28/11/2007

Press Release

Financial Results for the First Nine Months of 2007

- **Net Profit after tax reached €483.2m up 141%**
- **Robust volume growth rates of 44% in loans and 39% in deposits**
- **Return on Tangible Equity 41.2% and Return on Average Assets 2.64%**
- **Efficiency Ratio (cost/income) down to 39.1%**
- **Total Assets at €29.1bn (annual increase 45%)**
- **Business Plan for 2008 - 2010; targeted net profits in excess of €1 billion by 2010**

The expansion of the Marfin Popular Bank Group operations has continued with impressive pace during the first nine months of 2007 in all its geographical areas of presence (Greece, Cyprus and International). Net profit after tax and minority interest reached €483.2m recording a significant increase of 141% compared to the same period last year on a proforma basis.

The Group's total assets grew by 45% compared to the end of September '06 on a proforma basis and reached €29.1bn at the end of September '07. Total Group loans increased by 44% annually to €16.5bn, while the Group's deposits grew annually by an impressive 39% and reached €21.1bn.

Total operating income of the Group increased by 55% on an annual basis and reached €920.8m. The strong growth of both loans and deposits of the Group resulted in a significant increase in interest income by 40% compared to the same period last year on a proforma basis and reached €495.4m. At the same time the net interest margin has increased by 26 basis points to 2.91%.

Total operating expenses were €359.9m rising by 16% (compared to first nine months of 2006 on a proforma basis) despite the rapid growth of the Group that necessitated significant investments in fixed assets. Excluding the amortisation of intangible assets relating to acquisitions, expense growth was contained to 10%.

The Group's Efficiency Ratio (cost/income) improved significantly to 39.1% compared to 52.3% during the same period last year on a proforma basis.

The increase in the Group's profitability resulted in a significant strengthening of both Return on Average Assets to 2.64%, compared to 1.43% at 30.09.06, and Return on Tangible Equity, which reached 41.2%.

During the first nine months of 2007 a series of important strategic initiatives have been undertaken with the view to improve the Group's positioning and further enhance its growth prospects in Cyprus, Greece and internationally. The most important initiatives were:

- Successful completion of the operational and legal merger of the three banks, Egnatia Bank, Marfin Bank and Laiki Bank (Hellas). The new bank is a 95% subsidiary of Marfin Popular Bank and operates in Greece under the name of MARFIN EGNATIA BANK.
- Branch network expansion: during the first nine months of 2007, eight new branches were opened in Greece, one in Cyprus, seven in Romania, five in Serbia and two in Estonia.
- The Cyprus based International Business Banking division (IBB) has been upgraded in order to provide a full range of Banking Services to its customers.
- Completion of the acquisition of Marine Transport Bank (MTB) in Ukraine for a consideration of US$141m.
- Announcement of the agreement to purchase 43% of Lombard Bank Malta plc (LBM) for a consideration of €48.3m, subject to regulatory approvals in Cyprus and Malta.

The 2008-2010 Business Plan assumes a growth of loans and deposits of a 3-year CAGR of 40% and 23% respectively. Under these assumptions total revenues are forecast to post a 3-year CAGR of 26% while the increase of the costs will be contained to around 16%. The Return on Tangible Equity is estimated to be higher than 20% while the Return on Assets to exceed 1.5% each year. The growth of the branch network will be accelerated. The total branches of the Group are forecast to reach 724 in 2010 from 435 at the end of 2007.

According to the Business Plan, the Group is targeted to have profits after tax and minorities in excess of €1 bln by 2010.

Commenting on the results of the first nine months of 2007 the CEO of Marfin Popular Bank, Mr. Andreas Vgenopoulos, made the following statement:

"The results for the first nine months of the year reflect the proper planning of the management and the hard efforts of all the Groups personnel. This success obliges us to revise again the three year Business Plan 2008-2010 because our results up to now have exceeded the initial ambitious goals already set and make it feasible to set new targets, even higher."

FINANCIAL RESULTS

(€ m)	**30.09.06 (proforma)***	**30.09.07**	**Δ %**
Net interest income	354.9	495.4	39.6%
Net fees and commission income	154.0	230.9	49.9%
Financial & other income	85.4	122.9	43.9%
Recurring operating income	**594.3**	**849.2**	**42.9%**
Income from sale of Hellenic bank, Universal life & Bank of Cyprus	0.0	71.6	-
Total operating income	**594.3**	**920.8**	**54.9%**
Operating expenses	-311.1	-359.9	15.7%
Provision for loan impairment	-75.5	-68.4	-9.4%
Profit from associates	1.9	1.7	-10.5%
Profit before tax	**209.6**	**494.2**	**135.8%**
Tax	-41.5	-68.8	65.8%
Minority interest	-7.8	-11.1	
MIG contribution (after minority)	40.0	68.9	72.3%
Net profit after tax and minority interest	**200.3**	**483.2**	**141.2%**

Key Balance Sheet items

(€ m)	**30.09.06**	**30.09.07**	**Δ%**
Loans	**11,470**	**16,474**	**43.6%**
Total Assets	**20,035**	**29,131**	**45.4%**
Deposits	**15,182**	**21,079**	**38.8%**

Key Ratios	**30.09.06**	**30.09.07**	
Tier 1**	9.6%	9.7%	-
Capital Adequacy Ratio**	12.8%	11.1%	-
Cost/Income	52.3%	39.1%	-1320bps
NIM	2.65%	2.91%	+26 bps
NPLs	7.8%	5.1%	-270bps
Provisioning	83bps	53bps	-30bps
RoTE**	22.3%	41.2%	-
RoA	1.43%	2.64%	+121bps

* Proforma information was constructed in order to bring the comparatives of 30.09.06 on a comparable basis with the reporting period of 30.09.07.

** No proforma information available. These ratios are shown as reported on 30.09.06 by Laiki Group.