

**MARFIN POPULAR BANK GROUP
SUMMARY EXPLANATORY NOTE
FOR FINANCIAL RESULTS
FOR THE YEAR ENDED 31.12.2009**

- ▶ Profit attributable to shareholders € 173,9 million
- ▶ Recurring profit attributable to shareholders (adjusted for one-off tax charge in Greece) € 186,7 million
- ▶ Efficiency ratio (cost to income) 58,1%
- ▶ Increase of advances 7% and total assets by 9% annually
- ▶ Strong Capital Base with Capital Adequacy Ratio 11,8% and Tier I Ratio 9,7%
- ▶ The Board of Directors will decide on the dividend policy at the next Board Meeting

Financial results for the year ended 31 December, 2009

(€ million)	31.12.09	31.12.08	Δ %
Net interest income	635,8	744,4	(14,6)%
Net fees and commissions income	227,9	286,7	(20,5)%
Financial and other income	211,2	54,2	290,4%
Total operating income	1.074,9	1.085,3	(0,9)%
Operating expenses	(624,5)	(591,2)	5,6%
Provision for loan impairment	(250,6)	(129,4)	93,7%
Profits from associates	18,0	2,5	
Profit before tax	217,8	367,2	(40,7)%
Taxes	(47,4)	(56,0)	(15,2)%
Non-controlling interest	3,5	(8,8)	-
Profit from discontinued operations	-	92,2	-
Net profit attributable to the shareholders of the Bank	173,9	394,6	(56,0)%
Recurring net profit (adjusted for one-off tax charge)⁽¹⁾	186,7	394,6	(52,7)%
Earnings per share for the profit attributable to the shareholders of the Bank	20,8 cent	48,3 cent	(52,7)%

Balance Sheet Items (€ million)	31.12.09	31.12.08	Δ%
Loans to customers (net)	25.082	23.427	7,1%
Total assets	41.828	38.367	9,0%
Customer deposits	23.886	24.828	(3,8)%

Key ratios	31.12.09	31.12.08
Tier I	9,7% ⁽²⁾	8,6%
Capital adequacy ratio	11,8%	10,6%
Cost/income	58,1%	54,5%
NIM	1,72%	2,40%
Loans/Deposits	104,0%	94,4%
NPLs	6,1%	4,3%
Cost of credit (Provisioning)	100 bps	61 bps
RoTE (return on tangible equity)	7,7%	18,3%
RoA	0,42%	1,16%

(1) The one-off tax charge in Greece that will be paid in 2010 is estimated at € 12,8 million.

(2) Is based on the assumption of full utilisation of the issued hybrid capital as Tier I (based on the 35% hybrid capital limit to total Tier I capital).

Net interest income

Net interest income amounted to € 635,8 million recording a 14,6% decrease compared with 2008, reflecting the high pressure on the net interest margin that dropped to 1,72% in 2009 from 2,40% in 2008. The negative factors that affected net interest income were the successive decreases in European and United States interest rates, as well as the increase in the cost of funding that arose mainly due to the extremely intense competition in the deposit markets in both Greece and Cyprus. The normalisation of the cost of funding is expected to improve the net interest income in the next quarters. It is important to note that the net interest income increased by 5,8% during the fourth quarter of 2009 compared to the third quarter, demonstrating its gradual improvement.

Net fees and commissions income

Net fees and commissions income was 20.5% lower on an annual basis to € 227,9 million, due to low demand for lending and the subdued economic activity that prevailed during 2009.

Financial and other income

Financial and other income has increased significantly and reached € 211,2 million, driven by the improvement in the global fixed income markets in 2009.

Total operating expenses

Total operating expenses demonstrated a limited increase of 5,6% compared to 2008, reflecting the significant efforts across the Group for cost containment and increase of productivity.

Advances and deposits

Total advances of the Group recorded an annual increase of 7,1%, despite the prevailing subdued economic conditions, driven by the expansion of the customer base and the innovative and competitive products offered. Deposits were decreased by 3,8% compared to 2008 reflecting the defensive strategy of the Group for this issue given the fact that it has the necessary liquidity. The liquidity of the Group is maintained at an extremely good level with the loan-to-deposit ratio at 104,0% in 2009 compared to 94,4% in 2008, a very satisfactory level by both Greek and European banking standards.

The Group's advances in countries outside Greece and Cyprus, reached € 2,9 billion, or 11% of the total loan book, with 7% of the Group's total advances being in developed countries, and only 4% in south-east Europe.

Non-performing loans

Despite the extremely adverse economic environment, the quality of the portfolio of the Group's advances presented only a contained deterioration compared to 2008 and a slight improvement compared to 30 September 2009, due to the success of the initiatives for the improvement of the collections of past due loans. Non-performing loans over total Group loans increased to 6,1% at 31 December, 2009 compared to 4,3% at 31 December, 2008, whereas this percentage was marginally improved from 30 September, 2009 that was 6,14%. Provisions for impairment of advances rose by 93,7% to € 250,6 million. Consequently, the coverage of non-performing loans improved to 51,4% at 31 December, 2009 from 50,5% at 30 September, 2009. At the same time, the provisions for impairment of advances as a percentage of average advances rose to 100 basis points aiming to further fortify the balance sheet.

Capital adequacy

The Group maintains a strong Capital Adequacy Ratio of 11,8% with the Tier I Ratio reaching 9,7%. The quality of the Group's capital is very strong with 82% of the total Tier I capital consisting of core Tier I (i.e. share capital and reserves).

Prospects for the future

The adverse economic conditions in which the Group was operating during 2009 has negatively affected the results for the year. It is anticipated that a gradual improvement in the economic environment will have a positive effect in the profitability of the Group in the future.