IRF European Finance Investments Ltd

Consolidated Interim Financial Statements for six-month period ended 30 June 2009

In accordance with the International Financial Reporting Standards

The accompanying consolidated interim financial statements of IRF European Finance Investments Ltd ("IRF") and its subsidiaries (together "the Group"), for the six-month period ended 30 June 2009 were approved by the Company's Board of Directors on 24 August 2009.

Contents

BOARD OF DIRECTORS

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

INTERIM MANAGEMENT REPORT FOR THE PERIOD ENDED 30 JUNE 2009

Financial highlights

Amounts in € 000		
Income Statement items (six month period)	**30 June 2009**	**30 June 2008** (as restated)
Continuing operations		
Realised gain from disposal of financial assets held for trade	13,406	-
Dividend income	18,198	729
Impairment losses on available-for-sale financial assets	(17,397)	
Profit after tax	9,432	12,284
Attributable to equity holders of the Company	9,432	4,596
Basic earnings per share (in euro/share)	0.08	0.10
Diluted earnings per share (in euro/share)	0.08	0.10
Continuing and discontinued operations		
Profit after tax	9,432	2,807
Attributable to equity holders of the Company	9,432	4,596
Minority rights	-	(1,789)
Basic earnings per share (in euro/share)	0.08	0.04
Diluted earnings per share (in euro/share)	0.08	0.04
Balance sheet items	**30 June 2009**	**31 December 2008**
Cash and cash equivalent	129,333	148,610
Trading portfolio	4,135	5,965
Investment portfolio	276,218	248,508
Total Assets	427,940	403,689
Loans from banks	198,134	198,393
Total liability	199,048	200,148
Total Equity	228,892	203,541

Significant events

In January 2009, IRF successfully transferred from AIM to the Specialist Fund Market (the "SFM"), a regulated market operated by the London Stock Exchange. The SFM is an EU Regulated Market and is compliant with the

EU's Financial Services Action Plan (FSAP). As at 19 January 2009, the date of admission, there were 124,832,394 shares and 13,596,541 warrants in issue.

Notwithstanding the Company having sufficient cash reserves to distribute funds to its shareholders, Bermuda law restricted the Company from declaring a dividend. Therefore, the Company's board of directors determined that it would be in the best interests of its shareholders to propose a reduction of the Company's share premium account and to make a payment to its shareholders in connection therewith. The Company's Special General Meeting held on 21 May 2009 resolved to reduce the Company's share premium account from US$520,344,639.17 to US$495,378,160.37, enabling an amount of US$0.20 per common share to be paid to holders of the Company's common shares. The amount was paid to shareholders on 9 June 2009. The reduction of share premium account does not reduce the authorised or issued share capital of the Company or the nominal value of the shares of the Company.

Portfolio review and trading results

During the second quarter of 2009, IRF engaged in significant investing activities, trading selected stocks and securities on the Athens Stock Exchange. IRF acquired approximately €35.7 million (acquisition cost) of listed securities and disposed of them for a total of approximately €49 million, realising a profit of approximately €13.3 million.

IRF's major investment continues to be in Marfin Investment Group ("MIG"). At an ordinary General Meeting held on 9 June 2009, MIG's shareholders resolved to distribute €0.20 per share in the form of a constructive dividend. The record date and payment date were set as 26 June 2009 and 9 July 2009 respectively. Under this program, IRF was entitled to approximately €16.3 million and opted to reinvest such dividend into MIG in return for shares at a price of €2.76 per share. This option was provided to existing shareholders at a price that was a 10% discount to the average closing price of MIG's shares on the Athens Stock Exchange in the first five sessions during which the shares were traded without the right to constructive dividend.

As at 31 December 2008, approximately €185.146 million was recognised as an impairment loss. This loss was generated by the difference between the acquisition cost of the investments classified as "available for sale" and fair value of such investments. Under IAS 39, when in a subsequent period (after the initial impairment), there is a further decline in the fair value of an "available for sale" asset, the difference between the new fair value and the previous evaluation is recognised in profit or loss. Thus, a €17.397 million impairment loss was generated (from the difference between the carrying amounts of the investments classified as "available for sale" as at 31 December 2008 and fair value of such investments at the end of the previous quarter). As at 30 June 2009 the portfolio's difference between the fair value and the 1st quarter evaluation increased positively by approximately €33.87 million. This difference has been recognised directly to equity.

As at 30 June 2008, IRF had cash and cash equivalents of approximately €129 million. IRF held investments in equity securities valued at about € 280 million, including 81.6 million shares in MIG. All equity holdings are publicly listed on the Athens Stock Exchange.

Debt

In September 2008, IRF modified the terms of its loan facility. Under the revised terms, the maturity of the €200 million loan facility has been extended to September 2011. This has strengthened the liquidity position of the company significantly. Securities and deposit accounts have been pledged as collateral for this medium-term facility.

Related parties transactions

There are no significant related parties transactions that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year. For further details see also note 18 of the notes to the interim financial statements

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE SEMI-ANNUAL REPORT AND THE CONDENSED SET OF FINANCIAL STATEMENTS

The directors are responsible for preparing the semi-annual report and the condensed set of 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 appropriate regulations of the listing authority, the directors have elected to prepare annual and interim 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 a 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 condensed set of financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the European Union and specifically under IAS 34, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group; and
- the interim management report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, description of important events that have occurred during the year together with a description of the principal risks and uncertainties that they face.

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 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 review information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant review 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.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of IRF European Finance Investments Ltd

Introduction

We have reviewed the accompanying interim consolidated statement of financial position of IRF European Finance Investments Ltd (the "**Company**") and the related interim consolidated statement of comprehensive income, changes in equity and cash flows for the six-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 the 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, 24 August 2009

The Chartered Accountant	The Chartered Accountant
Vassilis Kazas	Panagiotis Christopoulos
SOEL Reg. No 13281	SOEL Reg. No 28481

Grant Thornton

Chartered Accountants Management Consultants
56, Zefirou str., 175 64, Palaio Faliro, Greece
Registry Number SOEL 127

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts presented in € '000	Note	1/1 - 30/06/09	1/1 - 30/06/08 *(as restated)*	1/4/- 30/06/2009	1/4 - 30/06/08 *(as restated)*
Income					
Interest and similar income		1,208	5,084	344	2,158
Dividend and other income	6	18,198	729	18,198	729
Exchange differences		-	-	(5,806)	-
Realised gain from disposal of available for sale financial assets		-	10,847	-	10,847
Realised gain from disposal of financial assets held for trade	5	13,406	-	13,377	-
Unrealised gain from valuation of financial assets at fair value through Profit & Loss		539	-	539	-
Derivatives		-	9,570	-	9,570
Total operating income		**33,350**	**26,231**	**26,652**	**23,305**
Expenses					
Interest and similar expenses		(5,146)	(2,736)	(2,475)	(2,547)
Fee and commission expense		(307)	(542)	(307)	(304)
Exchange differences		(555)	(10,399)	(555)	373
Unrealised loss from valuation of financial assets at fair value through Profit & Loss		-	-	228	-
Impairment losses on available-for-sale financial assets	7	(17,397)	-	-	-
Management fees		(50)	(50)	(25)	(33)
Other operating expenses		(462)	(219)	(279)	(186)
Total operating expenses		**(23,918)**	**(13,947)**	**(3,413)**	**(2,697)**
Profit after tax from continuing operations		**9,432**	**12,284**	**23,239**	**20,607**
Net loss from discontinued operations	8	**-**	**(9,477)**	**-**	**(14,764)**
Profit after tax		**9,432**	**2,807**	**23,239**	**5,843**
Other comprehensive income					
Available-for-sale financial assets	7	33,870	(47,042)	33,870	(42,168)
Exchange differences on translating foreign operations		-	(9)	-	13
Other comprehensive income for the period net of tax		**33,870**	**(47,042)**	**33,870**	**(42,146)**
Total comprehensive income for the period after tax		**43,302**	**(44,235)**	**57,108**	**(36,303)**
Profit after tax attributable to:					
Owners of the parent Company		9,432	4,596	23,239	11,624
Minority rights		-	(1,789)	-	(5,781)
Total comprehensive income attributable to:					
Owners of the parent Company		43,302	(36,303)	57,108	(29,524)
Minority rights		-	(7,940)	-	(6,787)
Earning per share attributable to parent company's shareholders (€/share)					
From continuing and discontinued operations					
- Basic	17	0.08	0.04	0.19	0.09
- Diluted	17	0.08	0.04	0.19	0.09
From continuing operations					
- Basic	17	0.08	0.10	0.19	0.17
- Diluted	17	0.08	0.10	0.19	0.16

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts presented in € '000	Note	30 June 2009	31 December 2008 *(as restated)*
ASSETS			
Non-current assets			
Investment portfolio	**11**	276,218	248,508
Total non-current assets		**276,218**	**248,508**
Current assets			
Trading portfolio & other financial assets at fair value through Profit & Loss	**10**	4,135	5,965
Other assets	**12**	18,254	607
Cash and other equivalents	**9**	129,333	148,610
Total current assets		**151,722**	**155,182**
TOTAL ASSETS		**427,940**	**403,689**
EQUITY AND LIABILITIES			
Shareholders equity			
Share capital	**15**	147	147
Share premium	**15**	382,491	400,443
Revaluation reserve	**7**	33,870	-
Retained losses		(187,617)	(197,049)
Total equity attributable to shareholders' of the Parent Company		**228,892**	**203,541**
Minority rights		-	-
TOTAL EQUITY		**228,892**	**203,541**
LIABILITIES			
Non-current			
Long term loans	**13**	198,134	198,393
Total non-current liabilities		**198,134**	**198,393**
Current liabilities			
Other liabilities	**14**	914	1,755
Total current liabilities		**914**	**1,755**
TOTAL LIABILITIES		**199,048**	**200,148**
TOTAL LIABILITIES AND EQUITY		**427,940**	**403,689**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity	Note	Attributable to shareholders of the Parent Company							
		Share capital	Share premium	Revaluation reserve	Other reserves	Retained earnings / (losses)	Total	Minority rights	Total
Amounts presented in € '000									
Opening balance as at 1 January 2009		**147**	**400,443**	**-**	**-**	**(197,049)**	**203,541**	**-**	**203,541**
Share premium reduction & return to shareholders	**15**	-	(17,951)	-	-	-	(17,951)	-	(17,951)
Transactions with owners		**-**	**(17,951)**	**-**	**-**	**-**	**(17,951)**	**-**	**(17,951)**
Net result for the period 01/01-30/06/2009		**-**	**-**	**-**	**-**	**9,432**	**9,432**	**-**	**9,432**
Other comprehensive income:									
Gains/ losses directly recognized in equity:									
- on the valuation of available for sale financial assets	**7**	-	-	33,870	-	-	33,870	-	33,870
Total comprehensive income/(loss) for the period		**-**	**-**	**33,870**	**-**	**-**	**33,870**	**-**	**33,870**
Balance as at 30 June 2009		**147**	**382,491**	**33,870**	**-**	**(187,617)**	**228,892**	**-**	**228,892**

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

Consolidated Statement of Changes in Equity	Attributable to shareholders of the Parent Company							
Amounts presented in € '000	**Share Capital**	**Share Premium**	**Revaluation Reserve**	**Other Reserves**	**Retained Earnings / (losses)**	**Total**	**Minority rights**	**Total**
Opening balance as at 1st January 2008	**147**	**400,443**	**(2,570)**	**16,587**	**72,492**	**487,099**	**290,248**	**777,347**
Equity share options granted to employees	-	-	-	103	-	103	395	498
Dividend relating to 2007	-	-	-	-	(22,105)	(22,105)	(9,829)	(31,935)
Capitalisation to legal reserves	-	-	-	196	(196)	-	-	-
Transactions with owners				**299**	**(22,301)**	**(22,002)**	**(9,434)**	**(31,437)**
Net result for the period 01/01-30/06/2008	**-**	**-**	**-**	**-**	**4,596**	**4,596**	**(1,789)**	**2,807**
Other comprehensive income:								
Gains/ losses directly recognized in equity:								
- on the valuation of available for sale financial assets	-	-	(40,897)	-	-	(40,897)	(6,145)	(47,042)
- exchange differences on translating foreign operations	-	-	-	-	(2)	(2)	(7)	(9)
Total comprehensive income/(loss) for the period	**-**	**-**	**(40,897)**	**-**	**(2)**	**(40,899)**	**(6,152)**	**(47,050)**
Balance as at 30 June 2008	**147**	**400,443**	**(43,466)**	**16,885**	**54,784**	**428,793**	**272,874**	**701,667**

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

CONSOLIDATED CASH FLOW STATEMENT

Amounts presented in € '000	Note	30 June 2009	30 June 2008 *(as restated)*
Cash flows from operating activities			
Profit before tax of continuing operations		**9,432**	**12,284**
Adjustments for:			
Add: Impairment losses on financial assets	7	17,397	-
Profit/(loss) from revaluation of financial assets at fair value through Profit & Loss		(490)	-
Proft /loss from sale of a.f.s. portfolio		-	(11,048)
Dividend income		-	(729)
Interest and other non cash expenses		3,938	
Exchange differences		487	8,506
Cash flows from operating activities before changes in working capital		**30,765**	**9,013**
Changes in working capital:			
Net (increase)/decrease in trading securities		1,830	-
Net (increase)/decrease in other assets		(17,647)	(1,379)
Due to financial institutions		-	140,000
Net increase/(decrease) in other liabilities		(841)	18,363
Cash flows from operating activities before payment of income tax		14,106	165,997
Net cash flows from operating activities of discontinued operations		-	2,479
Net cash flows from operating activities		**14,106**	**168,475**
Cash flows from investing activities			
Proceeds from a.f.s. portfolio		(11,384)	(350,316)
Interest received		1,208	-
Net cash flows from investing activities of discontinued operations		-	(52,368)
Net cash flow from investing activities		**(10,177)**	**(402,684)**
Cash flows from financing activities			
Interest paid		(4,887)	(2,394)
Dividends paid		-	(22,105)
Share premium reduction & return to shareholders	15	(17,573)	-
Repayment of borrowings		(259)	-
Net cash flows from financing activities of discontinued operations		-	(10,468)
Net cash flow from financing activities		**(22,719)**	**(34,968)**
Net decrease in cash and cash equivalents		**(18,790)**	**(269,176)**
Cash and cash equivalents at the beginning of the period		148,610	559,372
Effect of exchange rate fluctuations on cash and cash equivalents		(487)	(8,506)
Cash and cash equivalents at the end of the financial period	16	**129,333**	**281,690**

The accompanying notes constitute an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Country of incorporation

IRF was incorporated on 8 September 2005 under the Bermuda Companies Act 1981. The Company was initially listed on AIM on 14 November 2005 and on 19 January 2009 transferred to the Specialist Fund Market (the "**SFM**"), a regulated market operated by the London Stock Exchange plc. The Company's registered office is at Canon's Court 22 Victoria Street, Hamilton HM12, Bermuda.

Principal Activities

The Group was initially engaged in the provision of banking, financial and insurance services. IRF was formed as an investing company to serve as a vehicle for the acquisition of one or more businesses in the financial services industry in Europe, with a primary focus on credit institutions and insurance companies in Greece, Bulgaria, Romania and Turkey.

On 29 June 2006, the Company acquired a controlling interest in Proton Investment Bank, a Greek bank listed on the Athens Stock Exchange. Subsequent to this acquisition, Proton Investment Bank merged with Omega Bank, resulting in IRF having an interest in the newly merged entity, Proton Bank. 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 28 branches.

On 24 September 2008, IRF sold a 15.95% interest in Proton Bank from its 20.6% holding in Proton Bank. Following such disposal, the IRF directors holding positions on the Board of Directors of Proton Bank resigned. As at 31 December 2008, IRF had disposed of its entire investment in Proton Bank. The results of Proton Bank's Group were consolidated in the financial statements of IRF, as discontinued operations, up to the date of the disposal (see notes 2.3, 3.1, 4 and 8).

IRF acquired and continues to hold approximately 11% of the issued shares in Marfin Investment Group ('**MIG**') which, as at 30 June 2009, is the most significant investment in the company's portfolio. MIG invests in private equity, privatisations and infrastructure projects and principally operates in Greece, Cyprus and South East Europe. All equity holdings are publicly listed on the Athens Stock Exchange.

2. BASIS OF INTERIM FINANCIAL STATEMENT PREPARATION

2.1 Statement of compliance

The condensed consolidated interim financial statements for the six month period ended 30 June 2009 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 2008.

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 2008 were approved by the Board of Directors on 24 April 2009. The auditor's report on those financial statements was unqualified.

2.2 Functional and presentation currency

The current financial statements are presented in Euro, which is the functional currency of the Group. The functional currency is the currency of the primary economic environment in which an entity operates and is normally the one in which it primarily generates and expends cash. Management used its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

All amounts are presented in thousand Euros unless mentioned otherwise. Due to rounding, percentages and numbers presented throughout the condensed interim consolidated financial statements may not match the counterparts in the financial statements. All amounts expressed in dollars, are US dollars.

2.3 Comparative figures

Consolidated statement of financial position, comprehensive income statement, and cash flow statement for the comparative period have been adjusted for the reclassification of income statement to reflect results of discontinued operations and the implementation of the revised IAS 1. Details are provided in note 3.1.

2.4 Use of estimates

The preparation of the financial statements in accordance with the IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reporting amounts of assets, liabilities, income and expenses.

Assumptions and estimates are reviewed on an ongoing basis and are revised based on experience and other factors. Revisions of the accounting estimates are recognised in the period in which estimates are revised and in any future periods affected. Assumptions and estimates include expectations on future event and outcomes that are considered as reasonable given the current conditions. Actual results may differ from these estimates.

3. SUMMARY OF IMPORTANT ACCOUNTING POLICIES

3.1 Change in accounting policies

These condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year ended 31 December 2008 except for the adoption of:

- IAS 1 "Presentation of Financial Statements" (revised in 2007 and applied by companies for annual periods starting on or after 01/01/2009). The basic changes introduced by the revised Standard are summarized in the separate presentation of the changes in equity stemming from the transactions with the owners in their capacity as owners (e.g. dividends, share capital increases) from changes in equity (e.g. conversion reserves). Furthermore, the revised version of the Standard brings forward changes in term use as well as the presentation of the Financial Statements (in certain cases the presentation of a third Statement of Financial Position is required for the commencement of the earliest comparative period). The new definitions however do not create any changes to the rules for recognition, measurement, or disclosure of certain transactions and other events required by the rest of the Standards. The revised Standard foresees the presentation of one statement, the Statement of Comprehensive Income, or the presentation of two statements (one separate Income Statement and one Statement of Comprehensive Income). The Group has decided to present one statement. The interim financial statements have been prepared based on the requirements of IAS 1.

Moreover, in previous periods the management prepared the consolidated financial statements in the format of "order of liquidity" according to IAS 1 due to the nature of the operations of the consolidated group of Proton Bank. The format of "order of liquidity" is used as best practise by all financial institutions. Due to the disposal of the entire Proton Group, the management has decided to adopt the presentation of "current and non-current assets", and "current and non-current liabilities", as separate classifications in its statement of financial position, as most funds and investing entities implement in their financial statements. The aforementioned adoption did not lead to any reclassifications of assets or liabilities.

The statement of comprehensive income analysis is based upon the 'nature of expense' method.

- IFRS 8 "Operating Segments" (issued in 2006 and is applied by companies for periods starting on or after 01/01/2009). IFRS 8 replaces IAS 14 "Segment Reporting". The new IFRS requires a "management approach" to the Group's presentation of financial information under segment reporting. Information disclosed is basically information that the management uses for internal reporting so as to assess the productivity of segments, as well as the manner in which resources are allocated. Such reporting might differ from information used during the preparation of the balance sheet and the income statement. Furthermore, the standard requires that explanatory notes on the basis of preparation of segment reporting, as well as traces to entries in financial statements should also be disclosed.

In previous periods the management prepared the consolidated segment analysis based upon the operations of the consolidated group of Proton Bank. After the disposal of Proton Bank, the directors came to the conclusion that IRF operates only in the investment in listed securities business segment. Also, IRF, up to the current period, invests mainly in the Greek market.

3.2 Other new standards, amendments and interpretations with effective date as of 1 January 2009, with no applicability or significant impact:

(a) IFRIC 13: "Customer Loyalty Programmes (effective for annual accounting periods beginning on or after 1 July 2008);

(b) IAS 23: (Revised 2007) "Borrowing Costs" (effective from 1 January 2009)

The revised IAS 23 removes the option of immediately expensing borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset as part of the cost of that asset;

(c) IFRS 2: "Share-based Payment" – Amendment 2008: Vesting Conditions and Cancellations (effective from 1 January 2009)

This amendment clarifies that only service conditions and performance conditions are vesting conditions, while all other features need to be included in the grant date fair value. The Group is currently assessing the implications of the adoption of the aforementioned amendment;

(d) IAS 32: Financial Instruments: Presentation and IAS 1: Presentation of Financial Statements – Amendment 2008: Puttable Financial Instruments and Obligations Arising on Liquidation (effective from 1 January 2009)

These amendments address the classifications of some puttable financial instruments as well as instruments or their components that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation. The above mentioned amendments are not applicable at present for Group activities;

(e) IFRIC 11: "Group and treasury share transactions"

IFRIC 11 provides guidance on IFRS 2 application in three cases: i) share-based payment arrangements involving an entity's own equity instruments, ii) share-based payment arrangements involving equity instruments of the parent and iii) a subsidiary granting rights to equity instruments of its parent to its employees. An entity shall apply this interpretation for annual periods beginning on or after 1 March 2008.

(f) IFRS 7 (Amendment 2009): Improvements to the Financial Instruments disclosures (effective from 1 January 2009)

This amendment aims to provide additional and improved disclosures concerning the fair value of the financial instruments and the liquidity risk. Among the changes of the standard, which are estimated to modify the way that the relative information of the Group is presented, are: the introduction of three levels for the definition of the fair value (market prices, valuation based on remarkable market data and valuation based on non-remarkable market data), requirement for disclosure of changes at the valuation methods used and requirement for additional information concerning the third level including the sensitivity analysis.

3.3 New standards, amendments and interpretations that have been issued and are subject to endorsement by the European Union:

(a) IFRS 3: "Business Combinations" – Revised 2007 and subsequent amendments in IAS 27, 28 and 31 (effective the first annual reporting period beginning on or after 1 July 2009)

The revised standard introduces significant amendments for the application of the acquisition method for business combinations. Among other changes the standard introduces the possibility of minority interests being measured at fair value. Furthermore, the revised standard requires that the acquirer of a subsidiary recognizes the assets acquired and liabilities assumed as a transaction with owners of the business and any difference should be recognized in equity. The revised IFRS 3 applies for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009, while no consolidation adjustments are required for the period before the revised standard will become effective. Thus, the adoption of the revised standards will have no significant impact on the Group's financial statements.

(b) IFRIC 15: "Agreements for the Construction of Real Estate"

An entity shall apply IFRIC 15 "Agreements for the Construction of Real Estate" for annual periods beginning on or after 1 January 2009. This interpretation applies to the accounting for revenue which refers to the real estates' disposal. This interpretation does not apply to the Group's activities;

(c) IFRIC 16: "Hedges of a Net Investment in a Foreign Operation";

(d) IFRIC 17: "Distribution of non-cash assets to owners" (effective for annual periods beginning on or after 1 July 2009)

This interpretation, issued on 27 November 2008, provides guidance to an entity in order to recognize and subsequently measure a liability arising from the distribution of non-cash assets to owners;

(e) IFRIC 18 "Transfer of assets from customers"

Effective for annual periods beginning on or after 1 July 2009. This interpretation, issued on 29 January 2009, clarifies the accounting treatment for agreements under which an entity receives from a customer an item of property, plant and equipment that the entity must then use to serve conventional obligations to him. The interpretation also applies in cases where the entity receives cash from customers to construct or buy an item of property, plant and equipment to be used as defined above. This interpretation does not apply to Group activities.

(f) IAS 39: "Financial instruments: Recognition and Measurement": Eligible Hedged Items Amendment to IAS 39

Amendment to IAS 39 clarifies accounting hedges issues and, in particular, inflation and one-sided risk of a hedged item. An entity shall apply those amendments to IAS 39 for annual periods beginning on or after 1 July 2009;

4. STRUCTURE OF THE GROUP

Entities consolidated under full consolidation method at 31 December 2008 and at 30 June 2009:

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

The following table indicates the Group structure as at 30 June 2008:

Name	Country	Direct Shareholding %	Indirect Shareholding %	Direct and Indirect Holding	Relation that dictated the consolidation	Note
IRF EUROPEAN FINANCE INVESTMENTS LIMITED	**BERMUDA**			**Parent**		
MIMOSA TRADING SA	MARSHALL ISLANDS	100.00%	0.00%	100%	Percentage Ownership	Direct Stake
MYRTLE TRADING COMPANY	MARSHALL ISLANDS	100.00%	0.00%	100%	Percentage Ownership	Direct Stake
PROTON BANK GROUP						
PROTON BANK SA	GREECE	20.60%	0.00%	20.60%	Control	Direct Stake

Name	Country	Direct Shareholding %	Indirect Shareholding %	Direct and Indirect Holding	Relation that dictated the consolidation	Note
FIRST GLOBAL BROKERS SA	SERBIA	0.00%	16.63%	16.63%	Control	Indirect stake through "Proton Bank"
PROTON MUTUAL FUNDS SA	GREECE	0.00%	20.58%	20.58%	Control	Indirect stake through "Proton Bank"
OMEGA INSURANCE BROKERS SA	GREECE	0.00%	13.60%	13.60%	Control	Indirect stake through "Proton Bank"
PROTON INSURANCE SA	GREECE	0.00%	18.80%	18.80%	Control	Indirect stake through "Proton Bank"
INTELLECTRON SYSTEMS SA	GREECE	0.00%	11.46%	11.46%	Control	Indirect stake through "Proton Bank"
ASSOCIATES						
Omega Portfolio Investment SA	GREECE	0.00%	6.01%	6.01%		Indirect stake through "Proton Bank"

DISPOSAL OF SHAREHOLDING IN PROTON: On 24 September 2008, IRF sold 10 million shares in Proton Bank for a gross sales price of €65 million. The consideration for this disposal was in the form of cash. Following IRF's disposal of these shares in Proton Bank, the IRF directors holding positions on the Board of Directors of Proton Bank resigned. As at 30 September 2008, IRF held approximately 2.9 million shares in Proton Bank, representing an interest of approximately 4.65%. As at 31 December 2008, IRF had disposed of its entire investment in Proton Bank. The results of Proton Bank's Group were consolidated in the financial statements of IRF, as discontinued operations, up to the date of the disposal (note 8).

Information on consolidation

MIMOSA TRADING SA: This company is duly incorporated and filed articles of incorporation under the provisions of the Marshall Islands Business Corporation Act on 6 July 2007. IRF is the owner of five hundred (500) fully paid and non-assessable shares of the capital stock of the corporation. The aggregate number of shares of stock that this company is authorized to issue is five hundred (500) registered and/or bearer shares without par value.

MYRTLE TRADING COMPANY: This company is duly incorporated and filed articles of incorporation under the provisions of the Marshall Islands Business Corporation Act on 6 July 2007. IRF is the owner of five hundred (500) fully paid and non-assessable shares of the capital stock of the corporation. The aggregate number of shares of stock that this company is authorized to issue is five hundred (500) registered and/or bearer shares without par value.

5. REALISED GAIN FROM DISPOSAL OF FINANCIAL ASSETS HELD FOR TRADE

During the second quarter of 2009, IRF engaged in significant investing activities, trading selected stocks and securities on the Athens Stock Exchange. The Company acquired a total of approximately € 35.7 million (acquisition cost) of listed securities and disposed of them for a total of approximately € 49 million, realising a profit of aproximatelly € 13.3 million.

6. DIVIDEND AND OTHER INCOME

As mentioned above, the major investment of IRF is the placement in MIG. At an ordinary General Meeting held on 9 June 2009, MIG's shareholders resolved to distribute €0.20 per share in the form of a constructive dividend. The record date for the determination of the beneficiaries was set as 26 June 2009. The date of payment was set as 9 July 2009. IRF, according to the above dates and the relevant participation, was entitled to approximately €16.3 miillion. Shareholders were offered the option to reinvest the constructive dividend in return for MIG shares in whole or in part, at a price of €2.76 per share, notably equal to the average closing price of MIG's shares on the Athens Stock Exchange in the first five sessions during which the share was traded without the right to capital refund, discounted by 10%.

7. IMPAIRMENT LOSSES

As at 31 December 2008, the total amount of approximately €185,146,000 was recognised as an impairment loss, generated from the difference between the acquisition cost of the investments classified as "available for sale" and fair value of the aforementioned portfolio. Following the stipulations of IAS 39, when in a subsequent period after the initial impairment, the decline in the fair value of an "available for sale" financial asset continues, the difference between the new fair value and the previous evaluation is recognised in profit or loss. The amount of €17,397,423.99 was generated from the difference between the carrying amounts of the investments classified as "available for sale" as at 31 December 2008 and fair value of the aforementioned portfolio at the end of the previous quarter (31 March 2009). As at 30 June 2009 the portfolio's difference between the fair value and the 1st quarter evaluation increased positively by approximately €33.87 million. This difference has been recognised directly to equity.

8. DISCONTINUED OPERATIONS

8.1 NET LOSS FROM DISCONTINUED OPERATIONS

On 24 September 2008, IRF sold 15.95% investment in Proton Bank from its 20.6% interest. The results of Proton Bank's Group were consolidated in the financial statements of IRF, as discontinued operations, up to the date of the disposal and for the comparative periods. Net profit from discontinued operation is analyzed as follows:

Amounts presented in € '000	**30/06/2008**	**1/4 - 30/06/08**
Interest and similar income	63,761	31,861
Interest and similar charges	(42,679)	(20,955)
Net interest income	**21,082**	**10,906**
Fee and commission income	17,135	6,707
Fee and commission expense	(2,625)	(1,798)
Net fee and commission income	**14,510**	**4,909**
Income from insurance services	17,251	7,610
Expenses from insurance services	(4,209)	(2,191)
Net income from insurance services	**13,042**	**5,419**
Dividend income	1,073	1,070
Net trading income	(12,164)	(5,622)
Net income from financial instruments designated at fair value	7,010	(415)
Other operating income	1,078	608
Total net income	**45,630**	**16,876**
Staff costs	(14,845)	(7,750)
Other operating expenses	(12,977)	(6,981)
Depreciation	(3,816)	(1,904)
Insurance claims	(10,572)	(5,012)
Impairment losses on financial assets and non financial assets	(3,063)	(3,011)
Total operating expenses	**(45,272)**	**(24,657)**
Share of (losses)/profits of associates	(899)	(187)
Loss before tax	**(542)**	**(7,968)**
Less: Income tax	(1,216)	924
Loss after tax from discontinued operations	**(1,758)**	**(7,044)**
Impairment of goodwill previously recognised	(7,720)	(7,720)
Net loss after tax from discontinued operations	**(9,477)**	**(14,764)**

9. CASH AND OTHER EQUIVALENTS

Amounts presented in € '000	30/06/2009	31/12/2008
Petty cash	1	1
Deposits placed in financial institutions	22,580	3,569
Time deposits	106,751	145,039
Total	**129,333**	**148,610**

10. TRADING PORTFOLIO AND OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT & LOSS

Amounts presented in € '000 **Trading portfolio**	30/06/2009	31/12/2008
Corporate entities bonds	637	3,688
Equity securities	3,498	2,276
Total	**4,135**	**5,965**

11. INVESTMENT PORTFOLIO

Amounts presented in € '000 **Available-for-sale**	30/06/2009	31/12/2008
Equity securities	276,218	248,508
Total	**276,218**	**248,508**

Investment in MIG constitutes the major investment in IRF's portfolio as at 30 June 2009.

12. OTHER ASSETS

Amounts presented in € '000 **Trading portfolio**	30/06/2009	31/12/2008
Dividend income **(note 6)**	18,198	-
Prepayments to third parties	5	63
Brokerage fees & settlements receivables	-	381
Other receivables	52	163
Total	**18,254**	**607**

13. LONG TERM LOANS

Amounts presented in € '000	30/06/2009	31/12/2008
Long-term loans	198,134	198,393
Total	**198,134**	**198,393**

The loan bears interest of 3 month Euribor plus 2.75% spread and 0.6% Greek Law contribution. From the implementation of IAS 39, the effective rate has been calculated to 4.98% as at 30 June 2009 and 6.37% as at 31 December 2008. All investment portfolio and cash accounts of IRF are assigned as collateral to the loan which is repayable in full by September 2011.

14. OTHER LIABILITIES

Amounts presented in € '000	**30/06/2009**	**31/12/2008**
Salaries payable	8	17
Brokerage transactions	709	-
Suppliers and other third party liabilities	197	1,739
Total	**914**	**1,755**

15. SHARE CAPITAL & SHARE PREMIUM

Amounts in €' 000	**Number of shares**	**Nominal value $**	**Share capital in $**	**Share capital**	**Share premium**	**Total**
Opening balance at 1 January 2009	**124,832,394**	**-**	**187**	**147**	**400,443**	**400,590**
Share premium returned to shareholders					(17,951)	**(17,951)**
Closing balance at 30 March 2009	**124,832,394**	**-**	**187**	**147**	**382,491**	**382,639**

At a Special General Meeting of the Company held on 21 May 2009, the shareholders resolved to reduce the Company's share premium account from US$520,344,639.17 to US$495,378,160.37, enabling an amount of US$0.20 per common share to be paid to holders of the Company's common shares. The amount was paid to shareholders on 9 June 2009. The reduction of share premium does not reduce the authorised or issued share capital of the Company or the nominal value of the shares of the Company.

As at 30 June 2009, there are 13,596,541 Warrants outstanding which may be exercised by 14 November 2009.

16. CASH AND CASH EQUIVALENTS – CASH FLOW STATEMENT

In the 30 June 2008 comparatives, the Cash and Cash equivalents for the Cash Flow Statement also contain the balances from Proton Group. For the purposes of preparing the Cash Flow Statement of the Group for 30 June 2008, the short-term placements in other financial institutions, which are either immediately available or available within 90 days, were included in the cash account.

Amounts presented in € '000	**30/06/2009**	**30/06/2008**
Cash and balances with Central Bank	-	37,141
Petty cash	1	1
Deposits placed in other financial institutions	22,580	110,132
Time deposits	106,751	1,892
Loans and advances to financial institutions	-	132,300
Asset held for sale	-	223
Total - Included in cash and cash equivalents	**129,333**	**281,690**

17. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of shares in issue during the year. Diluted earnings per share are calculated by adjusting the weighted average number of common shares outstanding to assume exercise of the warrants. Basic and diluted earnings per share are analysed below:

Amounts presented in € '000	Six month period 1/1 - 30/06/09	1/1 - 30/06/08	Three month period 1/4/- 30/06/2009	1/4 - 30/06/08
Basic earnings per share				
Profit from continuing operations and discontinued operations attributable to the parent Company's shareholders	9,432	4,596	23,239	11,624
Weighted average number of shares in issue	124,832,395	124,832,395	124,832,395	124,832,395
Basic earnings per share (€/Share)	**0.08**	**0.04**	**0.19**	**0.09**
Profit from continuing operations attributable to the parent Company's shareholders	9,432	12,284	23,239	20,607
Weighted average number of shares in issue	124,832,395	124,832,395	124,832.395	124,832.395
Basic earnings per share (€/Share)	**0.08**	**0.10**	**0.19**	**0.17**
Diluted earnings per Share				
Net Profit attributable to the parent Company's shareholders	9,432	4,596	23,239	11,624
Weighted average number of shares	124,832,395	124,832,395	124,832,395	124,832,395
Plus: Shares with no consideration (adjustment in number of shares due to probable exercise of Warrants)	-	2,329,215	-	2,788,577
Weighted average number of shares for the purposes of diluted earnings per share	124,832,395	127,161,610.29	124,832,395	127,620,972
Diluted earnings per share (€/Share)	**0.08**	**0.04**	**0.19**	**0.09**
Net Profit from continuing operations attributable to the parent Company's shareholders	9,432	12,284	23,239	20,607
Weighted average number of shares	124,832,395	124,832,395	124,832,395	124,832,395
Plus: Shares with no consideration (adjustment in number of shares due to probable exercise of Warrants)	-	2,329,215	-	2,788,577
Weighted average number of shares for the purposes of diluted earnings per share	124,832,395	127,161,610.29	124,832,395	127,620,972
Diluted earnings per share (€/Share)	**0.08**	**0.10**	**0.19**	**0.16**

The effect of IRF's "Offering" of warrants on diluted earnings per share for the first summester of 2009 has not been taken into consideration since it is anti-dilutive. Also the effect of Proton's stock option plan on diluted earnings per share has not been taken into consideration for the comparative first summester of 2008 since it is anti-dilutive.

18. RELATED PARTIES TRANSACTIONS

18.1 Transactions between companies included in consolidation

Transactions of the parent company with Subsidiaries

Amounts presented in € '000	**30/06/2009**	**31/12/2008**
Liability accounts		
Other liabilities	71,025	70,881
Total	**71,025**	**70,881**

Amounts presented in € '000	**30/06/2009**	**30/06/2008**
Income		
Dividend income	-	2,582
Interest income	-	433
Total	**-**	**3,016**

The aforementioned balances of the Company have been eliminated from the consolidated financial statements.

18.2 Transactions with Associates

Amounts presented in € '000	30/06/2009	30/06/2008
Income /Expenses		
Other operating income	-	70
Interest and similar expenses	-	(95)
Total	**-**	**(25)**

18.3 Transactions with Management and Members of the Board of Directors

No salaries or loans were paid to the Directors of the Company for the period, apart from salaries paid to the CEO of the Company.

Transactions with Management and Members of the Board of Directors

Amounts presented in € '000	30/06/2009	31/12/2008
Liability accounts		
Other Liabilities	8	1,009
Total	**8**	**1,009**

	30/06/2009	30/06/2008
Income		
Interest and similar income	-	862
Other income	-	674
Total	**-**	**1,536**
Expenses		
Remuneration	(50)	(2,802)
Interest and similar expenses	-	(1,326)
Other fees & expenses	-	(139)
Total	**(50)**	**(4,267)**

19. COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

19.1 Contingent legal liabilities

As at 30 June 2009, there was no litigation pending against the Group in connection with its activities.

19.2 Assets given as collateral

All investment portfolio and cash accounts of IRF are assigned as collateral to IRF’s long term loan.

20. POST-BALANCE SHEET EVENTS

There were no subsequent events according to the International Financial Reporting Standards regarding the Group, which need to be mentioned.

21. APPROVAL OF INTERIM FINANCIAL STATEMENTS

Athens, 24 August 2009

Angeliki Frangou	Loukas Valetopoulos
__________________________	__________________________
Chairman, Non – Executive Director	Chief Executive Officer, Director