

# **MARFIN INVESTMENT GROUP HOLDINGS S.A.**

**Condensed Interim Financial Statements  
for the 3 Months Ended**

**31 MARCH  
2007**

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**Report on Review of Interim Financial Information  
To the Shareholders of MARFIN INVESTMENT GROUP A.E. HOLDINGS**

Introduction

We have reviewed the accompanying condensed interim financial statements of MARFIN INVESTMENT GROUP A.E. HOLDINGS (the "Company") as well as the condensed interim consolidated financial statements of the Company and its subsidiaries (the "Group") which comprise the separate and consolidated balance sheet as at 31 March 2007 and the related statements of income, changes in equity, recognized income and expense and cash flows for the three-month period then ended, and selected explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards that have been adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Greek Auditing Standards that are harmonized with International Standard on Review Engagements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Greek Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position of the Company and the Group as at 31 March 2007, and of its financial performance and its cash flows for the three-month period then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Athens, 9 May 2007

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**Income Statement for the Period**

<i>Amounts in Euro '000</i>	Note	THE GROUP		THE COMPANY	
		3 month period up to		3 month period up to	
		31st March 2007	31st March 2006	31st March 2007	31st March 2006
Income from dividends and other non-fixed income securities		4.407	618	4.279	618
Profit / (loss) from financial assets (AFS )		18.659		18.315	
Profit / (loss) from financial assets through profit & loss		8.809	15.440	7.965	2.052
Other income		5.911	183	7.147	937
<b>Total income</b>		<b>37.786</b>	<b>16.241</b>	<b>37.706</b>	<b>3.607</b>
Staff remuneration and other expenses		(453)	(175)	(410)	(175)
Depreciation		(7)	(27)	(5)	(27)
Other operating expenses		(1.198)	(404)	(1.171)	(467)
Financial expenses			(468)	(2)	(1.133)
<b>Total operating expenses</b>		<b>(1.658)</b>	<b>(1.074)</b>	<b>(1.588)</b>	<b>(1.802)</b>
Share of profits / (losses) of associates		194	762		
<b>Profit before tax</b>		<b>36.322</b>	<b>15.929</b>	<b>36.118</b>	<b>1.805</b>
Income tax		(1.015)	(457)	(8.879)	(457)
<b>Net result for the period from continuing operations (a)</b>		<b>35.307</b>	<b>15.472</b>	<b>27.239</b>	<b>1.348</b>
<b>Net result for the period from discontinued operations (b)</b>	6	<b>20.963</b>	<b>17.709</b>		
<b>Net profit for the period (from continuing and discontinued operations) (a)+(b)</b>		<b>56.270</b>	<b>33.181</b>	<b>27.239</b>	<b>1.348</b>
<b>Attributable to:</b>					
Shareholders of the Parent		54.923	31.141	27.739	1.348
Minority interest		1.347	2.040		
<b>Earnings per share from continuing operations</b>	6				
- Basic		0,631	0,304	0,492	0,026
- Diluted		0,631	0,292	0,492	0,026

*The accompanying notes form an integral part of the financial statements*

**Balance Sheet**

Amounts in Euro '000	Note	THE GROUP		THE COMPANY	
		31st March 2007	31st December 2006	31st March 2007	31st December 2006
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment		71	25.221	48	38
Intangible assets		4	74.364		
Investments in subsidiaries		0	0	61.602	566.831
Investments in associates		6.265	9.488	4.521	4.712
Deferred tax assets		3.090	22.741	3.090	3.291
Investment portfolio		14.048	525.334	13.403	269.971
Other long-term receivables		2.163	12.111	2.163	2.163
		<b>25.641</b>	<b>669.259</b>	<b>84.827</b>	<b>847.006</b>
<b>Current assets</b>					
Cash and cash equivalents		317.249	731.096	592.507	320.587
Loans and advances to customers (from banks)			1.000.100		
Trading portfolio and other financial assets at fair value through profit and loss		185.941	404.126	89.168	79.713
Derivative financial instruments		71	4.049	71	
Other Assets		19.782	57.157	19.697	15.155
		<b>523.043</b>	<b>2.196.528</b>	<b>701.443</b>	<b>415.455</b>
Non-current assets held for sale (banking assets)	7	2.802.551		623.463	
<b>Total assets</b>		<b>3.351.235</b>	<b>2.865.787</b>	<b>1.409.733</b>	<b>1.262.461</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributed to the shareholders</b>					
Share capital		436.576	436.576	436.576	436.576
Share premium		208.670	208.670	206.161	206.161
Revaluation reserve		(583)	(2.495)	22.712	176.128
Other reserves		17.232	5.101	15.488	3.345
Retained earnings		58.526	259.784	29.981	258.917
Amounts recognised directly in equity which are related with the non-current assets held for sale (banking assets)		(2.053)		241.947	
<b>Total shareholders equity</b>		<b>718.368</b>	<b>907.636</b>	<b>952.865</b>	<b>1.081.127</b>
Minority rights		32.531	30.571		
<b>Total equity</b>		<b>750.899</b>	<b>938.207</b>	<b>952.865</b>	<b>1.081.127</b>
<b>LIABILITIES</b>					
<b>Long-term liabilities</b>					
Bond loans		17	3.421	17	22
Deferred tax liabilities		3.158	15.191	91.852	62.237
Employee benefit obligations		30	850	20	15
Other long-term liabilities		0	0		
Total long-term liabilities		3.205	19.462	91.889	62.274
<b>Short-term liabilities</b>					
Suppliers and other liabilities		5.793	81.622	8.995	15.345
Customer deposits and other receivables from banks			1.508.246		
Short-term liabilities to financial institutions		0	193.388		
Dividends payable		244.302	285	244.302	285
Current tax liabilities		111.684	123.195	111.682	103.411
Derivative financial instruments		600	1.382		19
<b>Total short-term liabilities</b>		<b>362.379</b>	<b>1.908.118</b>	<b>364.979</b>	<b>119.060</b>
Liabilities directly related to the non-current assets held for sale (banking assets)	7	2.234.752			
<b>Total liabilities</b>		<b>2.600.336</b>	<b>1.927.580</b>	<b>456.868</b>	<b>181.334</b>
<b>Total shareholders equity and liabilities</b>		<b>3.351.235</b>	<b>2.865.787</b>	<b>1.409.733</b>	<b>1.262.461</b>

The accompanying notes form an integral part of the financial statements

## Statement of Consolidated Changes in Equity for the Period Ended 31 March 2007

	THE GROUP								
	Attributable to shareholders of the Parent Company								
Amounts in Euro '000	Share capital	Share premium	Revaluation reserve	Other reserves	Translation reserve	Retained earnings	Total	Minority interest	Total
<b>Opening balance on 1st January 2006, as initially published</b>	<b>421.194</b>	<b>186.192</b>	<b>250</b>	<b>8.801</b>	<b>(4)</b>	<b>12.970</b>	<b>629.403</b>	<b>33.062</b>	<b>662.465</b>
Net profit / (loss) directly recognised in equity as mentioned in the consolidated statement of recognised income and expense for the period			42.214		(2)		42.212	0	<b>42.212</b>
Net result for the period 01/01/2006 - 31/03/2006						31.141	31.141	2.041	<b>33.182</b>
<b>Total profit / (loss) recognised for the period</b>	<b>0</b>	<b>0</b>	<b>42.214</b>	<b>0</b>	<b>(2)</b>	<b>31.141</b>	<b>73.353</b>	<b>2.041</b>	<b>75.394</b>
Increase in participation in subsidiaries (acquisition of minority rights)								(25.598)	<b>(25.598)</b>
Acquisition of subsidiary								169.159	<b>169.159</b>
Stock options granted to company employees		23					23		<b>23</b>
Expenses from share capital increase from exercise of beneficiaries' stock options		(30)					(30)		<b>(30)</b>
	<b>0</b>	<b>(7)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(7)</b>	<b>143.561</b>	<b>143.554</b>
<b>Equity balance as at 31st March 2006</b>	<b>421.194</b>	<b>186.185</b>	<b>42.464</b>	<b>8.801</b>	<b>(6)</b>	<b>44.111</b>	<b>702.749</b>	<b>178.664</b>	<b>881.413</b>

	Attributable to shareholders of the Parent Company								
	Share capital	Share premium	Revaluation reserve	Other reserves	Translation reserve	Retained earnings	Total	Minority interest	Total
Amounts in Euro '000									
<b>Opening balance as at 1st January 2007</b>	<b>436.576</b>	<b>208.670</b>	<b>(2.495)</b>	<b>5.084</b>	<b>17</b>	<b>259.784</b>	<b>907.636</b>	<b>30.571</b>	<b>938.207</b>
Net profit / (loss) directly recognised in equity as mentioned in the consolidated statement of recognised income and expense			(141)		(18)		(159)	2	<b>(157)</b>
Net result for the period 01/01/2007 - 31/03/2007						54.923	54.923	1.347	<b>56.270</b>
<b>Total profit / (loss) recognised for the period</b>	<b>0</b>	<b>0</b>	<b>(141)</b>	<b>0</b>	<b>(18)</b>	<b>54.923</b>	<b>54.764</b>	<b>1.349</b>	<b>56.113</b>
Dividends from preceding financial year						(244.018)	(244.018)		<b>(244.018)</b>
Transfer between reserves and retained earnings				12.163		(12.163)	0		<b>0</b>
Acquisitions and changes in shareholdings in subsidiaries							0	611	<b>611</b>
Loss from purchase of conversion options of own bonds				(14)			(14)		<b>(14)</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>12.149</b>	<b>0</b>	<b>(256.181)</b>	<b>(244.032)</b>	<b>611</b>	<b>(243.421)</b>
<b>Equity balance as at 31st March 2007</b>	<b>436.576</b>	<b>208.670</b>	<b>(2.636)</b>	<b>17.233</b>	<b>(1)</b>	<b>58.526</b>	<b>718.368</b>	<b>32.531</b>	<b>750.899</b>

The accompanying notes form an integral part of the financial statements

## Statement of Changes in Equity for the Period Ended 31 March 2007

## THE COMPANY

Amounts in Euro '000

**Opening balance on 1st January 2006**

Net profit / (loss) directly recognised in equity as mentioned in the statement of recognised income and expense for the period

Profit for the period 01/01-31/03/2006

**Total profit for the period recognised**

Stock options granted to company employees

Expenses from share capital increase from exercise of beneficiaries' stock options

**Equity balance as at 31st March 2006**

	Share Capital	Share Premium	Reval. Reserve	Other Reserves	Retained Earnings	Total
<b>Opening balance on 1st January 2006</b>	<b>421.194</b>	<b>183.683</b>	<b>86.297</b>	<b>6.916</b>	<b>21.418</b>	<b>719.508</b>
Net profit / (loss) directly recognised in equity as mentioned in the statement of recognised income and expense for the period			103.536	0	0	<b>103.536</b>
Profit for the period 01/01-31/03/2006					1.348	<b>1.348</b>
<b>Total profit for the period recognised</b>	<b>0</b>	<b>0</b>	<b>103.536</b>	<b>0</b>	<b>1.348</b>	<b>104.884</b>
Stock options granted to company employees		23				<b>23</b>
Expenses from share capital increase from exercise of beneficiaries' stock options		(30)				<b>(30)</b>
	<b>0</b>	<b>(7)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(7)</b>
<b>Equity balance as at 31st March 2006</b>	<b>421.194</b>	<b>183.676</b>	<b>189.833</b>	<b>6.916</b>	<b>22.766</b>	<b>824.385</b>

Amounts in Euro '000

**Opening balance as at 1st January 2007**

Net profit / (loss) directly recognised in equity as mentioned in the statement of recognised income and expense for the period

Profit for the period 01/01-31/03/2007

**Total profit for the period recognised**

Dividends from preceding financial year

Transfer between reserves and retained earnings

Loss from purchase of conversion options of own bonds

**Equity balance as at 31st March 2007**

	Share Capital	Share Premium	Reval. Reserve	Other Reserves	Retained Earnings	Total
<b>Opening balance as at 1st January 2007</b>	<b>436.576</b>	<b>206.161</b>	<b>176.128</b>	<b>3.345</b>	<b>258.917</b>	<b>1.081.127</b>
Net profit / (loss) directly recognised in equity as mentioned in the statement of recognised income and expense for the period			88.531	0	0	<b>88.531</b>
Profit for the period 01/01-31/03/2007					27.239	<b>27.239</b>
<b>Total profit for the period recognised</b>	<b>0</b>	<b>0</b>	<b>88.531</b>	<b>0</b>	<b>27.239</b>	<b>115.770</b>
Dividends from preceding financial year					(244.018)	<b>(244.018)</b>
Transfer between reserves and retained earnings				12.157	(12.157)	<b>0</b>
Loss from purchase of conversion options of own bonds				(14)		<b>(14)</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>12.143</b>	<b>(256.175)</b>	<b>(244.032)</b>
<b>Equity balance as at 31st March 2007</b>	<b>436.576</b>	<b>206.161</b>	<b>264.659</b>	<b>15.488</b>	<b>29.981</b>	<b>952.865</b>

The accompanying notes form an integral part of the financial statements

**Statement of Recognised Income and Expense for the Period**

	THE GROUP		THE COMPANY	
	31st March 2007	31st March 2006	31st March 2007	31st March 2006
<i>Amounts in Euro '000</i>				
- Investment in subsidiaries and associates				
Valuation gains / (losses) taken to equity			118.041	81.343
Tax on items taken directly to equity			(29.510)	(20.333)
	0	0	88.531	61.010
- Investments available for sale				
Valuation gains / (losses) taken to equity	(177)	56.139		56.544
Tax on items taken directly to equity	38	(13.924)		(14.018)
- Exchange differences on translation of foreign operations	(18)	(2)		
	(157)	42.213	0	42.526
<b>Net income recognised directly in equity</b>	(157)	42.213	88.531	103.536
<b>Profit for the period</b>	56.270	33.181	27.239	1.348
<b>Total recognised income and expense for the period</b>	<b>56.113</b>	<b>75.394</b>	<b>115.770</b>	<b>104.884</b>
Attributable to:				
Shareholders of the Parent Company	54.764	73.353	115.770	104.884
Minority interest	1.349	2.041		
	<b>56.113</b>	<b>75.394</b>	<b>115.770</b>	<b>104.884</b>

*The accompanying notes form an integral part of the financial statements*

## Cash Flow Statement

Amounts in Euro '000	Note	THE GROUP		THE COMPANY	
		31st March 2007	31st March 2006	31st March 2007	31st March 2006
<b>Operating activities</b>					
<b>Profit for the period before tax</b>		<b>63.978</b>	<b>40.133</b>	<b>36.118</b>	<b>1.805</b>
<i>Adjustments in profits:</i>					
Depreciation		7	27	5	27
Accrued liabilities for personnel retirement		5	2	5	2
Employee benefits in the form of stock options			23		23
Share of profit / loss from associates		(195)	(762)		
Profit / (loss) from revaluation of derivative financial instruments		(90)	(239)	(90)	(239)
Profit / (loss) from financial assets at fair value		(8.651)	(16.193)	(7.949)	(683)
		151	480	151	480
Profit (subtracted) / (loss) (added) from investment activities		(18.659)		(18.315)	
Interest income		(1.798)	(139)	(3.034)	(1.988)
Interest expense and similar charges			468	2	1.132
		<u>34.748</u>	<u>23.800</u>	<u>6.893</u>	<u>559</u>
<b>Changes in working capital</b>					
Increase (decrease) in receivables		(3.943)	26.112	(4.339)	25.986
Increase / (decrease) in liabilities other than financial institutions		(7.594)	101.979	(6.656)	105.185
Net increase / (decrease) in trading portfolio		3.324	(3.082)	(96)	(9.043)
		<u>(8.213)</u>	<u>125.009</u>	<u>(11.091)</u>	<u>122.128</u>
<b>Cash flows from operating activities</b>		<b>26.535</b>	<b>148.809</b>	<b>(4.198)</b>	<b>122.687</b>
Less: Interest expense		(0)	(433)	(2)	(433)
Less: Tax expense		(33)			
<b>Net cash flows from operating activities of continuing operations</b>		<b>26.502</b>	<b>148.376</b>	<b>(4.200)</b>	<b>122.254</b>
<b>Cash flows from operating activities of discontinued operations</b>					
		<u>(67.840)</u>	<u>116.000</u>		
<b>Net cash flows from operating activities</b>		<b>(41.338)</b>	<b>264.376</b>	<b>(4.200)</b>	<b>122.254</b>
<b>Investing activities</b>					
Purchase of property, plant and equipment		(16)		(15)	
Acquisition of financial assets available for sale			(90.781)		(90.781)
Acquisition of financial assets at fair value through Profit & Loss		(1.411)	(53.648)	(1.411)	
Investments in associates					
Investments in subsidiaries			(188.991)		(208.991)
Sale of financial assets of the available for sale portfolio		274.739		274.731	
Interest received		1.687	10	2.831	1.859
<b>Net cash flows from investing activities</b>		<b>274.999</b>	<b>(333.410)</b>	<b>276.136</b>	<b>(297.913)</b>
<b>Cash flows from investing activities of discontinued operations</b>					
		<u>(116.151)</u>	<u>721.840</u>		
		<b>158.848</b>	<b>388.430</b>	<b>276.136</b>	<b>(297.913)</b>
<b>Financing activities</b>					
Proceeds from loans					(26.114)
Acquisition of own bonds		(15)		(15)	
Dividends and other payments made to the shareholders of the Parent		(1)		(1)	
<b>Net cash flows from financing activities</b>		<b>(16)</b>	<b>0</b>	<b>(16)</b>	<b>(26.114)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>117.494</b>	<b>652.806</b>	<b>271.920</b>	<b>(201.773)</b>
Cash and cash equivalents at the beginning of the period		731.096	351.447	320.587	411.145
<b>Cash and cash equivalents at the end of the period</b>	<b>7</b>	<b>848.590</b>	<b>1.004.253</b>	<b>592.507</b>	<b>209.372</b>

The accompanying notes form an integral part of the financial statements

## 1. General Information on the Group

"MARFIN INVESTMENT GROUP HOLDINGS SOCIETE ANONYME" (hereinafter "The Company" or "The Group"), domiciled in Greece, whose shares listed in the Athens Exchange, operates as a societe anonyme according to the Greek legislation and pursuant to C.L. 2190/1920, as it stands.

On 18/04/2007 the Company was renamed from "MARFIN FINANCIAL GROUP HOLDINGS S.A." to "MARFIN INVESTMENT GROUP HOLDINGS S.A." according to the resolution made on the General Shareholder Meeting held on 29/03/2007, which was approved by the Ministry of Development with resolution no. K2-5303/18-04-2007.

The Company's share is included in the ASE General Index and its financial statements are available on its website [www.marfingroup.gr](http://www.marfingroup.gr).

MARFIN Group for the said period had 17 banking branches and employed 445 people at a Group level and 16 at a Company level.

The Company is a subsidiary of MARFIN POPULAR BANK PUBLIC COMPANY LIMITED (hereinafter "MARFIN POPULAR BANK"), domiciled in Cyprus, whose share is listed in the Athens Exchange and Cyprus Stock Exchange. The current financial statements are included in the consolidated financial statements of MARFIN POPULAR BANK.

## 2. Important Events during the First Quarter of 2007

During the first three months ended 31/03/2007 the following events took place:

- Following the relevant meetings of the Company's and MARFIN POPULAR BANK's Boards of Directors, as well as the approval of the Central Bank of Cyprus and the other supervisory authorities, it was resolved upon to transfer ownership of the Company's shareholding in MARFIN BANK to MARFIN POPULAR BANK at the price of € 616.533 thous. The price of the transaction was derived from a valuation conducted by an independent audit firm. An additional resolution was to transfer ownership of the Company's shareholding in AS SBM PANK as well as a minority shareholding in MARFIN GLOBAL ASSET MANAGEMENT S.A. to MPB and MARFIN BANK respectively.
- On 20/02/2007 it was announced that the Company's subsidiary, INVESTMENT BANK OF GREECE S.A. sealed a significant investment banking deal with "Louis PLC" and "Clin Company Ltd" for the acquisition of 64,28% of the share capital of "The Cyprus Tourism Development Public Company Ltd", which is the owner of the Cyprus Hilton hotel in Nicosia.  
The agreement foresees that the final buyers will be companies within MARFIN POPULAR BANK Group or companies of its major shareholders, however the agreement cannot be considered conclusive as all legal and tax due diligence etc. should be concluded and approvals by the supervisory authorities are still pending.
- On 26/03/2007 the Company made a private placement of 35.319.104 MARFIN POPULAR BANK shares, i.e. a 4,6% of the said bank's share capital for the amount of € 274.731 thous. and a profit of € 18.315 thous. was recognised.

**Furthermore during the Company's General Shareholder Meeting held on 29/03/2007 the following resolutions were made:**

- Change of the Company's name to "MARFIN INVESTMENT HOLDINGS S.A." (MIG). The Company will focus on buyouts and equity investments in Greece, Cyprus and South-Eastern Europe.
- The Company's share capital increase with the capitalisation of the share premium and a respective increase of the share's nominal value. More specifically, the resolved upon capitalisation of the Company's share premium would amount to € 197.538 thous. with a respective increase in the share's nominal value by € 3,57, i.e. from € 7,89 to € 11,46.
- Distribution of dividend amounting to € 4,41 per share and a capital return by cash payment amounting to € 10,92 per share with ex-dividend date on 26/04/2007 and payment date on 07/05/2007. More specifically it was resolved upon to decrease the Company's share capital by € 604.235 thous. in order to return it to shareholders with a respective decrease of the share's price by € 10,92, from € 11,46 to € 0,54.
- The Company's share capital increase at a maximum of € 5,19 bln. in order to fund the new activities of the Company. The said share capital increase will be realised by issuing 774.660.728 new common registered shares each with nominal value € 0,54 and issue price € 6,70 per share. Shareholders, on the ex-rights date, will have the right to 14 new shares for every old Company share. MARFIN POPULAR BANK announced to the Company's Board of Directors that it has no intention of exercising its rights in the share capital increase.
- **Election of the Company's new Board of Directors:**

NAME	POSITION HELD IN THE BoD
MANOLIS XANTHAKIS	CHAIRMAN – NON-EXECUTIVE MEMBER
SOUD BA' ALAWY	VICE CHAIRMAN – NON-EXECUTIVE MEMBER
ANDREAS VGENOPOULOS	VICE CHAIRMAN – EXECUTIVE MEMBER
DENNIS MALAMATINAS	CHIEF EXECUTIVE OFFICER – EXECUTIVE MEMBER
GEORGE EFSTRATIADIS	EXECUTIVE MEMBER
IOANNIS KARAKADAS	EXECUTIVE MEMBER
PANAYIOTIS THROUVALAS	EXECUTIVE MEMBER
SAYANTA BASU	EXECUTIVE MEMBER
THOMAS VOLPE	EXECUTIVE MEMBER
GEORGE LASSADOS	NON-EXECUTIVE MEMBER
NICHOLAS WRIGLEY	NON-EXECUTIVE MEMBER
CONSTANTINOS LOS	INDEPENDENT NON-EXECUTIVE MEMBER
ALEXANDROS EDIPIDIS	INDEPENDENT NON-EXECUTIVE MEMBER
KOSTAS GRAMMENOS	INDEPENDENT NON-EXECUTIVE MEMBER
MARKOS FOROS	INDEPENDENT NON-EXECUTIVE MEMBER

Furthermore the unanimously elected members of the Company's Nomination & Remuneration Committee are Messrs. Nicolas Wrigley, Constantinos Los and Markos Foros.

### 3. Notes to the Condensed Financial Statements

#### 3.1 Presentation of Financial Statements

The Group's condensed interim financial statements for the period ending 31<sup>st</sup> March 2007 have been prepared according to International Accounting Policy 34 «Interim Financial Reporting» and have to be examined alongside the published annual financial statements for the financial year ended 31<sup>st</sup> December 2006.

It should be noted that due to rounding the actual sums and percentages presented in the Condensed Separate and Consolidated Financial Statements may not exactly be the same as those presented in the Notes to the Financial Statements.

#### 3.2 Basic Accounting Policies – Change of Accounting Principle

The condensed separate and consolidated financial statements for the three months ended 31/03/2007 were prepared pursuant to the same accounting policies adopted and applied by the Group for the preparation of the annual financial statements for the financial year ended 2006 except from the changes brought forward by the following standards and interpretations:

*(a) IFRS 7 Financial Instruments: Disclosures and Amended IAS 1 - Presentation of Financial Statements: Disclosures relating to Capital*

The application of these standards affects the size and the way in which disclosures are provided regarding financial instruments and the effects are presented in the annual financial statements for the current financial year.

*(b) IFRIC 7 Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies:*

The specific interpretation is not applicable on the Group's activities.

*(c) IFRIC 8 Scope of IFRS 2:*

The specific interpretation is not expected to be applicable on the Group's activities.

*(d) IFRIC 9 Reassessment of Embedded Derivatives:*

The specific interpretation does not have a substantial influence on the financial statements.

*(e) IFRIC 10 Interim Financial Reporting and Impairment:*

The specific interpretation does not have a substantial influence on the financial statements.

#### 3.3 Reclassification of Accounts

Following the Group's resolution for the discontinuation of operations (note 5) and its focus on buyout and equity investment activities, it was considered essential to restate the balance sheet as of 31/12/2006. In specific, the balance sheet as of 31/12/2006 had initially been published pursuant to IAS 30 which is applicable to financial institutions. In the present interim financial statements the comparative balance sheet of 31/12/2006 has been compiled according to the provisions of IAS 1. The reclassification of the Balance Sheet accounts as of 31/12/2006 is analysed in Note 8.

Furthermore, according to the provisions of IFRS 5 the Group proceeded to the restatement of the Income Statement for financial year 2006 as well as the cash flow statement for the comparative period ended 31/03/2006 in order to present accurately the cash flows of the discontinued operations.

### 3.4 Business Segment Reporting

For the financial year ended 31/12/2006, as a Financial Institution, the Group classified its business segments in its financial statements as follows:

1. Corporate & Investment Banking
2. Retail Banking
3. Wealth Management (Securities Transactions, Asset Management, Private Banking)
4. Treasury & Capital Markets
5. Holdings & Investments

For the period ended 31/03/2007 the Group's investments in the Banking Sector are considered as discontinued operations. For this reason, the first four aforementioned business segments are not considered as business segments which represent the business activities as well as results of the Group. The business segment in which the Group will be operating, and which is considered a continuing operation is that of "Holdings & Investments", which however, for the period under consideration, is not sufficient in order to fully inform the investing public on business segments.

Furthermore, due to the Company's forthcoming capital increase κεφαλαίου της Εταιρείας, the capital proceeds of which will be used for the Company to focus on buy-outs and equity investments in Greece, Cyprus and South-Eastern Europe, it is not possible to define at the time being which the business and/or geographical segments will incorporate the Group's activities.

Consequently, it was concluded that the preparation of a business segment report was not needed in these financial statements.

### 3.5 Accounting Estimates

The important assumptions made by the Group for the estimation of several accounting measurements alongside the uncertainty affecting these estimates are the same as those adopted during the preparation of the annual financial statements for the financial year ending 31 December 2006.

**4. Group Structure as of 31/03/2007**

The following table presents the Group's consolidated companies for the period ended 31/03/2007:

Company Name	Domicile	Direct Shareholding %	Direct Shareholding %	Total Shareholding %	Consolidation Method
<b>SUBSIDIARIES</b>					
MARFIN CAPITAL S.A.	British Virgin Islands	100%		<b>100%</b>	Purchase Method
EUROLINE S.A.	Greece	43,46%	2,26%	<b>45,79%</b>	Purchase Method
MARFIN BANK S.A. *	Greece	100%		<b>100%</b>	Purchase Method
AS SBM PANK *	Estonia	50,12%		<b>50,12%</b>	Purchase Method
<b>Subsidiaries of MARFIN BANK S.A.</b>					
INVESTMENT BANK OF GREECE S.A. *	Greece		90,99%	<b>90,99%</b>	Purchase Method
MARFIN GLOBAL ASSET MANAGEMENT S.A. *	Greece	5,91%	94,09%	<b>100%</b>	Purchase Method
MARFIN SECURITIES CYPRUS LTD. *	Cyprus	2,86%	88,39%	<b>91,25%</b>	Purchase Method
MARFIN MUTUAL FUND MANAGEMENT S.A. *	Greece		90,11%	<b>90,11%</b>	Purchase Method
IBG CAPITAL S.A.	Greece		90,99%	<b>90,99%</b>	Purchase Method
IBG MANAGEMENT S.A. *	Greece		90,99%	<b>90,99%</b>	Purchase Method
AVC S.A. *	Greece		59,14%	<b>59,14%</b>	Purchase Method
IBG INVESTMENTS S.A. *	British Virgin Islands		90,99%	<b>90,99%</b>	Purchase Method
MFG CAPITAL PARTNERS LTD *	United Kingdom		100%	<b>100%</b>	Purchase Method
<b>ASSOCIATES</b>					
ARIS CAPITAL MANAGEMENT LLC (MARFIN BANK S.A. Group) *	U.S.A.		30%	<b>30%</b>	Equity Method
INTERINVEST S.A.	Greece	24,58%	4,41%	<b>28,99%</b>	Equity Method

**\*Note**

The Company's Board of Directors, during its meeting held on 10/01/2007, resolved upon the transfer of ownership of all its investments in banking activities directly to its Parent Company, MARFIN POPULAR BANK.

In the context of this resolution the Group, on the 3<sup>rd</sup> of May 2007 disposed its shareholding in MARFIN BANK S.A. (including its subsidiaries), whereas the disposal of AS SBM PANK is still pending.

**5. Discontinued Operation**

According to IFRS 5, "Non-current assets held for sale and discontinued operations" and pursuant to the resolution of the Company's Board of Directors for transfer of ownership of the Banking activities to a third party, as of this date the Group's activities in the banking sector are characterized as discontinued, whereas the assets and liabilities of the subsidiaries to be sold are presented as a disposal group.

**6. Profits for the Period from a Discontinued Operation\***

The Group's net results from banking activities which are to be transferred to a third party for the period 01/01-31/03/2007 and for its comparative period 01/01-31/03/2006 are analysed as follows:

<i>Amounts in Euro '000</i>	<b>1/1-31/3/2007</b>	<b>1/1-31/3/2006</b>
Interest and similar income	31.058	15.029
Interest and similar expense	(19.371)	(8.840)
<b>Net interest income</b>	<b>11.688</b>	<b>6.189</b>
Fees and commission income	25.727	25.838
Fee and commission expense	(6.215)	(5.199)
<b>Net fee and commission income</b>	<b>19.511</b>	<b>20.639</b>
Dividend income		
Net trading income	7.342	19
Other income	112	6.528
<b>Total net income</b>	<b>38.653</b>	<b>33.507</b>
Staff costs	(6.662)	(5.449)
Other operating income	(2.880)	(2.786)
Depreciation	(247)	(280)
Write-off of goodwill		
Provisions for impairment losses on loans	(1.113)	(913)
<b>Total operating expenses</b>	<b>(10.903)</b>	<b>(9.427)</b>
Share of profits / (losses) from associates	(94)	124
<b>Profit before tax</b>	<b>27.656</b>	<b>24.203</b>
Less: Income tax	(6.693)	(6.495)
<b>Profit after tax</b>	<b>20.963</b>	<b>17.709</b>
<b>Attributable to :</b>		
Shareholders of the Parent Company	20.054	15.668
Minority interests	909	2.041
<b>Earnings per share</b>		
- Basic	0,362	0,307
- Diluted	0,362	0,296

**\*Note**

The consolidated results for the period ending 31/03/2006 include a 3-day proportion of the results of EGNATIA BANK S.A. Group.

**7. Non-current Assets Held for Sale (Banking Sector) and Related Liabilities**

According to IFRS 5, all assets related to the Group's banking operations, which are considered as discontinued, such as loans, securities, claims and liabilities to financial institutions are presented under the line "Non-current assets held for sale (banking sector)", whereas the liabilities arising from the banking sector, such as customer deposits, are presented under the balance sheet line "Liabilities related to non-current assets held for sale (banking sector)".

The balances for the period ended 31<sup>st</sup> of March 2007 are analysed as follows:

<i>Amounts in Euro '000</i>	<b>31/03/2007</b>
Cash and Balances with Central Bank	35.850
Loans and advances to financial institutions	495.491
Trading portfolio and other financial instruments at fair value through Profit & Loss	216.431
Derivative financial instruments	3.993
Loans and advances to customers	1.455.428
Investment portfolio	369.839
Investments in subsidiaries	
Investments in associates	3.298
Property investments	6.780
Property, plant and equipment	18.397
Goodwill and other intangible assets	74.335
Deferred tax assets	19.118
Other assets	103.591
<b>Total non-current assets held for sale (banking sector)</b>	<b>2.802.551</b>
Due to financial institutions	222.893
Due to customers	1.849.198
Derivative financial instruments	464
Debt securities in issue	3.399
Retirement benefit obligations	894
Deferred tax liabilities	4.512
Dividends payable	
Other liabilities	153.391
<b>Total liabilities directly related to non-current assets held for sale (banking sector)</b>	<b>2.234.752</b>
Revaluation reserves	(2.053)

The consolidated cash and cash equivalents as at 31/03/2007 and 31/03/2006 as mentioned in the Cash Flows Statement are analysed below:

<i>Amounts in Euro '000</i>	<b>31/03/2007</b>
Cash and cash equivalents	317.249
Cash and cash equivalents of banking sector presented as held for sale	
- Cash and cash equivalents with Central Bank	35.850
- Loans and advances to financial institutions	495.491
<b>Cash and cash equivalents at the end of the period</b>	<b>848.590</b>

## 8. Reclassification of Accounts in the Balance Sheet for Financial Year 2006 - analysis

For reasons of better informing the investing public it was considered essential to prepare the following table which presents the Balance Sheet as published by the Group as a financial institution as well as the links between the lines of the Balance sheet for financial year 2006 as presented in the present financial statements as comparative.

*Amounts in Euro '000*

<b>Consolidated Balance Sheet 31/12/2006 (Financial Institution)</b>		<b>Consolidated Balance Sheet 31/12/2006 (Holdings Company)</b>	
<b>ASSETS</b>			
Cash and balances with Central Bank	58.197	Cash and cash equivalents	731.096
Loans and advances to other financial institutions	672.899	Trading portfolio and other financial instruments at fair value through Profit & Loss	404.126
Trading portfolio and other financial instruments at fair value through Profit & Loss	404.126	Derivative financial instruments	4.049
Derivative financial instruments	4.049	Loans and advances to customers (from banks)	1.000.100
Loans and advances to customers	1.002.220	Other long-term receivables	2.120
Investment portfolio	525.334	Investment portfolio	525.334
Investments in associates	9.488	Investments in associates	9.488
Property investments	6.780	Property, plant and equipment	6.780
Property, plant and equipment	18.441	Property, plant and equipment	18.441
Goodwill and other intangible assets	74.364	Intangible assets	74.364
Deferred tax assets	22.741	Deferred tax assets	22.741
Other assets	67.148	Other long-term receivables	9.991
		Other assets	57.157
<b>Total Assets</b>	<b>2.865.787</b>		<b>2.865.787</b>
<b>LIABILITIES</b>			
Due to financial institutions	193.388	Short-term liabilities to financial institutions	193.388
Due to customers	1.508.246	Customer deposits and other receivables (from banks)	1.508.246
Derivative financial instruments	1.382	Derivative financial instruments	1.382
Debt securities in issue	3.421	Bond loans	3.421
Retirement benefit obligations	850	Retirement benefit obligations	850
Deferred tax liabilities	15.191	Deferred tax liabilities	15.191
Dividends payable	285	Dividends payable	285
Other liabilities	204.817	Suppliers and other liabilities	81.622
		Current tax liabilities	123.195
<b>Total liabilities</b>	<b>1.927.580</b>		<b>1.927.580</b>

**Equity**

Share capital	436.576	Share capital	436.576
Share premium	208.670	Share premium	208.670
Revaluation reserves	(2.495)	Revaluation reserves	(2.495)
Other reserves	5.101	Other reserves	5.101
Retained earnings	259.784	Retained earnings	259.784
<i>Total equity attributable to the Shareholders of the Parent</i>	<i>907.636</i>		<i>907.636</i>
Minority rights	30.571	Minority rights	30.571
<b>Total Equity</b>	<b>938.207</b>		<b>938.207</b>
<b>Total liabilities and Equity</b>	<b>2.865.787</b>		<b>2.865.787</b>

**9. Commitments and Contingent assets and Liabilities****a) Contingent liabilities from Guarantees**

All contingent liabilities and commitments presented in the table below derive from the Group's discontinued operations.

The book values of the contingent liabilities and commitments are analysed as follows:

	THE GROUP	
	31st March 2007	31st March 2006
<i>Amounts in Euro '000</i>		
<b>Contingent liabilities</b>		
Guarantees from income	4.006	18.257
Letters of guarantee (Bid and Performance books)	19.060	78.051
Letters of guarantee (Advance Payment, Retention of Tenths, Prompt Payment)	37.973	170.156
	61.039	266.464
<b>Other contingent liabilities</b>		
Import Letters of credits and confirmed letters of credit	1.858	4.990
	1.858	4.990
<b>Total</b>	<b>62.898</b>	<b>271.454</b>

**b) Contingent Tax Liabilities**

Group tax liabilities are not conclusive as there exist financial years which have not been audited by tax authorities. Information is given below:

COMPANY NAME	Domicile	NON-TAX AUDITED YEARS
MARFIN FINANCIAL GROUP HOLDINGS S.A.	Greece	2006
INVESTMENT BANK OF GREECE S.A.	Greece	2006
MARFIN BANK S.A.	Greece	2006
MARFIN GLOBAL ASSET MANAGEMENT S.A.	Greece	01/01/2003-31/12/2006
MARFIN MUTUAL FUNDS S.A.	Greece	01/01/2003-31/12/2006
IBG CAPITAL S.A.	Greece	01/01/2003-31/12/2006
IBG MANAGEMENT S.A.	Greece	01/01/2003-31/12/2006
AVC S.A.	Greece	01/01/2003-31/12/2006
MARFIN SECURITIES CYPRUS LTD.	Cyprus	01/01/2003-31/12/2006
MARFIN CAPITAL S.A. <sup>1</sup>	British Virgin Islands	-
IBG INVESTMENTS S.A. <sup>1</sup>	British Virgin Islands	-
MFG CAPITAL PARTNERS LTD.	Ηνωμένο Βασίλειο	Newly established
AS SBM PANK	Estonia	1999-2006
EUROLINE S.A.	Greece	01/01/2005-31/12/2006

Note 1 - Not subject to income tax

**c) Contingent Legal Liabilities**

As of 31/03/2007 the Group does not have unsettled legal disputes that may substantially affect its financial position.

**10. Balances with Related Parties****10.1 Transactions with the Parent Company (MARFIN POPULAR BANK)**

Amounts in Euro '000

	THE GROUP		THE COMPANY	
	31st March 2007	31st December 2006	31st March 2007	31st December 2006
<b>a) Asset accounts</b>				
Cash and cash equivalents	60.404	4.601	60.404	48
Trading portfolio		600		
Investment portfolio		4.400		
Other Assets	13	18	13	
Non-current assets held for sale (banking assets)		4.027		
<b>Total</b>	<b>64.444</b>	<b>9.620</b>	<b>60.417</b>	<b>48</b>
<b>b) Liability accounts</b>				
Short-term liabilities to financial institutions	0	2		
<b>Total</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>
<b>c) Income</b>				
Other income	315			
Income from discontinued operations	422			
<b>Total</b>	<b>737</b>	<b>0</b>		
<b>d) Expenses</b>				
Interest and similar income				
Expenses from discontinued operations	19			
<b>Total</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>

**10.2 Transactions with Management and Members of the Board of Directors**

Amounts in Euro '000

	31st March 2007	31st December 2006
<b>a) Asset accounts</b>		
Loans		5.611
Other assets		6
Non-current assets held for sale (banking assets)	4.721	
<b>Total</b>	<b>4.721</b>	<b>5.617</b>

	31st March 2007	31st December 2006
<b>b) Liability accounts</b>		
Deposits		23.136
Liabilities directly related to the non-current assets held for sale (banking assets)	29.890	
<b>Total</b>	<b>29.890</b>	<b>23.136</b>

	31st March 2007	31st March 2006
<b>c) Income</b>		
Income from discontinued operations	88	102
<b>Total</b>	<b>88</b>	<b>102</b>

	31st March 2007	31st December 2006
<b>d) Expenses</b>		
Expenses from discontinued operations	278	97
<b>Total</b>	<b>278</b>	<b>97</b>

There are no balances and transactions with management executives and members of the Board of Directors with the Company.

### 10.3 Management and Board of Directors Remuneration

Amounts in Euro '000

	THE GROUP		THE COMPANY	
	31st March 2007	31st March 2006	31st March 2007	31st March 2006
Fees to members of the BoD	59	115	59	115
Salaries	168	49	168	49
Discontinued operations	488	2.952		
<b>Total</b>	<b>715</b>	<b>3.116</b>	<b>227</b>	<b>164</b>

The aforementioned remuneration refer to members of the Board of Directors of the Parent Company and its subsidiaries as well as management executives of the Group.

### 10.4 Transactions with Associates

Amounts in Euro '000

	THE GROUP	
	31st March 2007	31st December 2006
<b>a) Asset accounts</b>		
Other assets		324
Non-current assets held for sale (banking assets)	316	
<b>Total</b>	<b>316</b>	<b>324</b>

	31st March 2007	31st December 2006
<b>b) Liability accounts</b>		
Customer deposits and other receivables from banks		3.479
Other liabilities		1.359
Liabilities directly related to the non-current assets held for sale (banking assets)	8.072	
<b>Total</b>	<b>8.072</b>	<b>4.838</b>

	31st March 2007	31st March 2006
<b>c) Income</b>		
Income from discontinued operations	247	55
<b>Total</b>	<b>247</b>	<b>55</b>

	31st March 2007	31st March 2006
<b>d) Expenses</b>		
Expenses from discontinued operations	46	29
<b>Total</b>	<b>46</b>	<b>29</b>

The aforementioned amounts of transactions and assets have not been eliminated from the consolidated financial statements.

## 10.5 Transactions with Other Related Parties

Amounts in Euro '000

	THE GROUP		THE COMPANY	
	31st March 2007	31st December 2006	31st March 2007	31st December 2006
<b>a) Asset accounts</b>				
Cash and cash equivalents	256.361	225.963	256.357	60.111
Loans and advances to customers (from banks)		3.500		
Other Assets	55	410	55	79
Non-current assets held for sale (banking assets)	175.067			
<b>Total</b>	<b>431.483</b>	<b>229.873</b>	<b>256.412</b>	<b>60.190</b>

	31st March 2007	31st December 2006	31st March 2007	31st December 2006
<b>b) Liability accounts</b>				
Short-term liabilities to financial institutions		18.270		
Customer deposits and other receivables from banks		2.023		
Suppliers and other liabilities	56	505	56	
Liabilities directly related to the non-current assets held for sale (banking assets)	51.198			
<b>Total</b>	<b>51.254</b>	<b>20.797</b>	<b>56</b>	<b>0</b>

	31st March 2007	31st March 2006	31st March 2007	31st March 2006
<b>c) Income</b>				
Other income	1.323		1.323	
Income from discontinued operations	2.002			
<b>Total</b>	<b>3.325</b>	<b>0</b>	<b>1.323</b>	<b>0</b>

	31st March 2007	31st March 2006	31st March 2007	31st March 2006
<b>d) Expenses</b>				
Expenses from discontinued operations	523		0	0
<b>Total</b>	<b>523</b>	<b>0</b>	<b>0</b>	<b>0</b>

The "Other related parties" refer to subsidiaries of MARFIN POPULAR BANK as well the companies controlled, directly or indirectly by management executives and members of the Board of Directors.

## 10.6 Transactions between Companies included in Consolidation

Amounts in Euro '000

	THE GROUP		THE COMPANY	
	31st March 2007	31st December 2006	31st March 2007	31st December 2006
<b>a) Asset accounts</b>				
Cash and cash equivalents	281.789	333.163	275.596	259.693
Loans and advances to customers (from banks)		23.753		
Other Assets	164	1.512	45	
Non-current assets held for sale (banking assets)	178.627			
<b>Total</b>	<b>460.580</b>	<b>358.428</b>	<b>275.641</b>	<b>259.693</b>

	THE GROUP		THE COMPANY	
	31st March 2007	31st December 2006	31st March 2007	31st December 2006
<b>b) Liability accounts</b>				
Short-term liabilities to financial institutions	22.738	89.167		
Customer deposits and other receivables from banks		268.362		
Suppliers and other liabilities	3.894	899	3.416	
Liabilities directly related to the non-current assets held for sale (banking assets)	433.949			
<b>Total</b>	<b>460.580</b>	<b>358.428</b>	<b>3.416</b>	<b>0</b>

	THE GROUP		THE COMPANY	
	31st March 2007	31st March 2006	31st March 2007	31st March 2006
<b>c) Income</b>				
Other income	1.354	1.850	1.305	1.849
Profit / (loss) from financial assets through profit & loss	(770)	(88)	(326)	(16)
Income from discontinued operations	3.147	2.602		
<b>Total</b>	<b>3.730</b>	<b>4.364</b>	<b>979</b>	<b>1.833</b>

	THE GROUP		THE COMPANY	
	31st March 2007	31st March 2006	31st March 2007	31st March 2006
<b>d) Expenses</b>				
Financial expenses	308	960		665
Other operating expenses	29	22	23	22
Expenses from discontinued operations	3.393	2.959		
<b>Total</b>	<b>3.730</b>	<b>3.941</b>	<b>23</b>	<b>687</b>

**11. Post Balance Sheet Events**

- On the 2<sup>nd</sup> of May 2007, the Company transferred ownership of its total shareholding in MARFIN BANK S.A. to MARFIN POPULAR BANK for € 616.533 thous. The price was set by a valuation conducted by an independent audit firm.
- The Company's share capital, according to the unanimous resolution made during the Regular General Shareholder Meeting on 29/03/2007, decreased by € 604.235 thous. in order to return capital to the shareholders with a respective decrease of the share's nominal value by € 10,92, i.e. from € 11,46 to € 0,54. Following this corporate action the Company's share capital amounts to € 29.880 thous. divided into 55.332.877 common registered shares each with nominal value of € 0,54.

*Apart from the events mentioned above there are no other subsequent events, which regard the Company or the Group which, according to the International Financial Reporting Standards, need to be mentioned.*

**12. Financial Statements' Approval**

The condensed separate and Consolidated financial statements for the three months ended 31 March 2007 were approved by the Board of Directors of MARFIN INVESTMENT GROUP HOLDINGS S.A. on 08/05/2007.

THE VICE CHAIRMAN OF TE BoD	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER	THE ACCOUNTING SUPERVISOR
ANDREAS VGENOPOULOS	DENNIS MALAMATINAS	CHRISTOPHE VIVIEN	STAVROULA MARKOULI