,706)</b>	<b>105,937</b>
<b>Cash and cash equivalents, opening</b>	<b>704,621</b>	<b>583,223</b>
<b>Cash and cash equivalents, closing</b>	<b>626,915</b>	<b>689,160</b>
Cash and cash equivalents consists of:		
<b>Cash and cash balances with Central Bank</b>	146,791	149,795
<b>Due from banks</b>	480,124	539,365
	<b>626,915</b>	<b>689,160</b>

Notes on pages 6 to 13 are included as part of these interim financial statements.

## 1. General Information on the Group

Egnatia Bank and its subsidiaries ("the Group") operates as a financial institution and provides primarily financial and banking services to individuals and businesses.

The Group has 1,716 employees out of which 1,360 work at the Bank. The Bank's primary activities are in Greece, but it also has subsidiaries that operate in Romania and Cyprus.

The interim financial statements are presented in thousands of Euros.

The interim consolidated financial statements are included in the consolidated accounts of MARFIN FINANCIAL GROUP HOLDINGS S.A. that holds a 43.86%.

The parent company is listed in the Athens Stock Exchange after the merger with Bank of Central Greece in accordance with the Ministry of Development decision K2-8832/30.07.99. It operates as a limited by shares company (A.E.) and follows the accounting policies stated in Company Law 2190/1920 and banking regulations 2076/1992.

The Bank's registered office is at 4 Danaidon Str. in the municipality of Thessalonica.

According to article 3 of the Articles of Association the purpose of the Bank is to provide recognised and approved banking services on its own behalf, on behalf of third parties in Greece and abroad.

The Boards of Directors of the subsidiaries "Egnatia Bank S.A." and "Marfin Bank S.A." as well as of the associate "Laiki Bank (Hellas) S.A.", which is a subsidiary of "The Cyprus Popular Bank Public Company LTD", have decided to commence the procedure for the merger of "Marfin Bank S.A." and Laiki Bank (Hellas) S.A." with "Egnatia Bank S.A.". The date of merger has been decided to be 31<sup>st</sup> of December 2006.

## 2. Basis of compliance

The interim financial statements as of 30.09.06 have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 "Interim financial statements". They do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements at for the year ended 31 December 2005.

These statements were approved by the Board on 03 November 2006.

## 3. Significant Accounting Principles

The condensed consolidated interim financial statements for 30 September 2006 have been prepared with the same accounting policies that were adopted in the annual consolidated financial statements for the year ended 31 December 2005.

The accounting policies that were disclosed as well as the amendments and interpretations of these policies which have been adopted and will be mandatory applied for the periods starting from 1 January 2006 and onwards are the following:

- **IAS 19 (amendment) «Employee benefits» (effective from 1 January 2006)**

The Group has the option of an alternative recognition approach for actuarial gains or losses. At this moment the Group does not intend to change the accounting policy adopted for recognition of actuarial gains or losses and does not participate in multi-employer plans.

Therefore the adoption of this amendment will only impact the format and the extent of disclosures presented in the accounts.

- **IAS 39 (amendment) «Cash Flow Hedge Accounting of Forecast Intragroup Transactions» (effective from 1 January 2006)**

This amendment has not been adopted by the Group.

- **IAS 39 and IFRS 4 (amendment) «Financial Guarantees Contracts» (effective from 1 January 2006)**

This amendment requires issued financial guarantees which are not considered as insurance contracts to be initially recorded at their fair value and subsequently measured at the higher price of a) the unamortized balance of fees received and accrued and b) the expenditure required to settle the commitment at the balance sheet date. This amendment did not have an impact on the Group's financial position.

- **Interpretation 4 «Determining whether an Arrangement contains a lease» (effective from 1 January 2006)**

This interpretation has no effect on the Group.

- **Interpretation 5 «Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds» (effective from 1 January 2006)**

This interpretation has no effect on the Group.

#### **4. Estimates**

The preparation of interim consolidated financial statements in conformity with IAS 34 Interim Financial Reporting requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The underlying assumptions that have been adopted by the Group for the estimation of particular accounting values and the sources of uncertainty affecting these estimations for the preparation of the interim consolidated financial statements are the same with those applied for the preparation of the annual consolidated financial statements for the year ended 31 December 2005.

#### **5. Management of Financial Risks**

The Group's financial risk management objectives and policies are consistent with that disclosed in the annual consolidated financial statements as at and for the year ended 31 December 2005.

#### **6. Segment results**

##### ***Business segment***

The Bank is organized into the following business segments:

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

e) Investments and participations

30 September 2006

	Corporate	Retail	Property	Money market	Investments	Total
<i>Amounts in thousands of Euros</i>						
Operating results	15,421	75,908	13,212	8,534	989	<b>114,064</b>
Profit before tax	3,846	5,137	5,401	6,175	(2,032)	<b>18,527</b>
Tax						<b>4,641</b>
<b>Profit after tax</b>						<b>13,886</b>

30 September 2005

	Corporate	Retail	Property	Money market	Investments	Total
<i>Amounts in thousands of Euros</i>						
Operating results	10,086	73,825	8,489	9,852	1,006	<b>103,258</b>
Profit before tax	1,844	11,125	2,161	7,378	(1,197)	<b>21,311</b>
Tax						<b>6,860</b>
<b>Profit after tax</b>						<b>14,451</b>

## 7. Merger of subsidiary

In June 2006 Egnatia Finance that is included as Property Management and Money Market segments decided to merge with Investment Bank of Greece a member of MARFIN FINANCIAL GROUP HOLDINGS S.A..

The results up to June 2006 for the subsidiary are analyzed as:

<i>Amounts in thousands of Euros</i>	2006	2005
Operating income	7,800	4,596
Operating expenses	5,256	4,169
Net result before tax	2,544	427
Tax	773	211

The merger has not been completed up until the date of approval of the interim financial statements,

## 8. Income tax

In Greece, the results reported to the 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.

The tax authorities have not audited the Bank and the subsidiaries for the following years:

Egnatia Bank S.A.	2000-2005
Egnatia Bank Romania S.A.	2003-2005
Egnatia Leasing Romania S.A. (from establishment)	2004-2005
Egnatia Finance PLC (from establishment)	2005
Egnatia Finance Stock Brokers & Investment Advisor S.A.	2002-2005
Egnatia Mutual Fund Management Company S.A.	2003-2005
Egnatia Insurance Services S.A.	2005
Eurocambio - Foreign Exchange & Tourism Enterprises S.A.	2003-2005
Egnatia FIN S.A.	2000-2005
Egnatia Leasing S.A.	2005
Egnatia Bank Travel Ltd. (from establishment)	2005
Egnatia Consumer Services (from establishment)	2005
Obafemi Holdings LTD (from establishment)	2006
Egnatia Properties SRL (from establishment)	2006

## 9. Earnings per share

Basic earnings per share is 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 is 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 Group'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.

	30 Sept 2006	30 Sept 2005
<b>Basic earnings per share</b>		
Profit attributable to shareholders of the Bank	12,953	14,145
Weighted average number of outstanding ordinary shares	92,980,825	85,851,049
<b>Basic earnings per share</b>	<b>0.14</b>	<b>0.16</b>
<b>Diluted earnings per share</b>		
Profit attributable to shareholders of the Bank	13,021	14,916
Weighted average number of outstanding ordinary shares	93,558,439	93,558,439
<b>Diluted earnings per share</b>	<b>0.14</b>	<b>0.16</b>

## 10. Intangible assets

During the period 01.01 – 30.09.2006 , additions amounted to 831 thousand Euros compared to 2,388 thousand Euros last period.

## 11. Property, plant and equipment

During the period 01.01 – 30.09.2006 , additions amounted to 12,973 thousand Euros compared to 7,106 thousand Euros in the previous period. An amount of 180 thousand Euros was disposed in the nine-month period of 2006 (nine-month period 2005 494 thousand Euros) and a loss of 14 thousand Euros (2005 profit 5 thousand Euros) included in other expenses.

## 12. Debt securities in issue and other borrowed funds

(In thousands of Euros)

	30 Sept 2006	31 Dec 2005
Preference shares	12,974	12,522
Share premium on preference shares	15,040	17,036
Convertible subordinated debt maturity- 2013	1,074	5,783
Subordinated debt maturity 2015	80,000	80,000
Debt security maturity 2008	199,819	199,746
Debt security (5 year)	25,305	24,834
	<b>334,212</b>	<b>339,921</b>

The Bank's preference shares are not convertible. Preference shares have the following benefits: a) to receive the minimum dividend as stated in article 28 paragraph 2 of the article of association before ordinary shareholders and the right to receive any additional benefit that the ordinary shareholders will receive b) to receive a cumulative amount in the future if in any period a dividend is not distributed or if the Bank pays an amount that is less than 6% of the share capital in one or more financial periods c) first right to the net asset amount before the ordinary shareholders in case of liquidation and in any excess of any amount over the share capital

The decrease of 1,996 thousand Euros in the share premium on the preference shares is due to compensation for the deficit that arose from the first implementation of the IFRS, by 2,745 thousand Euros and by the increase of 749 thousand Euros from the conversion of preferred bonds to equivalent shares (Note 13).

The convertible bond was issued 21 January 2003 and has a maturity of 10 years with the right of first redemption after 5 years. It has a rate of interest of Euribor plus 1.75% up to the date of redemption and 3.25% until maturity. Interest accrues every 3 months starting 21 January 2003.

Convertible subordinated debt holders have the right to exchange one note for one share. As at 30 September 2006 convertible debt holders had the right to exchange 298,160 notes for an equivalent number of ordinary shares and 76,660 preference shares. The par value of the debt security is 3.20 Euros.

The subordinated debt with maturity 2015 was issued 4 May 2005 and 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 plus 1.10% up to redemption date and 2.40% up to maturity. It accrues interest quarterly starting 4 August 2005. The subordinated debt is used as secondary capital (Tier II capital) for capital adequacy purposes.

Debt security matures in 2008 (3 years) and pays Euribor plus 55 bps until maturity.

### 13. Share capital

	30 Sept. 2006	31 Dec. 2005
<b>Number of ordinary shares</b> (par value 1.17 Euros)	<b>93,260,279</b>	<b>92,170,669</b>
<b>Share capital paid</b> (in thousands of Euros)	<b>109,115</b>	<b>107,840</b>
<b>Share premium</b> (in thousands of Euros)	<b>116,773</b>	<b>138,479</b>

The Annual shareholders meeting of the Bank decided on 22 June 2006 to distribute a dividend of 0.05 Euros per share for 2005. The total amount of the dividend amounts to 4,462 thousand Euros.

The share capital of the Bank decreased by 26,389 thousand Euros due to decrease in the share's par value, to compensate for the deficit that arose from the first implementation of IFRS, with a simultaneous, equal increase in the share capital with equivalent increase in the share's par value, by reserve capitalization arising from the issue of share premiums, ordinary shares of 23,644 thousand Euros and preferred shares of 2,745 thousand Euros (Note 12). At the same time, there is an increase in the share premium of 1,938 thousand Euros, due to conversion of ordinary bonds to corresponding shares.

### 14. Contingent liabilities

#### 14.1 Legal cases

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 the legal services, the ultimate disposition of these matters is not expected to have a material adverse effect on the financial condition of the Group

#### 14.2 Capital commitments

The contractual amounts of the Group's off-balance sheet financial instruments that commit to extend credit to customers are as follows (amounted in thousands of Euros):

	30 Sept. 2006	31 Dec. 2005
Letters of guarantees	204,279	196,115
Letters of credit	3,537	3,643

## 15. Related parties

All banking transactions are neutral and performed under normal terms.

The volume of transactions per category is (amounts in thousands of Euros):

Management and Board of Directors	30 Sept. 2006	31 Dec. 2005
Loans and advances	90	422
Deposits and other liabilities	49,310	6,669
	<b>1.1 – 30.09.2006</b>	<b>1.1 - 30.09.2005</b>
Interest and commission income	10	71
Interest and commission expense	703	95

BOD fees for the nine-month period of 2006 amount to 2,661 thousand Euros (30.09.2005: 2,032 thousand Euros).

Other related parties	30 Sep. 2006	31 Dec. 2005
<b>Assets</b>		
Loans and advances to customers	29,007	26,976
Due from banks	68,948	0
Other assets	171	0
Property, plant and equipment	830	1,082
	<b>98,956</b>	<b>28,058</b>
<b>Liabilities</b>		
Deposits from customers	13,833	4,905
Due to banks	60,429	0
Other liabilities	168	613
	<b>74,430</b>	<b>5,518</b>
	<b>1.1 – 30.09.2006</b>	<b>1.1 – 30.09.2005</b>
<b>Income</b>		
Interest and similar income	1,625	675
Fee and commission income	66	67
	<b>1,691</b>	<b>742</b>
<b>Expenses</b>		
Interest expense	1,335	1,028
Other	556	569
	<b>1,891</b>	<b>1,597</b>

## 16. Changes in amounts showed in previously published financial statements

(In thousands of Euros)

	Published	Reported		
	30 Sep. 2005	30 Sep. 2005	Adjustment	Reclassification
Interest and similar income	122,681	123,670	317	672
Interest expense and similar charges	(51,332)	(51,986)	(484)	(170)
Fee and commission income	31,728	31,356	(272)	(100)
Fee and commission expense	(5,328)	(6,949)	11	(1,632)
Dividend income	172	172		
Net trading income/ (expense)	3,773	3,335	(356)	(82)
Other income	4,676	3,605	(148)	(924)
Impairment loss on loans and advances	(10,324)	(11,020)	(696)	
Staff costs	(46,001)	(45,670)	20	313
Other operating expenses	(20,614)	(19,837)	(1,032)	1,809
Depreciation	(5,330)	(5,365)	(35)	
Tax	(6,429)	(6,861)	(545)	114
			<b>(3,220)</b>	

In the annual financial statements of 31 December 2005, the Group adjusted amounts that related to the previous years and affected the amounts of the respective nine-month period of 2005 as stated above.

The other changes in the reporting lines are reclassifications made in order to be correctly disclosed and were made according to the published annual financial statements of 31 December 2005. (Respective publication of changed financial statements at 31/10/2006, according to the explanatory guidelines of ELTE # 118 AP/ 23.03.06 and the announcement of the Capital Exchange Committee of 24/03/06).

## 17. Post Balance Sheet events

On 31/10/2006 it was resolved upon that "CYPRUS POPULAR BANK PUBLIC COMPANY LTD" would be renamed to "MARFIN POPULAR BANK PUBLIC COMPANY LTD". Furthermore "CYPRUS POPULAR BANK PUBLIC COMPANY LTD", based on the postponed Extraordinary General Shareholder Meeting on 24/10/2006 and the prospecti for the public offers which were approved by the Hellenic Capital Market Commission, made a public or private offer:

1) To the holders of common and preferred shares and holders of convertible bonds of "EGNATIA BANK S.A." to acquire up to 100% of the common and preferred shares as well as convertible bonds of the bank at an exchange ratio of 1,2090 shares of "CYPRUS POPULAR BANK PUBLIC COMPANY LTD" for every one share and / or bond of "EGNATIA BANK S.A.". 2) To shareholders of "MARFIN FINANCIAL GROUP HOLDINGS S.A." to acquire up to 100% of the Company's common shares as well as stock options at an exchange ratio of 5,757 shares of "CYPRUS POPULAR BANK PUBLIC COMPANY LTD" for each share and / or stock option.

3) To the shareholders of "LAIKI BANK (HELLAS)" to acquire up to 19,79% of its common shares at an exchange ratio of 14,9962 shares of "CYPRUS POPULAR BANK PUBLIC COMPANY LTD" for each share.