

IRF European Finance Investments Ltd



European Finance Investments

Consolidated Interim Financial Statements for the three-month period ended at 31 March 2008

The accompanying consolidated interim financial statements of IRF European Finance Investments Ltd ("IRF") and its subsidiaries (together "the Group"), for the three-month period ended at 31 March 2008 were approved by the Company's Board of Directors on 30 May 2008.

IRF European Finance Investments Ltd

Contents

Board of Directors	3
Statement of Directors' responsibilities in respect of the interim accounts.....	3
Report on Review of Interim Financial Information	5
CONSOLIDATED INTERIM INCOME STATEMENT.....	6
CONSOLIDATED INTERIM BALANCE SHEET.....	7
CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY.....	8
CONSOLIDATED INTERIM CASH FLOW STATEMENT	10
1. General information.....	12
2. Basis of Presentation	12
3. Group structure.....	14
4. Business segment.....	17
5. Earnings per share.....	18
6. Cash and balances with Central Bank.....	19
7. Loans and advances to financial institutions	19
8. Loans and receivables	19
9. Trading portfolio and other financial assets at fair value through profit & loss	20
10. Investment portfolio	20
11. Goodwill and other intangible assets	22
12. Deferred tax assets/liabilities.....	22
13. Other assets	25
14. Due to financial institutions.....	25
15. Due to customers.....	26
16. Current income tax liabilities.....	26
17. Other liabilities	26
18. Share capital and share premium.....	27
19. Cash and cash equivalents – Cash Flow Statement.....	28
20. Related party transactions	28
21. Discontinued operations.....	29
22. Commitments and contingent liabilities	31
23. Supplementary information – The Company.....	33
24. Events after 31 March 2008.....	35

IRF European Finance Investments Ltd

Board of Directors

Name	Position
Angeliki Frangou	Chairman, Non – Executive Director
Sheldon Goldman	Deputy Chairman
Loucas Valetopoulos	Chief Executive Officer, Director
Alexander Meraclis	Secretary of the Company
John Karakadas	Non – Executive Director

Statement of Directors' responsibilities in respect of the interim accounts

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law and in accordance with the AIM regulations the directors have elected to prepare financial statements in accordance International Financial Reporting Standards as adopted by the European Union.

The financial statements are required by law to give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors, to the best of their knowledge, state that:

- the financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1981 of Bermuda. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and

IRF European Finance Investments Ltd

- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Legislation in Bermuda governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

IRF European Finance Investments Ltd

Report on Review of Interim Financial Information

To the Shareholders of "IRF EUROPEAN FINANCE INVESTMENTS LIMITED"

Introduction

We have reviewed the accompanying interim consolidated balance sheet of "IRF EUROPEAN FINANCE INVESTMENT LTD" (the "Company") and the related interim consolidated statements of income, changes in equity and cash flows for the three-month period then ended, and the selected explanatory notes.

Management is responsible for the preparation and fair presentation of this interim financial statement in accordance with the International Financial Reporting Standards that have been adopted by European Union and apply for interim financial information ("IAS 34"). Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" to which the Greek Auditing Standards indict. 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 is not prepared, in all material respects, in accordance with IAS 34.

Athens, 30 May 2008

The Certified Public Accountant Auditor

The Certified Public Accountant Auditor


Vassilis Kazas
SOEL Reg. No 13281


Panagiotis Christopoulos
SOEL Reg. No 28481

 Grant Thornton

Chartered Accountants
Vassileos Konstantinou 44, 116 35 Athens
SOEL Reg. No 127

IRF European Finance Investments Ltd

CONSOLIDATED INTERIM INCOME STATEMENT

Amounts presented in € '000

	Note	Three-month period	
		31 March 2008	31 March 2007
Interest and similar income		34,791	22,418
Interest and similar expenses		(21,813)	(13,505)
Net interest income		12,978	8,913
Fee and commission income		10,428	6,885
Fee and commission expense		(1,066)	(3,228)
Net fee and commission income		9,362	3,656
Dividend income		3	3
Net trading income		(16,880)	17,513
Net income from financial instruments designated at fair value through profit and loss		7,425	-
Other operating income		471	554
Total net income		13,358	30,640
Staff costs		(6,423)	(6,751)
Other operating expenses		(5,382)	(5,964)
Depreciation		(1,872)	(1,768)
Impairment losses		(52)	(1,023)
Total operating expenses		(13,729)	(15,506)
Share of profit of associates		(603)	22
Profit before tax		(974)	15,155
Income tax expense		(2,139)	(1,752)
Profit after tax from continuing operations		(3,112)	13,404
Net profit from discontinued operations		76	526
Profit after tax		(3,036)	13,930
Attributable to:			
Shareholders of the parent company		(7,029)	4,874
Minority interest		3,992	9,056
Total		(3,036)	13,930
Earning per share attributable to the parent company's shareholders (€/share)	5		
From continuing and discontinued operations			
- Basic		(0.06)	0.09
- Diluted		(0.06)	0.08
From continuing operations			
- Basic		(0.06)	0.07
- Diluted		(0.06)	0.06

The notes on the following pages form an integral part of these consolidated interim financial statements

IRF European Finance Investments Ltd

CONSOLIDATED INTERIM BALANCE SHEET

<i>Amounts presented in € '000</i>	Note	31 March 2008	31 December 2007 <i>(as restated)</i>
ASSETS			
Cash and balances with Central Bank	6	51,558	52,796
Loans and advances to financial institutions	7	606,333	527,410
Trading portfolio and other financial assets at fair value through Profit & Loss	9	242,214	179,802
Derivative financial instruments		10,485	11,529
Loans and advances to customers	8	1,346,372	1,368,025
Investment portfolio	10	318,332	259,944
Investments in associates	10	3,286	3,886
Property, plant and equipment		27,566	27,880
Goodwill and other intangible assets	11	165,562	166,784
Deferred tax assets	12	8,610	7,098
Other assets	13	47,498	91,474
		2,827,816	2,696,628
Non current assets held for sale		56,272	53,727
TOTAL ASSETS		2,884,088	2,750,355
EQUITY AND LIABILITIES			
Due to financial institutions	14	604,778	433,941
Due to customers	15	1,389,192	1,422,139
Derivative financial instruments		10,279	14,570
Issued debt securities		25,249	25,283
Retirement benefit obligations		1,269	1,140
Current income tax liabilities	16	12,013	10,498
Deferred tax liability	12	6,951	6,928
Other liabilities	17	40,617	14,170
		2,090,347	1,928,669
Liabilities directly associated with assets classified as held for sale		46,182	44,339
Total liabilities		2,136,529	1,973,008
Shareholders' equity			
Share capital	18	147	147
Share premium	18	400,443	400,443
Revaluation reserve		(2,315)	(2,570)
Other reserves		16,638	16,587
Retained earnings / (losses)		43,353	72,491
Total equity attributable to shareholders' of IRF		458,266	487,099
Minority interest		289,293	290,248
Total equity		747,559	777,347
TOTAL LIABILITIES AND EQUITY		2,884,088	2,750,355

The notes on the following pages form an integral part of these consolidated interim financial statements.

IRF European Finance Investments Ltd

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity	Attributable to shareholders of the Parent Company						Total
	Share Capital	Share Premium	Revaluation Reserve	Other Reserves	Retained Earnings / (losses)	Total	
Amounts presented in € '000							
Opening balance as at 1st January 2008	147	400,443	(2,570)	16,586	72,492	487,099	777,347
Net result for the period 01/01-31/03/2008	-	-	-	-	(7,029)	(7,029)	(3,036)
Gains/ losses directly recognized in equity:							
- on the valuation of available for sale financial assets	-	-	255	-	-	255	(4,874)
- exchange differences on translating foreign operations	-	-	-	-	(4)	(4)	(22)
Total recognized income and expense for the period	-	-	255	-	(7,033)	(6,778)	(1,153)
Equity share options granted to employees	-	-	-	51	-	51	198
Dividend declared	-	-	-	-	(22,105)	(22,105)	(22,105)
Balance as at 31 March 2008	147	400,443	(2,315)	16,637	43,353	458,266	747,559

Consolidated Interim Financial Statements
for the three month period
from the 1st of January to the 31th of March 2008

IRF European Finance Investments Ltd

Consolidated Statement of Changes in Equity	Attributable to shareholders of the Parent Company						Minority Interest	Total
	Share Capital	Share Premium	Revaluation Reserve	Other Reserves	Retained Earnings / (losses)	Total		
Amounts presented in € '000								
Opening balance as at 1st January 2006, as originally published	71	200,174	(2)	16,156	22,208	238,607	308,145	546,752
Restatement due to amortization of intangible assets					(210)	(210)	(833)	(1,043)
Restated Opening Balance as at 1st January 2006	71	200,174	(2)	16,156	21,998	238,397	307,312	545,709
Net result for the period 01/01-31/03/2007	-	-	-	-	4,874	4,874	9,056	13,930
Gains/ losses directly recognized in equity:								
- on the valuation of available for sale financial assets	-	-	(0)	-	-	(0)	(1)	(2)
- Exchange differences on translating foreign operation	-	-	-	-	(2)	(2)	(12)	(14)
Total profit / (loss) recognized for the period	-	-	(0)	-	4,872	4,871	9,042	13,914
Issue of new shares after the exercise of Warrants	64	178,782	-	-	-	178,846	-	178,846
Share issue expenses	-	(1,815)	-	-	-	(1,815)	-	(1,815)
Capital increase in subsidiaries	-	-	-	-	-	-	96	96
Acquisition of non-controlling interest in subsidiary	-	-	-	-	-	-	(132)	(132)
Transfer within equity	-	-	(0)	(627)	627	-	-	-
Balance as at 31st March 2007	64	176,967	(0)	(627)	627	177,031	(36)	176,995
	135	377,141	(3)	15,528	27,497	420,299	316,319	736,618

Consolidated Interim Financial Statements
for the three month period
from the 1st of January to the 31th of March 2008

IRF European Finance Investments Ltd

CONSOLIDATED INTERIM CASH FLOW STATEMENT

Amounts presented in € '000

Note	31 March 2008	31 March 2007
Cash flows from operating activities		
Profit Before Tax	(894)	15,688
<i>Adjustments for:</i>		
Add: Depreciation & amortization	1,912	1,801
Add: Retirement benefit charge	138	84
Add: Impairment losses on financial assets	52	1,023
Gains (-) /Losses (+) from investment activities	(951)	(85)
Share of profit/loss from measurement of financial assets at fair value through Profit & Loss	(4,034)	(605)
Fair value employee options	249	-
Exchange differences	8,815	-
<i>Cash Flows from operating activities before changes in operating assets and liabilities</i>	<i>5,287</i>	<i>17,907</i>
Changes in operating assets and liabilities:		
Net (increase) / decrease in trading securities	(61,180)	(323,150)
Net (increase) / decrease in reserves held in Central Bank	(11,830)	(756)
Net (increase) / decrease in loans and advances to customers	21,653	(67,616)
Net (increase) / decrease in insurance receivables	(3,033)	(5,071)
Net (increase) / decrease in reinsurance receivables	(472)	(700)
Net (increase) / decrease in other assets	44,093	71,700
Net increase / (decrease) in due to banks	(14,580)	288,389
Net increase / (decrease) in due to customers	(32,948)	185,913
Net increase / (decrease) in provisions for insurance contracts	(283)	1,828
Net increase / (decrease) in other borrowed funds	-	115,000
Net increase / (decrease) in other liabilities	6,416	(73,205)
<i>Cash flows from operating activities before payment of income tax</i>	<i>(46,876)</i>	<i>210,238</i>
Income tax paid	-	(2,042)
Net cash flows from operating activities	(46,876)	208,196

IRF European Finance Investments Ltd

Amounts presented in € '000

	Note	31 March 2008	31 March 2007
Cash flows from investing activities			
Portfolio available for sale and held to maturity		(63,408)	(50,097)
Acquisition of financial assets at fair value through Profit & Loss		3	-
Purchases / (proceeds) of tangible & intangible assets		(350)	(705)
Acquisition of subsidiaries and associates	10	(3)	(132)
Net cash flow from investing activities		(63,757)	(50,933)
Cash flows from financing activities			
Issuance of common shares		-	178,942
Net increase / (decrease) in other borrowed funds		184,675	-
Net cash flow from financing activities		184,675	178,942
Net increase / decrease in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period		559,372	203,916
Effect of exchange rate fluctuations on cash and cash equivalents		(8,815)	-
Cash and cash equivalents at the end of the financial year		624,598	540,121

The notes on the following pages form an integral part of these consolidated interim financial statement

IRF European Finance Investments Ltd

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Country of incorporation

IRF European Finance Investments Ltd was incorporated on 8 September 2005 under the Bermuda Companies Act. IRF is listed on AIM, a market operated by the London Stock Exchange plc. IRF's registered office is at Canon's Court 22 Victoria Street, Hamilton HM12, Bermuda.

IRF conducts its business directly and through two wholly-owned subsidiaries, MIMOSA TRADING SA and MYRTLE TRADING COMPANY, duly incorporated under the provisions of the Marshall Islands Business Corporation Act on 06 July 2006. Collectively, these three entities are referred to as the "Company".

Principal activities

The Group, through all of its subsidiaries, is engaged in the provision of banking, financial and insurance services.

IRF was formed to invest in the financial services industry throughout Europe with a primary focus on credit institutions and insurance companies in South Eastern Europe. In June 2006, IRF completed its acquisition of a controlling interest in PROTON BANK, a Greek bank, listed on the Athens Stock Exchange. PROTON BANK and its subsidiaries operate in the sectors of retail, corporate and investment banking, portfolio management, insurance and other financial services. PROTON BANK is licensed by the Bank of Greece to operate as a financial institution in Greece. PROTON BANK, which is established in Greece and is supervised by the Bank of Greece, operates through a network of 29 branches.

2. Basis of Presentation

Statement of compliance

The consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' and should be read in conjunction with the audited financial statements for the year ended 31 December 2007.

Presentation currency

The amounts of the consolidated interim financial statements attached are expressed in thousand Euros, which is the functional currency of the Group.

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

Significant accounting policies

The same accounting policies as for the annual financial statements for the year 2007 have been followed in the preparation of the consolidated interim financial statements.

As from 1 January 2008, the Group has adopted the following new IFRIC which have no significant effect in financial statements:

- a) IFRIC 11, "Group and treasury share transactions"

IRF European Finance Investments Ltd

- b) IFRIC 12, "Service concession arrangements"
- c) IFIRC 14: " IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"

The financial information set out in this interim report does not constitute statutory financial statements pursuant to Section 84 of Bermuda Companies Act 1981. The Group's statutory financial statements for the year ended 31 December 2007 were approved by the shareholders at the annual general meeting at 31.3.2008. The auditor's report on those financial statements was unqualified.

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 2007.

Comparatives

For the preparation of the condensed consolidated interim balance sheet and income statement of the period ended 31 March 2008, comparatives as of 31 December and 31 March 2007 respectively, were used. Consolidated Income Statement for the comparative three-month period ended 31 March 2007, has been restated in order to reflect results of discontinued operations (note 21).

IRF European Finance Investments Ltd

3. Group structure

a) Entities consolidated under full consolidation method

Entities consolidated under full consolidation method at 31 March 2008:

Name	Country	Direct and indirect holding	Relation that dictated the consolidation	Note
IRF EUROPEAN FINANCE INVESTMENTS LIMITED	BERMUDA	Parent		
MIMOSA TRADING SA	MARSHALL ISLANDS	100%	Percentage Ownership	Direct Stake
MYRTLE TRADING COMPANY	MARSHALL ISLANDS	100%	Percentage Ownership	Direct Stake
PROTON BANK GROUP				
PROTON BANK SA	GREECE	20.60%	Control	Direct Stake
FIRST GLOBAL BROKERS SA	SERBIA	16.63%	Control	Indirect stake through "PROTON BANK"
PROTON MUTUAL FUNDS SA	GREECE	20.58%	Control	Indirect stake through "PROTON BANK"
OMEGA INSURANCE BROKERS SA	GREECE	13.60%	Control	Indirect stake through "PROTON BANK"
PROTON INSURANCE SA	GREECE	18.80%	Control	Indirect stake through "PROTON BANK"
INTELLECTRON SYSTEMS SA	GREECE	11.46%	Control	Indirect stake through "PROTON BANK"

Entities consolidated under full consolidation method at 31 December 2007:

Name	Country	Direct and indirect holding	Relation that dictated the consolidation	Note
IRF EUROPEAN FINANCE INVESTMENTS LIMITED	BERMUDA	Parent		
MIMOSA TRADING SA	MARSHALL ISLANDS	100%	Percentage Ownership	Direct Stake
MYRTLE TRADING COMPANY	MARSHALL ISLANDS	100%	Percentage Ownership	Direct Stake
PROTON BANK GROUP				
PROTON BANK SA	GREECE	20.60%	Control	Direct Stake
FIRST GLOBAL BROKERS SA	SERBIA	16.63%	Control	Indirect stake through "PROTON BANK"

IRF European Finance Investments Ltd

Name	Country	Direct and indirect holding	Relation that dictated the consolidation	Note
PROTON MUTUAL FUNDS SA	GREECE	20.58%	Control	Indirect stake through "PROTON BANK"
OMEGA INSURANCE BROKERS SA	GREECE	13.60%	Control	Indirect stake through "PROTON BANK"
PROTON INSURANCE SA	GREECE	18.80%	Control	Indirect stake through "PROTON BANK"
INTELLECTRON SYSTEMS SA	GREECE	11.46%	Control	Indirect stake through "PROTON BANK"
OMEGA KAHN FINANCIAL SERVICES SA	SWITZERLAND	16.48%	Control	Indirect stake through "PROTON BANK"

b) Entities consolidated under the equity method:

Entities consolidated under the equity method at 31 March 2008:

Name	Country	Participation percentage	Note
OMEGA PORTFOLIO INVESTMENT CO SA	GREECE	6.01%	Indirect stake through "PROTON BANK"

Entities consolidated under the equity method at 31 December 2007:

Name	Country	Participation percentage	Note
OMEGA PORTFOLIO INVESTMENT CO SA	GREECE	6.01%	Indirect stake through "PROTON BANK"

Proton Group

On 29 June 2006, the Company acquired a 28% stake in the share capital of PROTON GROUP, listed on the Athens Stock Exchange. The range of activities of PROTON GROUP covered most of the spectrum of the financial industry. On 29 September 2006, PROTON GROUP acquired, by a share to share exchange, 100% of OMEGA BANK and the new merged entity was renamed as PROTON BANK. Following the merger with OMEGA BANK, the Company owned a 20.16% interest in PROTON BANK. During the nine-month period ended at 30 September 2007, IRF acquired at 28 June 2007, 41,891 shares of PROTON BANK, at 29 June 2007, 220,000 shares and at 3 July 2007 12,000 shares. After the additional acquisitions, IRF owns a 20.60% in PROTON BANK SA.

PROTON BANK is fully consolidated because of the "de facto" power of the Company to control its financial and operating activities. In particular, IRF owns the 20.60% of the voting rights of PROTON while the percentage of voting rights controlled by the Company is increased to 27.14% after taking into consideration the holding of two other shareholders of PROTON who are committed to vote in accordance with IRF's instructions based on an agreement. IRF has already exercised its effective power and appointed six members in the eleven-member Board of Directors of PROTON, including PROTON's chairman.

IRF European Finance Investments Ltd

All other subsidiaries comprising PROTON Group are consolidated because of the indirect, through PROTON BANK, ownership of the majority of their voting rights. The method of consolidation is the Purchase Method. Investment in associates is accounted under the equity method.

Decision to sell "Proton Insurance S.A"

On 28 December 2007, Proton Bank entered into a contractual agreement with the «COMMERCIAL VALUE SOCIETE ANONYME INSURANCE» to transfer 91,29% of the outstanding common shares of the «PROTON SOCIETE ANONYME PROVISION INSURANCE». The sale was accomplished with the contract signed by both parties on 20.3.2008 for a total consideration of 19 million euros. The sale contract will be finalized after receiving the relevant authorization, as it is strictly prescribed by the Commerce Law, by the local authorities. Proton Bank and «COMMERCIAL VALUE SOCIETE ANONYME INSURANCE» have signed a long term exclusive agreement in the bank-assurance activities.

Omega Kahn Financial Services S.A

The Bank, during the period, sold its participation to subsidiary Omega Kahn Financial Services S.A. This disposal had a negative effect of € 54 thous. in Profit & Loss account and equity respectively.

Mimosa Trading SA and Myrtle Trading Company

These two wholly-owned subsidiaries serve as investment vehicles of the Company. Both subsidiaries are duly incorporated and have filed articles of incorporation under the provisions of the Marshall Islands Business Corporation Act on 6 July 2006.

IRF European Finance Investments Ltd

4. Business segment

The Group has defined the following business segments: Commercial Banking, Investment Banking, Bank assurance and other financial services.

Balanced at 31 March 2008	Bank-assurance and other financial services			Group	Discontinued activity	Continuing activity
	Retail Banking	Investment Banking				
Interest and similar income	31,904	2,887	35	34,826	35	34,791
Interest expense and similar charges	(21,809)	62	(167)	(21,914)	(101)	(21,813)
Net interest income	10,095	2,949	(132)	12,912	(66)	12,978
Income from insurance activities	-	-	9,641	9,641	9,641	0
Expense from insurance activities	-	-	(2,019)	(2,019)	(2,019)	-
Net income from insurance activities	-	-	7,622	7,622	7,622	0
Fee and commission income	2,914	7,513	-	10,427	-	10,427
Fee and commission expense	(159)	(906)	-	(1,065)	-	(1,065)
Net fee and commission income	2,755	6,607	-	9,362	-	9,362
Dividend income	-	3	-	3	-	3
Net trading income	(39)	(16,842)	(434)	(17,315)	(434)	(16,881)
Net income from financial instruments designated at fair value	-	7,425	-	7,425	-	7,425
Other operating income	58	212	201	471	-	47
Total net income	12,869	354	7,257	20,480	7,122	13,358
Administrative expenses	(7,912)	(2,966)	(6,395)	(17,273)	(6,249)	(11,024)
Depreciation expenses	(944)	(262)	(648)	(1,854)	(647)	(1,207)
Impairment losses on financial assets and non financial assets	-	(52)	(40)	(92)	(40)	(52)
Profit before tax	4,013	-2,926	177	1,264	186	1,078
Share of profit of associates	-	(712)	-	(712)	(109)	(603)
Non-allocated expenses	-	-	-	(1,448)	-	(1,448)
Income tax expense	-	-	-	(2,140)	(1)	(2,139)
Profit after tax	-	-	-	(3,036)	76	(3,112)

Balanced at 31 March 2007	Bank-assurance and other financial services			Group	Discontinued activity	Continuing activity
	Retail Banking	Investment Banking				
Interest and similar income	17,889	4,551	(23)	22,417	-	22,418
Interest expense and similar charges	(11,738)	(1,813)	-	(13,505)	-	(13,505)
Net interest income	6,151	2,738	(23)	8,913	-	8,913
Income from insurance activities	-	-	11,945	11,945	11,945	0
Expense from insurance activities	-	-	(3,107)	(3,107)	(3,107)	-
Net income from insurance activities	-	-	8,838	8,838	8,838	0
Fee and commission income	1,597	5,293	-	6,890	-	6,890
Fee and commission expense	(170)	(3,059)	(5)	(3,234)	-	(3,234)
Net fee and commission income	1,427	2,234	(5)	3,656	-	3,656

IRF European Finance Investments Ltd

Balanced at 31 March 2007				Bank-assurance and other financial services		
	Retail Banking	Investment Banking	Group	Discontinued activity	Continuing activity	
Dividend income	-	3	-	3	-	3
Net trading income	-	17,512	72	17,584	72	17,512
Other operating income	161	180	213	554	-	554
Operating income	7,739	22,668	9,095	39,548	8,910	30,640
Administrative expenses	(3,210)	(8,700)	(1,597)	(13,507)	(1,365)	(12,142)
Depreciation expenses	(460)	(1,296)	(46)	(1,802)	(33)	(1,769)
Impairment losses on financial assets and non financial assets	(1,023)		(6,983)	(8,006)	(6,983)	(1,023)
Profit before tax	3,046	12,672	469	16,187	529	15,658
Share of profit of associates	-	26	-	26	4	22
Non-allocated expenses				(525)	-	(525)
Income tax expense				(1,759)	(7)	(1,752)
Profit after tax				13,930	526	13,404

5. Earnings per share

Amounts presented in €

Basic Earnings per share

Profit from continuing operations and discontinued operations attributable to the Parent Company's Shareholders

31 March 2008 31 March 2007

(7,028,761) 4,874,078

Weighted average number of shares in issue

124,832,395 57,291,675

Basic earnings per Share (€/Share)

(0.06) **0.09**

Profit from continuing operations attributable to the Parent Company's Shareholders

(7,043,036) 4,775,188

Weighted average number of shares in issue

124,832,395 57,291,675

Basic earnings per Share (€/Share)

(0.06) **0.08**

Diluted Earnings per Share

Net Profit attributable to the Parent Company's Shareholders

(7,028,761) 4,874,078

Weighted average number of shares

124,832,395 57,291,675

Plus: Shares with no consideration (adjustment in number of shares due to probable exercise of Warrants)

1,829,211 16,414,879

Weighted average number of shares for the purposes of diluted earnings per share

126,661,606 73,706,554

Diluted earnings per Share €/Share)

(0.06) **0.07**

Net Profit from continuing operations attributable to the Parent Company's Shareholders

(7,043,036) 4,775,188

Weighted average number of shares

124,832,395 57,291,675

Plus: Shares with no consideration (adjustment in number of shares due to probable exercise of Warrants)

1,829,211 16,414,879

Weighted average number of shares for the purposes of diluted earnings per share

126,661,606 73,706,554

Diluted earnings per Share €/Share)

(0.06) **0.06**

IRF European Finance Investments Ltd

The effect of Proton's stock option plan on diluted earnings per share has not been taken into consideration since it is anti-dilutive.

6. Cash and balances with Central Bank

<i>Amounts presented in € '000</i>	31 March 2008	31December 2007
Cash on hand and cash in course of collection	11,770	34,384
Cheques receivable	21,890	12,344
Included in cash and cash equivalents	33,660	46,728
Mandatory reserve deposits with Central Bank	17,899	6,068
Total	51,558	52,796

7. Loans and advances to financial institutions

<i>Amounts presented in € '000</i>	31 March 2008	31December 2007
Deposits placed in other financial institutions	462,875	356,142
Time deposits	127,577	155,133
Cheques receivable	383	1,053
Total	590,834	512,327
Placements with other banks (over 90 days)	15,499	15,082
Total	606,333	527,410

8. Loans and receivables

<i>Amounts presented in € '000</i>	31 March 2008	31December 2007
Individuals:		
Mortgages	48,549	48,341
Consumer loans /Loans to individuals	155,201	159,010
Credit cards	36,865	37,232
Total loans and receivables to individuals	240,615	244,584
Corporate entities:		
Agriculture	60,927	57,847
Mining	1,303	1,309
Heavy industry	125,637	113,773
Small industry	13,042	12,946
Building / Construction	120,871	139,832
Energy	310	310
Commercial / Insurance	239,764	259,391

IRF European Finance Investments Ltd

Amounts presented in € '000

	31 March 2008	31December 2007
Transportation	215,765	205,918
Financial institutions	46,298	45,906
Services	23,254	29,752
Other companies	221,383	222,280
Total loans and receivables to companies	1,068,554	1,089,263
Finance lease receivables	72,883	69,858
Total loans and receivables	1,382,052	1,403,705
Less: Allowances for impairment	(35,680)	(35,680)
Total	1,346,372	1,368,025

9. Trading portfolio and other financial assets at fair value through Profit & Loss

Amounts presented in € '000

	31 March 2008	31December 2007
Trading assets		
Government bonds	12,792	23,850
Corporate entities bonds	98,144	102,942
Mutual funds	8,239	8,903
Securities	44,713	38,686
	163,889	174,381
Other financial assets designated at fair value		
Corporate bonds	78,325	5,421
Total	242,214	179,802

10. Investment portfolio

Amounts presented in € '000

	31 March 2008	31December 2007
Securities held to maturity		
Government bonds	6,736	6,659
Corporate bonds	3,087	3,058
Total	9,823	9,717
Securities available-for-sale		
Corporate bonds	103,793	112,339
Government bonds	131,755	129,805
Equity securities	70,869	5,991
Other investments	2,092	2,092
Total	308,510	250,227
Total investment portfolio	318,332	259,944

IRF European Finance Investments Ltd

Securities held to maturity mainly include Greek Government Bonds, that are held from the issue date and for which the Group intends to hold until maturity. All available-for-sale securities are carried at fair value.

	31 March 2008	31 December 2007
Investment in associates		
Investments in associates	3,286	3,886
Total	3,286	3,886

In the Bank's separate financial information, investments in associates are carried at fair value according to IAS 39, as available for sale financial assets measured at fair value with changes in fair value recognized in equity.

The Group's interest in associates is analyzed as follows:

At 31 March 2008

Name	Country	% Participation	Assets	Liabilities	Profit	Loss	Carrying value
Omega Portfolio Investment Co. SA	Greece	6,01%	13,354	61	(2,337)	(2,439)	3,286

At 31 December 2007

Name	Country	% Participation	Assets	Liabilities	Profit	Loss	Carrying value
Omega Portfolio Investment Co. SA	Greece	6,01%	15,824	91	1,523	1,034	3,886

During the three-month period, Proton Bank has acquired additional 1,700 shares of "Omega Portfolio Investment Co. SA" for the amount of approximately € 2.6 thousand.

Investments in associates, in the non-consolidated financial information, are reported in their fair value according to IAS 39 as Available-for-sale financial assets at fair value through equity. Its fair value, as at 31 March 2008, is calculated to € 3,286 thousands euro.

IRF European Finance Investments Ltd

11. Goodwill and other intangible assets

<i>Amounts presented in € '000</i>	Goodwill	Customer relations & other intangible assets	Software	Total
Balance at 1 January 2008				
Cost	157,184	19,538	4,747	181,469
Accumulated amortization, impairment	(7,465)	(5,216)	(2,003)	(14,684)
Net carrying amount	149,719	14,322	2,744	166,785
Period ended 31 March 2008				
Opening net carrying amount	149,719	14,322	2,744	166,785
Transfer in assets held for sale:				
-Cost	-	-	-	-
-Accumulated amortization	-	-	-	-
Additions	-	-	4	4
Write-off, disposals				
-Cost	-	-	-	-
-Accumulated amortization	-	-	-	-
Amortization charge	0	(1,043)	(183)	(1,226)
Closing net carrying amount	149,719	13,279	2,565	165,563
Balance at 31 March 2008				
Cost	157,184	19,538	4,751	181,473
Accumulated amortization, impairment	(7,465)	(6,259)	(2,186)	(15,910)
Net carrying amount	149,719	13,279	2,565	165,563
Balance at 1 January 2007				
Cost	168,353	19,538	4,564	192,455
Accumulated amortization		(1,043)	(1,312)	(2,355)
Net carrying amount	168,353	18,495	3,252	190,1
Year ended 31 December 2007				
Opening net carrying amount	168,353	18,495	3,252	190,1
Transfer in assets held for sale:				
-Cost	(12,393)		(126)	(12,519)
-Accumulated amortization	0		46	46
Additions	1,224		309	1,533
Write-off, disposals				
-Cost			(8)	(8)
-Accumulated amortization			1	1
Amortization charge		(4,173)	(730)	(4,903)
Impairment charge	(7,465)			(7,465)
Closing net carrying amount	149,719	14,322	2,744	166,785
Balance at 31 December 2007				
Cost	157,184	19,538	4,747	181,469
Accumulated amortisation, impairment	(7,465)	(5,216)	(2,003)	(14,684)
Net carrying amount	149,719	14,322	2,744	166,785

IRF European Finance Investments Ltd

"Goodwill and other intangible assets" include business combination differences. The entire amount of goodwill has been allocated, for impairment test purposes, to one group of cash-generating units (CGUs) comprising the banking operations in Greece (Proton Group).

The recoverable amount of Proton Group has been determined based on value in use calculations. The cash flows are determined on the basis of maximum dividend available to the parent company after taking into consideration Proton's profitability and its capital requirements. That calculation uses cash flow projections based on financial budgets approved by management covering a four-year period. Proton's cash flows beyond the four-year period are extrapolated using a steady 2% growth rate and 16.2% return on equity. This growth rate does not exceed the average growth rate for the market in which Proton operates.

The estimation of future cash flows requires high degree of management judgment and is based on assumptions about future events and market factors. The key assumptions used for the value in use calculations are the following:

Average growth of loan portfolio for the budgeted period	27.8%
Average growth of customer deposits for the budgeted period	24.3%
Average growth of the risk weighted assets for the budgeted period	22.7%
Minimum capital requirements (Tier I)	8.0%
Average net interest margin	2.1%
Weighted average increase in pre-tax profit	31.1%
Discount rate (pre-tax cost of equity)	10.4%

Management determined budgeted increase in loans and deposits as well as interest margins based on past performance and its expectations of market development. The discount rates used are pre-tax and reflect specific risks relating to the Greek banking industry.

The Group on 31 December 2007 has reported an impairment loss of € 7,465 being the excess of Proton's carrying amount before the recognition of the impairment over its recoverable amount.

The recoverable amount is particularly sensitive into various assumptions. If management has used different assumptions for the estimation of the value in use, then the amount of the impairment loss would have been different:

- If the discount rate was 10% greater, then an additional impairment loss of € 12,406 would have been recognized, while if the discount rate was decreased by 10% then no impairment loss would have been recognized.
- If the growth rate was decreased to 1.5% then an additional impairment loss of € 2,606 would have been recognized, while if growth rate was set at 2.5% the impairment loss would have been decreased by € 2,937.
- If future cash flows for the budgeted period were decreased by 5%, then an additional impairment loss of € 1,305 would have been recognized, while if future cash flows of the budgeted period are increased by 5% the impairment loss would have been decreased by € 1,305.
- If the return on equity after the budgeted period was decreased by 10% then an additional impairment loss of € 12,406 would have been recognized, while if the return on equity was increased by 10% then no impairment loss would have been recognized.

IRF European Finance Investments Ltd

12. Deferred tax assets/liabilities

Amounts presented in € '000

	31 March 2008	31 December 2007
Deferred tax assets		
Retirement benefit obligations	328	296
Financial liabilities	182	192
Financial assets	22	9
Staff bonuses and allowances	2	-
Commission from loan advances	168	168
Finance Leases	623	567
Provision for bad debts	253	1,063
Financial assets at fair value through profit or loss	1,530	1,430
Financial assets at fair value directly through equity	5,474	3,359
Other assets	29	16
<i>Total deferred tax assets</i>	8,610	7,099
Deferred tax liabilities		
Property, plant & equipment	(832)	(548)
Intangible assets	(3,320)	(3,581)
Financial assets at fair value directly through equity	(2,800)	(2,800)
<i>Total deferred tax liabilities</i>	(6,951)	(6,928)
Total	1,659	170

The movement in the deferred taxes during the period had as follows:

Balance at 1 January 2008	170
Deferred tax assets / (liabilities) from:	
Provisions for bad debts less revaluation of loans and receivables of OMEGA BANK	(810)
Provisions for other assets	13
Derivative financial instruments	2,231
Intangible assets	(23)
Leasing	55
Financial assets, at net present value	(1)
Retirement benefit obligations	32
Financial liabilities	(9)
Balance at 31 March 2008	1,659

IRF European Finance Investments Ltd

13. Other assets

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2008
Other assets		
Advances to employees	59	28
Advances to third parties	89	52
Contributions to Co-Guarantee Fund and Supplementary Fund	10,654	12,640
Guarantee fees	629	621
Prepayments to third parties	232	139
Brokerage fees receivables	7,036	15,539
Credit card receivables	1,899	1,751
Prepaid taxes and other tax advances	8,178	8,963
Sundry debtors and other receivables	14,544	17,436
Bad debts (other than loans and receivables)	4,206	4,206
Loans to related parties	0	0
Receivables from related parties	7	2
Receivables from foreign stock exchange	4,938	4,608
Bond subscriptions	0	30,411
	52,470	96,396
Less: Provisions for losses (impairment) of receivables besides loans	(4,973)	(4,921)
Total	47,498	91,474

14. Due to financial institutions

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2008
Interbank deposits	402,704	392,371
Sight deposits	30	201
Short-term loans	185,000	-
Time deposits	17,046	28,864
Sale and repurchase agreement (REPOS)	(1)	12,505
Total	604,778	433,941

IRF European Finance Investments Ltd

15. Due to customers

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2008
Individuals		
Savings account	60,744	57,700
Sight deposits	24,238	18,175
Time deposits	728,438	794,343
Deposits under notice	24,559	1,738
	837,980	871,956
Corporate entities:		
Sight deposits	69,281	67,898
Companies	325,275	319,249
Public companies	21,184	5,838
Other time deposits	43,758	55,694
Sale and repurchase agreement (REPOS)	-	986
	459,499	449,665
Blocked deposits	81	184
Pledged deposits	59,448	59,534
Margin accounts	32,183	40,800
Total	1,389,192	1,422,139

16. Current income tax liabilities

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2008
Income tax on taxable profits	11,002	9,671
Provision of tax liabilities	1,011	828
Total	12,013	10,498

17. Other liabilities

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2008
Withholding taxes arising from salaries	297	542
Taxes and duties payable from customers' deposits	387	439
Other withholding taxes and duties	99	188
Prior year income taxes (from tax audit)	309	541
Social security contributions	557	878
Dividends payable	92	95
Salaries payable	524	239
Brokerage services securities and derivatives	5,451	266
Suppliers and other third party liabilities	10,796	10,983
Dividend declared	22,105	-
Total	40,617	14,170

IRF European Finance Investments Ltd

18. Share capital and share premium

During the three month period there has been no move in share capital and share premium.

	Number of shares	Nominal value (US\$)	Share capital in (US\$)	Share capital	Share premium	Total
Opening balance at 31 December 2007	124,832,394	-	187	147	400,443	400,590
Closing balance at 31 March 2008	124,832,394	-	187	147	400,443	400,590

Authorized share capital

	Preference Shares of US\$0.0001 each			Common Shares of US\$0.0015 each		
	Number	Amount in US\$	Amount in €	Number	Amount in US\$	Amount in €
Authorized at 31 March 2008	2,500,000	250	208	200,000,000	300,000	249,314

Warrants

On 14 November 2005 the Company consummated its initial public offering (the "Offering"). The Company sold 45,833,340 units in the Offering at a price of \$6.00 per Unit. Each Unit consisted of one share of the Company's common stock (the "Common Shares"), and two warrants ("Warrants"). Each Warrant, based on its original terms, entitles the holder to purchase from the Company one share of Common Stock at an exercise price of \$5.00 per share. According to the Offering, the 91,666,680 Warrants become exercisable after the approval of the acquisition of PROTON BANK by the Special Shareholders Meeting on 27 June 2006. All Warrants must be exercised by 14 November 2009 or they will expire.

During 2007, the Company modified the terms of its Warrants to induce the early exercise of these Warrants. Under two Warrant programs, a private program offered to certain qualified investors (the "Private Program") and a subsequent public program offered to all warrant holders (the "Public Program"), IRF temporarily (1) increased the number of Common Shares received upon exercise of a Warrant from one Common Share to 1.20 Common Shares on payment of \$5.00, and (2) permitted the exercise of a Warrant such that the Holder received one Common Share in exchange for every 8.75 Warrants surrendered. Warrant holders were able to use one or both methods to convert their Warrants into Common Shares.

As a result of the two programs, a total of \$292,766,845 of gross cash proceeds were raised, and 78,070,139 Warrants were converted. Following the close of the Public Program on 26 April 2007, the total Common Shares and Warrants outstanding were 129,356,204 and 13,596,541, respectively.

IRF European Finance Investments Ltd

19. Cash and cash equivalents – Cash Flow Statement

For the purposes of preparing the Cash Flow Statement of the Group, the short-term placements in other financial institutions, which are either immediately available or available within 90 days, were included in the cash account.

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2007
Cash and balances with Central Bank	33,660	17,857
Loans and advances to financial institutions	590,834	522,264
Assets held for sale	104	-
Cash and cash equivalents at the end of the period	624,598	540,121

20. Related party transactions

20.1 Transactions with associates

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2007
Assets		
Other receivables	15	28
Total	15	28
Liabilities		
Deposits	4,716	5,188
Other liabilities	15	18
Total	4,731	5,206
<i>Amounts presented in € '000</i>	31 March 2008	31 December 2007
Income/Expenses		
Interest and similar income	37	22
Interest expense and similar charges	(47)	(50)
Total	(10)	(28)

20.2 Transactions with management and members of the Board of Directors

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2007
Assets		
Loans	25,949	22,467
Other receivables	163	195
Total	26,112	22,662

IRF European Finance Investments Ltd

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2007
Liabilities		
Deposits	62,796	67,775
Bond liabilities	-	1,539
Other liabilities	-	177
Total	62,796	69,491
Letters of guarantee	1,332	18,195

<i>Amounts presented in € '000</i>	31 March 2008	31 March 2007
Income / Expenses		
Salaries and other remuneration	(1,047)	(1,106)
Share options	(622)	(622)
Interest and similar income	408	57
Interest expense and similar charges	(659)	(712)
Other operating income	388	465
Other operating expenses	(172)	(224)
Total	216	241

The above figures refer solely to related party transactions of Proton Group except the item of Salaries and other Remuneration in which are also included the Salaries and Remunerations of IRF paid to CEO of the Company amounting to € 17 thousand for the three-month period ended 31 March 2008 and € 34 thousand for the three-month period ended 31 March 2007.

The amount of deposits of € 62,796 thousand refers to normal deposits held by PROTON's Directors and Key Management Personnel. The amounts of loans of € 25,949 thousand refer to loans given to PROTON's Directors and Key Management Personnel.

21. Discontinued operations

On 28 December 2007 the Group committed to sale its insurance activities. In particular, Proton Bank entered into a contractual agreement with the «COMMERCIAL VALUE SOCIETE ANONYME INSURANCE» (Proton Insurance) to transfer 91.29% of the outstanding common shares of the «PROTON SOCIETE ANONYME PROVISION INSURANCE».

As a result of the above commitment the Group presented all results and cash flows generated from Proton Insurance as discontinued operations. Moreover, as required by IFRS 5, results and cash flows of the comparative period ended 31 March 2007 have been also restated in order to reflect discontinued operations. Finally assets and liabilities of Proton Insurance have been classified as "Non current assets held for sale" and "Liabilities associated with assets classified as held for sale" respectively.

Details about results, cash flows, assets and liabilities of Proton Insurance are provided below.

IRF European Finance Investments Ltd

21.1 Net Profit from discontinued operations

Net profit from discontinued operation is analyzed as follows:

<i>Amounts presented in € '000</i>	<u>1/1- 31/3/2008</u>	<u>1/1- 31/3/2007</u>
Interest and similar income	35	-
Interest and similar expenses	(101)	-
Net interest income	(66)	-
Income from insurance activities	9,641	11,945
Expense from insurance activities	(2,019)	(3,107)
Net Income from insurance activities	7,622	8,838
Net result from financial activities	(434)	(72)
Total Net Income	7,122	8,910
Staff costs	(689)	(507)
Other operating expenses	(647)	(858)
Depreciation	(40)	(33)
Insurance claims	(5,560)	(6,983)
Impairment losses	-	-
Total operating expenses	(6,936)	(8,381)
Share of profits / (losses) of associates	(109)	4
Profit before tax	77	533
Income tax expense	(1)	(7)
Profit after tax	76	526

21.2 Cash flows from discontinued operations

Cash flows generated from discontinued operations are analyzed as follows:

<i>Amounts presented in € '000</i>	<u>1/1-31/3/2008</u>	<u>1/1-31/3/2007</u>
CASH FLOW STATEMENT		
Net cash flows from discontinued operating activities	(978)	(1.826)
Net cash flows from discontinued investing activities	(13)	(20)
Net cash flows from discontinued financing activities	-	96
Net increase/ (decrease) in cash and cash equivalents from discontinued operations	(991)	(1.750)

IRF European Finance Investments Ltd

21.3 Assets held for sale and Liabilities associated with assets classified as held for sale

Assets of Proton Insurance, after eliminating all balances with the other group companies, are as follows:

ASSETS	31 March 2008
Cash	20
Loans and advances to banks	84
Financial assets at fair value through profit or loss	12,535
Investments in associates	516
Intangible assets	12,474
Property, plant and equipment	2,531
Investment property	50
Insurance receivables	22,643
Reinsurance contracts	2,105
Deferred tax assets	69
Other assets	3,245
Total assets	56,272

LIABILITIES	31 March 2008
Debt securities in issue	1,558
Retirement benefit obligations	275
Provisions for insurance contracts	35,811
Deferred tax liabilities	94
Other liabilities	8,444
Total liabilities	46,182

22. Commitments and contingent liabilities

22.1 Pending litigation

As at 31 March 2008, there were some pending litigations against the Group in connection with its activities. Based on legal advice the Board of Directors believes that there is adequate defense against all claims and it is not probable that the Group will suffer any significant damage. Therefore, no provision has been made in the consolidated interim financial statements regarding these cases.

22.2 Contingent tax liabilities

Proton Group is subject to Greek tax legislation. Under Greek Law, submitted tax returns are not considered as final and are subject to revision by tax authorities as a result of tax inspection in entities books and records. Tax liabilities are considered as final by statute after the completion of five years from the end of the relevant fiscal year, however it is common that the tax authorities will audit the entity's books and records. The tax authorities commonly seek to disallow expenses on the basis that they are not properly documented or that they do not represent proper business expenses, relying on a substantial degree of subjective judgment on the part of the tax management in order an out-of-court settlement to be reached. In practice, both companies and tax authorities tend to reach an out-of-court settlement at an acceptable level of additional taxes.

IRF European Finance Investments Ltd

Proton Bank has been reviewed by the tax authorities for the years up to and including 2006. The tax audit for the years 2005 and 2006 was completed on 16 November 2007, while the tax liability incurred of € 529 thousands was compensated for by a relevant provision,. For the un-audited period (01.01.2007-31.03.2008) a relevant provision has been recognized in accordance with the IFRS's.

The accounting years that have not been inspected yet by the tax authorities for each of the Group's companies are as follows:

Company name	Domicile	Open tax years
IRF European Finance Investments Limited ¹	Bermudas	-
Mimosa Trading SA ¹	Marshall Islands	-
Myrtle Trading Company ¹	Marshall Islands	-
Proton Bank AE	Greece	2007
Proton Asset Management AE	Greece	2005-2007
Proton Mutual Funds Management Co AE	Greece	2005-2007
First Global Brokers SA	Serbia	2002-2007
Intellectron Systems SA	Greece	2001-2007
Omega Brokerage S.A	Greece	2006-2007
Omega Mutual Funds Mgt Co SA	Greece	2006-2007

Note 1: Not subject to income tax

As a result of the above the Group's respective tax obligations for periods covering one to six accounting years have not been finalized. For the un-audited periods a relevant provision has been recognized in accordance with the IFRS's. Due to the method according to which tax liabilities are settled in Greece, the Group remains contingently liable against any additional taxes or penalties imposed for un-audited periods.

22.3 Letters of guarantee / Irrevocable letters of credit

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2007
Letters of guarantee	117,915	110,878
Irrevocable letters of credit	1,835	2,480
Total	119,750	113,358

22.4 Pledged assets

1. Greek Government bonds with a nominal value of € 10,500 thousands, have been pledged by HELEX.
2. Greek Government debt securities with a nominal value of € 139,550 thousands, and DEXIA bond with a nominal value of € 50,000 thousands of euros have been pledged by Bank of Greece

22.5 Subsidiary's share option plan

The Extraordinary General shareholders' Meeting of PROTON BANK on 24 November 2006 approved a share option plan for the members of the Board of Directors, key management, its employees and the Bank's related

IRF European Finance Investments Ltd

companies in the form of stock options according to the article 13 of Law 2190/1920 after the proposition of the Board of Directors and the Compensation Committee. The options are conditional on the beneficiaries remaining during the options life under employment or other relationship with the Bank or Group companies (vesting period). The options are exercisable every November starting from the year of the grant and have a contractual option term of three years. The Bank has no legal or constructive obligation to repurchase or settle the options in cash.

4,897,510 share options were granted on 15 June 2007 with an exercise price of € 10.46 per share. The fair value of options granted during the period determined using the Black-Scholes valuation model. The significant inputs into the model were: share price at the grant date, the exercise price, option life, volatility of share prices and the risk free rate (swap rate yield curve). Volatility measured at the standard deviation of expected share price returns was based on statistical analysis of daily share prices over the last year.

If the stock option is fully exercised then the company's shareholding in Proton will be diluted from 20,60% to 19.11%

23. Supplementary information – The Company

IRF was formed to invest in the financial services industry throughout Europe with a primary focus on credit institutions and insurance companies in South Eastern Europe. In 2006, IRF formed two wholly owned subsidiaries in Marshall Islands, Mimosa Trading SA and Myrtle Trading Company, to serve as vehicles for the acquisition of investments in the financial services industry. Assets, liabilities, results and cash flows of these three entities are managed together. Management has prepared proforma financial information, consolidating all items of the three entities and presents them under the term of "Company". According to IAS 27, a parent should consolidate all of its subsidiaries. However, management has prepared these supplementary proforma financial information which do not comply with IAS 27, in order to present the results and the financial position of the "Company" (i.e. the parent and the wholly owned subsidiaries managed together). The financial position and the performance of the "Company", as at 31 March 2008, 31 December 2007 and 31 March 2007 were as follows:

<i>Amounts presented in € '000</i>	31 March 2008	31 December 2007
ASSETS		
Non current assets		
Investments in subsidiaries	129,514	129,514
Investment portfolio	65,169	-
Total non current assets	194,683	129,514
Current assets		
Other assets	57	55
Cash and cash equivalents	463,997	350,503
Total current assets	464,054	350,558
Total assets	658,736	480,072
	31 March 2008	31 December 2007
SHAREHOLDERS EQUITY		
Share capital	147	147
Share premium	400,443	400,443
Revaluation reserve	1,585	-
Retained earnings	46,016	76,192
Total equity	448,191	476,781

IRF European Finance Investments Ltd

LIABILITIES	31 March 2008	31 December 2007
Current liabilities		
Loans to Banks	185,000	-
Other liabilities	25,546	3,291
Total current liabilities	<u>210,546</u>	<u>3,291</u>
Total liabilities	<u>210,546</u>	<u>3,291</u>
Total equity and liabilities	<u><u>658,736</u></u>	<u><u>480,072</u></u>

<i>Amounts presented in € '000</i>	Three-month period	
	01/01- 31/03/2008	01/01- 31/03/2007
Net trading income / (Loss)	(10,772)	6,722
Interest income	3,179	618
Total income	<u>(7,593)</u>	<u>7,340</u>
Personnel expenses	(17)	(25)
Other operating expenses	(33)	(2,633)
Finance cost	(428)	(2,074)
Total expenses	<u>(478)</u>	<u>(4,732)</u>
Profit before tax	<u>(8,071)</u>	<u>2,609</u>
Less: Income tax	-	-
Profit after tax	<u>(8,071)</u>	<u>2,609</u>
Earning per Share attributable to the company's shareholders (€/share)		
- Basic	(0.06)	0.05
- Diluted	(0.06)	0.04

IRF, MIMOSA and MURTLE, have significant amounts of cash and cash equivalents in United States Dollars. Due to the currency appreciation of the USD against the Euro during the recent quarter, IRF has recorded a loss from translating the cash and cash equivalents from USD to Euros. All trading losses of the company were generated from these exchange differences

IRF European Finance Investments Ltd

24. Events after 31 March 2008

As of mid May 2008, the "Company" has acquired the total of 46,737,892 which represents approximately 6.26% of the issued share capital of "Marfin Investment Group".

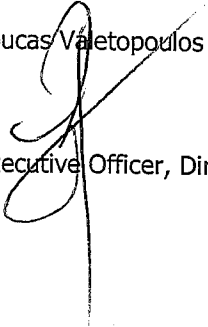
Beside the aforesaid, there were no significant events subsequent to the interim balance sheet date which are required to be mentioned.

Athens, 30 May 2008

Angeliki Frangou


Chairman, Non - Executive Director

Loucas Valetopoulos


Chief Executive Officer, Director