IRF European Finance Investments Ltd
Financial Statements

for the year ended
31 December 2009

In accordance with the International Financial Reporting Standards

The accompanying consolidated financial statements of "IRF European Finance Investments Ltd" (the "Company" or "IRF") and its subsidiaries (together the "Group"), for the year ended 31 December 2009 were approved by the Company's Board of Directors on 26 March 2010.

Financial Statements for year ended 31 December 2009

Contents

IRF European Finance Investments Ltd

Financial Statements for year ended 31 December 2009

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

MANAGEMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

Financial highlights

	IRF Group		
Amounts in € 000	**31 December 2009**	**31 December 2008**	**%**
Statement of comprehensive income items			
Total operating income	44,462	25,900	71.67%
Total operating expenses	95,456	244,695	-60.99%
Loss after tax (attributable to equity holders of the Company)	(51,090)	(264,129)	80.66%
Other comprehensive income	4,978	12,599	-60.49%
Total comprehensive income (attributable to equity holders of the Company)	(46,112)	(293,336)	84.28%
Basic earnings per share (€/share)	(0.41)	(2.12)	80.62%
Balance sheet items			
Cash and cash equivalent	126,842	148,610	-14.65%
Trading portfolio	18,499	5,965	210.14%
Investment portfolio	193,886	248,508	-21.98%
Total assets	340,504	403,689	-15.65%
Loans from banks	198,104	198,393	-0.15%
Total liabilities	201,027	200,148	0.44%
Total Equity	139,478	203,541	-31.47%
Ratios			
Current assets / current liabilities	50	88	-43.34%
Total assets / total liabilities	1.69	2.02	-16.02%
Net loss after tax / total assets	-150	-542	72.32%
Long term debt/equity	1.42	0.97	-45.72%

Performance of the Company and major events during the year 2009

Market conditions

The markets were volatile for much of 2009, with sentiment widely divergent regarding prospects for a recovery to the global financial system that had been badly in 2008. Toward the second half of 2009, sentiment improved significantly as financial institutions, with the governmental assistance, were able to repair their balance sheets and restore profitability.

Investment strategy and objectives

The Company's investment strategy is to seek control and non-control investment opportunities in the financial sector and select distressed opportunities in other industries. The Company intends to reinvest capital gains and income from its investments with the aim of achieving capital growth. In addition, the Company intends, at the discretion of the Directors, to distribute capital and income on a periodic basis.

Key risk factors

IRF is exposed to various risks relating to financial instruments.

In addition, the existing budget deficits in the Hellenic Republic has had an adverse effect on investors' appetite for securities listed on the Athens Stock Exchange, adversely affecting prices and liquidity.

The exposure of IRF to risks is presented in note 6 of the Financial Statements.

Performance and position of the Company

During 2009, IRF invested opportunistically and increased its interest in Marfin Investment Group ('MIG'), a public company traded on the Athens Stock Exchange, to approximately 11%. In addition, during the second half of 2009, IRF was able to generate returns by investing in distressed fixed income and other opportunities in the US markets. Throughout the year, the company realised a profit of approximately € 22.8 million from the sale of securities in the Greek and US markets.

As at 31 December 2009, IRF had cash and cash equivalents of €127 million. IRF held investments in equity and debt securities valued at about €212 million, including €178.3 million shares in MIG.

Events after the reporting period

On 19 March 2010, the Company exercised the right to participate in a convertible bond loan issue of MIG. Under the terms of the issue, the Company acquired 10,482,180 bonds for a price of €4.77 per bond, paying approximately €50 million. The bonds bear 5% fixed annual interest, they are convertible into common registered shares of MIG and on 26 March 2010 they shall commence trading on the Athens Stock Exchange. The bonds will mature in 5 years.

Other events

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 total amount of €17,951,163.93 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.

On 14 November 2009 the 13,596,541 listed Warrants of the Company expired, with no notice from the warrant holders prior to the expiry for relevant exercise. The Board approved on 20 November 2009 the delisting of the Warrants from the SFM and the clearance of the Warrant holders register.

CORPORATE GOVERNANCE

There is no corporate governance regime applicable to the Company in Bermuda. In addition, companies listed on the SFM are not required to comply with the Combined Code. Nevertheless, the Directors recognise the importance of sound corporate governance and intend to continue to develop policies and procedures which, taking into account the size and nature of the Company, will create an effective corporate governance regime.

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE ANNUAL 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 appropriate regulations of the listing authority, 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 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 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 loss of the Group; and
- the management report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, 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 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
- 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.

Financial Statements for year ended 31 December 2009

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

Angeliki Frangou

____

Chairman, Non – Executive Director

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of IRF European Finance Investments Ltd

Report on the Financial Statements

We have audited the accompanying financial statements of IRF European Finance Investments Ltd (the "Company") and its subsidiaries (which, together with the company form the "Group"), which comprise the consolidated Statement of Financial Position as at 31 December 2009, and consolidated Statement of Comprehensive Income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2009, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that have been adopted by the European Union.

Athens, 26 March 2010

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

Grant Thornton

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

IRF European Finance Investments Ltd

Financial Statements for year ended 31 December 2009

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts presented in € '000	Note	1/1 - 31/12/09	1/1 - 31/12/08 *(as restated)*
Income			
Interest and similar income	**7**	2,417	8,158
Fee and commission income	**8**	-	86
Dividend and other income	**9**	18,360	729
Exchange differences		-	7,303
Realised gain from disposal / settlement of derivative financial instruments	**10**	22	9,624
Realised gain from disposal of available for sale financial assets	**11**	7,939	-
Realised gain from disposal of financial assets held for trade	**12**	14,837	-
Unrealised gain from valuation of financial assets held for trade	**13**	670	-
Unrealized gain from valuation of derivative financial instruments	**10**	1	-
Share of profits / (losses) of associates	**20**	216	-
Total operating income		**44,462**	**25,900**
Expenses			
Interest and similar expenses	**7**	(9,223)	(11,309)
Fee and commission expense	**8**	(393)	(881)
Exchange differences		(2,244)	-
Realised loss from disposal of Available-for-sale financial assets	**11**	-	(44,282)
Unrealised loss from valuation of financial assets held for trade		-	(904)
Impairment losses on available-for-sale financial assets	**14**	(81,717)	(185,146)
Staff costs	**15**	(100)	(100)
Other operating expenses	**16**	(1,778)	(2,074)
Total operating expenses		**(95,456)**	**(244,695)**
Loss for the period from continuing operations		**(50,994)**	**(218,795)**
Less: Income tax	**27**	(96)	-
Loss after tax from continuing operations		**(51,090)**	**(218,795)**
Net loss from discontinued operations	**17**	**-**	**(87,137)**
Loss after tax		**(51,090)**	**(305,934)**
Other comprehensive income			
Current year gains (losses)		12,701	(11,253)
Reclassification to profit or loss		(7,727)	23,852
Exchange differences on translating foreign operations		3	-
Other comprehensive income for the period net of tax		**4,978**	**12,599**
Total comprehensive income for the period after tax		**(46,112)**	**(293,336)**
Profit after tax attributable to:			
Owners of the parent Company		(51,090)	(264,129)
Minority rights		-	(41,806)
Total comprehensive income attributable to:			
Owners of the parent Company		(46,112)	(261,559)
Minority rights		-	(31,776)
Earnings per share attributable to parent company's shareholders (€/share)			
From continuing and discontinued operations			
- Basic	**41**	**(0.41)**	**(2.12)**
From continuing operations			
- Basic	**41**	**(0.41)**	**(1.75)**

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

IRF European Finance Investments Ltd

Financial Statements for year ended 31 December 2009

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts presented in € '000	**Note**	**31 December 2009**	**31 December 2008** *(as restated)*	**31 December 2007** *(as restated)*
ASSETS				
Non-current assets				
Property, plant and equipment	**18**	-	-	27,880
Goodwill & other intangibles	**19**	-	-	166,784
Investments in associates	**20**	228	-	3,886
Loans and advances to customers (long term)	**21**	-	-	1,165,057
Investment portfolio	**22**	193,886	248,508	259,944
Total non-current assets		**194,114**	**248,508**	**1,623,551**
Current assets				
Trading portfolio and other financial assets at fair value through profit & loss	**23**	18,499	5,965	179,802
Derivative financial instruments	**24**	80	-	11,529
Loans and advances to customers	**21**	-	-	202,968
Other assets	**25**	969	607	91,474
Deferred tax assets	**27**	-	-	7,098
Cash and balances with Central Bank	**28**	-	-	52,796
Loans and advances to financial institutions	**29**	-	-	205,055
Cash and other equivalents	**30**	126,842	148,610	322,355
Total current assets		**146,390**	**155,182**	**1,073,077**
Non current assets held for sale	**26**	**-**	**-**	53,727
TOTAL ASSETS		**340,504**	**403,689**	**2,750,355**
EQUITY AND LIABILITIES				
Shareholders equity				
Share capital	**39**	147	147	147
Share premium	**39**	382,491	400,443	400,443
Revaluation reserve		4,975	-	(2,570)
Other reserves	**40**	3	-	16,587
Retained (losses) /earnings		(248,139)	(197,049)	72,491
Total equity attributable to shareholders' of the parent Company		**139,478**	**203,541**	**487,099**
Minority rights		-	-	290,248
TOTAL EQUITY		**139,478**	**203,541**	**777,347**
LIABILITIES				
Non-current				
Issued debt securities	**31**	-	-	25,283
Retirement benefit obligations	**32**	-	-	1,140
Long term loans	**33**	198,104	198,393	-
Total non-current liabilities		**198,104**	**198,393**	**26,422**
Current liabilities				
Due to financial institutions	**34**	-	-	433,941
Due to Customers	**35**	-	-	1,422,139
Financial liabilities at fair value through profit & loss	**36**	1,687	-	-
Derivative financial instruments	**24**	21	-	14,570
Current tax liabilities	**37**	-	-	10,498
Deferred tax liability	**27**	99	-	6,928
Other liabilities	**38**	1,115	1,755	14,170
Total current liabilities		**2,923**	**1,755**	**1,902,247**
Liabilities directly associated with assets held for sale	**43**	-	-	44,339
TOTAL LIABILITIES		**201,027**	**200,148**	**1,973,008**
TOTAL LIABILITIES AND EQUITY		**340,504**	**403,689**	**2,750,355**

The accompanying notes constitute an integral part of the financial statements

Athens, 26 March 2010

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Attributable to shareholders of the Parent Company							
	Note	Share Capital	Share Premium	Revaluation Reserve	Other Reserves	Retained Earnings / (losses)	Total	Minority Interest	Total
Amounts presented in € '000									
Opening balance as at 1st January 2009		**147**	**400,443**	**-**	**-**	**(197,049)**	**203,541**	**-**	**203,541**
Share premium reduction & return to shareholders	**39**	-	(17,951)	-	-	-	(17,951)	-	(17,951)
Transactions with owners		**-**	**(17,951)**	**-**	**-**	**-**	**(17,951)**	**-**	**(17,951)**
Net result for the period 01/01-31/12/2009		**-**	**-**	**-**	**-**	**(51,090)**	**(51,090)**	**-**	**(51,090)**
Other comprehensive income:									
Available for sale:									
- Gains/ losses directly recognized in equity		-	-	12,701	-	-	12,701	-	12,701
- Reclassification to profit or loss		-	-	(7,727)	-	-	(7,727)	-	(7,727)
Exchange differences on translating foreign operations		-	-	-	3	-	3	-	3
Total comprehensive income / (loss) recognised for the period		**-**	**-**	**4,975**	**3**	**(51,090)**	**(46,112)**	**-**	**(46,112)**
Balance as at 31 December 2009		**147**	**382,491**	**4,975**	**3**	**(248,139)**	**139,478**	**-**	**139,478**

The accompanying notes constitute an integral part of the financial statements

IRF European Finance Investments Ltd

Financial Statements for year ended 31 December 2009

	Attributable to shareholders of the Parent Company							
	Share Capital	**Share Premium**	**Revaluation Reserve**	**Other Reserves**	**Retained Earnings / (losses)**	**Total**	**Minority Interest**	**Total**
Amounts presented in € '000								
Opening balance as at 1st January 2008	**147**	**400,443**	**(2,570)**	**16,587**	**72,492**	**487,099**	**290,248**	**777,347**
Dividend relating to 2008	-	-	-	-	-	(22,105)	(9,829)	(31,935)
Sale of subsidiary	-	-	-	(16,587)	16,694	107	(248,643)	(248,536)
Transactions with owners	**-**	**-**	**-**	**(16,587)**	**16,694**	**(21,998)**	**(258,472)**	**(280,470)**
Net result for the period 01/01-31/12/2008	**-**	**-**	**-**	**-**	**(264,129)**	**(264,129)**	**(41,806)**	**(305,934)**
Other comprehensive income:								
Available for sale:								
- Gains/ losses directly recognized in equity	-	-	(2,318)	-	-	(2,318)	(8,935)	(11,253)
- Reclassification to profit or loss	-	-	4,888	-	-	4,888	18,964	23,852
Total comprehensive income / (loss) recognised for the period	**-**	**-**	**2,570**	**-**	**(264,129)**	**(261,559)**	**(31,776)**	**(293,336)**
Balance as at 31 December 2008	**147**	**400,443**	**-**	**-**	**(174,944)**	**203,541**	**-**	**203,541**

The accompanying notes constitute an integral part of the financial statements

IRF European Finance Investments Limited

Financial Statements for year ended 31 December 2008

CONSOLIDATED CASH FLOW STATEMENT

Amounts presented in € '000	Note	31 December 2009	31 December 2008
Cash flows from operating activities			
(Loss)/Profit before tax of continuing operations		**(50,994)**	**(218,795)**
Adjustments for:			
Add: Impairment losses on loans, financial and non financial assets		81,717	185,146
Profit /(loss) from revaluation of financial assets at fair value through Profit & Loss		(671)	904
Profit/(loss) from sale of a.f.s. portfolio at fair value		(7,939)	44,282
Share of profit /loss from associates		(216)	-
Interest and other non cash expenses		6,806	3,151
Dividends received		(18,360)	(729)
Exchange differences		2,444	(7,304)
Cash Flows from operating activities before changes in working capital		*12,588*	*6,665*
Changes in working capital:			
Net (increase)/decrease in trading securities		(11,570)	(6,869)
Net (increase)/decrease in other assets		(362)	(1,916)
Net increase/(decrease) in other liabilities		(647)	(171)
Cash flows from operating activities before payment of income tax		*9*	*(2,301)*
Net cash flows from operating activities of discontinued operations		-	(69,445)
Net cash flows from operating activities		**9**	**(71,746)**
Cash flows from investing activities			
Acquisition of financial assets at fair value through profit & loss		1,628	-
Acquisition/Sale of subsidiaries and associates		-	(1,877)
Proceeds from a.f.s. portfolio		2,075	(448,727)
Interest received		2,417	8,158
Dividend received from investment activities		1,905	729
Dividends received from financial assets at fair value through P&L		198	
Net cash flows from investing activities of discontinued operations		-	(58,776)
Net cash flow from investing activities		**8,223**	**(500,493)**
Cash flows from financing activities			
Share premium return		(17,951)	-
Dividend paid			(22,105)
Repayments of borrowings		(289)	(70,000)
Interest paid		(9,223)	(11,309)
Proceeds from borrowings		-	268,393
Net cash flows from financing activities of discontinued operations		-	(10,804)
Net cash flow from financing activities		**(27,463)**	**154,174**
Net increase/(decrease) in cash and cash equivalents		**(19,231)**	**(418,066)**
Cash and cash equivalents at the beginning of the period		148,610	559,372
Effect of exchange rate fluctuations on cash and cash equivalents		(2,537)	7,304
Cash and cash equivalents at the end of the financial year	**30**	**126,842**	**148,610**

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 5 and 17).

IRF holds approximately 11% of the issued shares in Marfin Investment Group ('**MIG**') which, as at 31 December 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 in stock exchanges.

2. BASIS OF FINANCIAL STATEMENT PREPARATION

2.1 Statement of Compliance

The financial statements of the Group for the year ended 31 December 2009 have been prepared according to the International Financial Reporting standards (IFRS), which were published by the International Accounting Standards Board (IASB) and in compliance with their interpretations, which have been published by the International Financial Reporting Interpretations Committee (IFRIC) and have been adopted by the European Union.

The Group has adopted all International Accounting Standards, IFRS and their interpretations which apply to the Group's activities.

2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the following items which are measured at fair value:

- Financial assets and liabilities at fair value through Profit & Loss (including derivatives),
- Financial assets available for sale, and

- Investment Properties, and
- Land and Buildings.

2.3 Functional and Presentation Currency

The current financial statements are presented in Euro, which is the functional currency of the parent company. 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 separate and consolidated financial statements may not match the counterparts in the financial statements. All amount expressed in dollars, are US dollars.

2.4 Comparative Figures

Consolidated financial position and statement of comprehensive income for the comparative periods of 2008 and 2007 have been adjusted, in order to follow the "current – non current" format of financials statements that most funds use. Due to the fact that in previous periods, the consolidation included accounts of Proton Bank, the comparative periods were originally presented in "order of liquidity" format that is used by financial institutions. This adjustment is for presentation purposes only and has no effect on total profit and loss or reclassifications between financial position accounts.

Also due to the implementation of changes in IAS 1 "Presentation of Financial statements" and the adjustment to the presentation of financial statements, a third comparative period (2007) must be presented in the statement of financial position.

2.5 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 estimated are recognised in the period in which estimates are revised and in any future periods affected. Assumptions and estimates include expectations on future events and outcomes that are considered as reasonable given the current conditions. Actual results may differ from these estimates.
Significant areas of estimates uncertainty and items that are significantly affected by judgements in applying accounting policies are presented in paragraph 4.

2.6 Adoption of new standards, amendments and interpretations with effective date as of 1 January 2009:

2.6.1 Change in accounting policies

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current reporting period and subsequent reporting periods. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

- IAS 1 "Presentation of Financial Statements" (revised in 2007 and applied by companies for annual periods starting on or after 01/01/2009). IAS 1 (Revised 2007) affects the presentation of owner changes in equity. Furthermore, the revised version of the Standard brings forward changes in terms used 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 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

In previous periods management prepared consolidated segment analysis based upon the operations of the consolidated group of Proton Bank. After the disposal of Proton Bank, the directors determined that IRF's continuing business, as an investment company, would be managed by the directors as a whole, and no segmental information would be reported to the CEO. Therefore, IRF does not present segmental financial information. Approximately 88% of the Groups dividend income (16,3 million euros) is from its investment in a listed company in Athens Stock exchange and all dividend income is from investements in Europe. The revenues of IRF for the period ending 31 December 2009 derive from the following geographical areas:

Amounts presented in € '000	**Europe**	**USA**	**Total**
Income			
Interest and similar income	1,768	649	2,417
Dividend Income	18,360	-	18,360
Realised gain from disposal of derivative financial instruments	12	10	22
Realised gain from disposal of available-for-sale financial assets	7,939	-	7,939
Realised gain from disposal of financial assets at fair value through Profit & Loss	13,630	1,208	14,837
Unrealised gain from valuation of financial assets at fair value through Profit & Loss	(300)	970	670
Unrealised gain from valuation of derivative financial instruments	-	1	1
Share of profits / (losses) of associates	-	216	216
Total operating income	**41,409**	**3,053**	**44,462**

All revenues from continuing operations for the period ending 2008 derive exclusively from European activities.

- IFRS 7 "Improvement on disclosure requirements for financial instruments" The improvement inducts additional disclosure requirements regarding fair value measurements and reinforces existing principles for disclosures about the liquidity risk associated with financial instruments. Relating to fair value, the improvement introduce a three-level hierarchy for fair value measurement disclosures and requires entities to provide additional disclosures about the relative reliability of fair value measurements.

In addition, the amendments clarify and enhance the existing requirements for the disclosure of liquidity risk regarding derivatives and other assets used for managing liquidity. Comparative information has not been adjusted since it is not required.

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

(a) 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;

(b) 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 amendment is not applicable at present for Group activities;

(c) 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;

(d) IAS 39 (Amendment) – "Financial instruments: recognition and measurement - Reassessment of embedded derivatives"

This amendment requires that an entity assesses whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on reclassification of a financial asset out of the fair value through profit or loss category.

(e)Amendments of IAS 27: "Consolidated and Separate Financial Statements" and IFRS 1 "First-Time adoption of International Financial Reporting Standards" with reference to cost of investments in subsidiaries, joint ventures and associates.

This amendment mainly addresses the issue that the cost of investments in subsidiaries, associates and joint ventures, in the standalone financial statements of an entity, is no longer affected by profit distribution formulated prior to the purchase date of these investments. This amendment has also led to changes in IAS 36: "Impairment of Assets", with the addition of indications on the impairment of investments based on the effect on equity due to dividend distribution of such companies to companies that have invested in them.

(f) IFRIC 13 – "Customer Loyalty Programmes"
This interpretation clarifies the treatment of entities that grant loyalty award credits such as "points" and "travel miles" to customers who buy other goods or services. This interpretation is not relevant to the Group's operations.

(g) IFRIC 15 – "Agreements for the construction of real estate"
This interpretation addresses the diversity in accounting for real estate sales. Some entities recognise revenue in accordance with IAS 18 (i.e. when the risks and rewards in the real estate are transferred) and others recognise revenue as the real estate is developed in accordance with IAS 11. The interpretation clarifies which standard should be applied to particular. This interpretation is not relevant to the Group's operations.

(h) IFRIC 16 – "Hedges of a net investment in a foreign operation"
This interpretation applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations and qualifies for hedge accounting in accordance with IAS 39. The interpretation provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. This interpretation is not relevant to the Group as the Group does not apply hedge accounting for any investment in a foreign operation.

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

This interpretation does not apply to the Group's activities.

(j) Annual improvements 2008
During 2008, IASB issued the annual improvements to IFRS for 2008, as a part of the annual improvement program. These improvements include small amendments to some Standards, which aim to induct more accurate definition of rules and to eliminate possible inconsistency between Standards.

2.6.3 New standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group:

(a) IFRS 3: "Business Combinations" – Revised 2008 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 changes to the accounting requirements for the loss of control of a subsidiary and for changes in the Group's interest in subsidiaries. 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)IAS 39 (Amended) "Financial Instruments: Recognition and Measurement" – Eligible Hedged Items

This amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations.

(c)IFRS 2 (Amendment) – "Group Cash-settled Share-based Payment Arrangements"
The amendment clarifies how an individual subsidiary in a group, in its own financial statements, should account for some share-based payment arrangements that are settled in cash on group level. The amendment is effective for periods beginning on or after 1 January 2010. This amendment is not applicable for the Group.

(d) IFRS 9: "Financial Instruments": On 12 November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 introduces new requirements for classifying and measuring financial assets that must be applied starting 1 January 2013, with early adoption permitted. The IASB intends to expand IFRS 9 during 2010 to add new requirements for classifying and measuring financial liabilities, derecognition of financial instruments, impairment, and hedge accounting. By the end of 2010 IFRS 9 will be a complete replacement for IAS 39.

The new standard negates the four classification categories of IAS 39 and imposes the classification of all financial assets in two categories (amortized cost and fair value), according to the business model of each corporate entity and the characteristics of the financial asset. IFRS 9 eliminates the requirement of IAS 39, for the separation of embedded derivates in financial assets. The standard imposes the overall evaluation of both derivative and financial asset for the determination of cash flows being capital and capital on interest. IFRS permits reclassifications between fair value and amortized cost categories only if there is a change in the business management model of the financial assets.

IFRS 9 obligatory adoption is for periods beginning on or after 1 January 2013 and has a retrospective effect. Early adoption is permitted. The standard has not yet been endorsed by the European Union.

Management is now in the process of evaluating the effect of the new standard on the Company's financial statements.

(e) IFRS for SME's: This standard was issued by IASB on 9 July 2009 and constitutes a simplified version of the IFRS's that are aimed at the financial reporting requirements of non public enterprises that wish to apply IFRS accounting. IRF will not adopt this standard since its shares are admitted to trading on the SFM.

(f) Amendment to IAS 24 "Related Party Disclosures". The amended standard aims to omit some of the required details for related party transactions between state-controlled entities, while still providing sufficient information to users of financial statements.

(g) IAS 32 (Amendment) – "Financial instruments: Presentation - Classifications of rights issues"

The amendment revises the definition of financial liability of IAS 32 in order to classify options or rights on stocks as debt instruments. The amendment is effective for periods beginning on or after February 1st 2010.

(h)IFRS 1(Amendment) "First time adoption – Additional exemptions for first time adopters" (effective for annual periods beginning on or after 1 July 2010)

The amendments exempt retrospective application of IFRS to assets measurement for oil, gas and lease sectors. This amendment does not apply to the Group.

(i) IFRS 1 (Amendment) "First time adoption – Limited Scope Exemption for IFRS 7 Disclosures" (effective for annual periods beginning on or after 1 July 2010)

This amendment provides exemptions for first time adopters relating to presentation of comparative financial information that is required from IFRS 7. This amendment does not apply to the Group.

(j) IFRIC 14 (Amendment) – "Prepayments of a Minimum Funding Requirement" (effective date for mandatory adoption 1st January 2011)

The amendment applies in the limited circumstances when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendment permits such an entity to treat the benefit of such an early payment as an asset. This amendment does not apply to the Group.

(k) 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;

(l) IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"

IFRIC 19 considers the accounting treatment when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially.

Before the issuance of IFRIC 19, there were multiple choices in accounting treatment of these transactions. The interpretation is effective for annual periods beginning on or after 1 July 2010 with earlier application permitted.

IFRIC 19 is relevant only for the debtor's accounting treatment for these transactions. It does not apply when the creditor is also an immediate or intermediate stock holder and acts upon his status, or the debtor and the entity are controlled by the same party after the transaction, and the substance of the transaction relates to a capital return from or to the entity. Financial liabilities that are extinguished with equity instruments in accordance with the initial terms of the financial liability are also outside the scope of this IFRIC.

(m) Annual improvements 2009

During 2009, IASB issued the annual improvements to IFRS for 2009, a series of adjustments in 12 Standards, as a part of the annual improvement program. The annual improvement program of IASB aims to make necessary but not urgent adjustments to IFRS's and will not be a part of bigger revision program.

Most adjustments are effective for annual periods begging on or after 1 January 2010, with early adoption allowed. The Group has no intention of early adoption.

Based on the current Group structure, management does not expect significant effect from the application of new Standards and interpretations.

3. SUMMARY OF IMPORTANT ACCOUNTING POLICIES

3.1 Consolidation

Subsidiaries: Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Control is presumed to exist if the Company has ownership, directly or indirectly, over more than half of the voting rights. The Group has also adopted a policy to consider as a subsidiary an entity over which the Company is in the position to have effective control, even though it has the ownership of less than half of the voting rights. The Group has developed several criteria in order to determine whether it has the "de facto" control over the entity, including the actual representation of the Company in the Board of Directors and the management of the subsidiary and the fact that there is no realistic possibility that all the other shareholders of the subsidiary will be organised and take control over the entity.

Subsidiaries are fully consolidated using the purchase method from the date on which control commences until the date that control ceases. The acquisition cost of a subsidiary is measured at the fair value of the assets given, the shares issued and the liabilities undertaken on the date of the exchange, plus any other cost directly attributable to the acquisition. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured at their fair values on the acquisition date. The excess between the cost of acquisition and the fair value of the net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

Intra-group transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. All Group subsidiaries follow the same accounting policies as those adopted by the Group.

Associates: Associates are entities over which the Group has significant influence but not control. Significant influence is presumed to exist if the Group holds between 20% and 50% of the voting rights of another company. Investments in associates are initially recognised at acquisition cost and subsequently are accounted under the equity method. At each balance sheet date, the investments carrying amount is increased by the Group's proportion in the associate's changes in equity and decreases by the amount of dividends received from the associate.

The Group's share in the associate's profits or losses, after the acquisition date, is recognised in the Income Statement whereas, the Group's share in changes in reserves is recognised directly in equity accounts.

In instances when the Group's participation in the associate's losses is equal or exceeds its cost of participation, inclusive of any doubtful debts, the Group does not account for any further losses, except if it has covered all liabilities or has made payments on behalf of the associate as well as those arising in the context of the shareholding.

3.2 Foreign Currency

The consolidated financial statements are presented in Euro, which is also the functional currency of the parent company.

(a) Foreign Operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments due to business combinations, are translated into Euro at exchange rates applicable on the balance sheet date. The income and expenses are translated into Euro at the exchange rate on the dates of transactions or, if it is impractical, based on the average exchange rates during the reporting period. Any differences arising from the translation of the assets, liabilities, income and expenses are recognized into "Other reserves" within equity.

(b) Foreign Currency Transactions

Foreign currency transactions are translated into the respective functional currency of the Group entities at the exchange rates on the dates of transactions. Monetary asset and liability denominated in foreign currencies at the reporting date are retranslated into the functional currency at the exchange rate on that date. The non-monetary assets denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate on the date that the fair value was determined. Foreign currency differences arising on the execution of foreign currency transactions and on the retranslation of monetary assets and liabilities are recognized in profit or loss.

3.3 Interest income and expense

Interest income and expense are recognised on an accrual basis in the income statement for all interest bearing assets and liabilities, based on the effective interest method. Interest income and expense include the amortization of any discount or premium, transaction costs or other differences between the initial cost of an interest bearing financial asset and the amount to be received or paid at maturity using the effective interest rate method.

The effective interest rate is the rate that exactly discounts any estimated future payment or receipt through the expected life of a financial instrument (or until the next date of interest reset), to the carrying amount of the financial instrument, including any fees or transaction costs incurred.

3.4 Fee and commission income

Fees and commissions are generally recognised on an accrual basis when the relevant services have been provided. Commission and fees arising from negotiating, or participating in the negotiation of, a transaction for a third party are recognised on completion of the underlying transaction. Portfolio management fees and other advisory and service fees are recognized in the income statement according the applicable service contract, usually on a time-apportionate basis.

3.5 Dividend Income

Dividend income is recognized in the income statement when the right to receive payment is established.

3.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.6.1 Initial Recognition

Financial assets and liabilities are recognized at the trade date which is the date when the Group becomes a party to the contractual provision of the instruments. The financial assets and liabilities are initially measured at fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

3.6.2 Classification and Measurement of Financial Assets

Management determines the classification of its investments at initial recognition. Financial assets are classified into the following categories:

(a) Financial Assets and Liabilities at Fair Value through Profit & Loss

This category has two sub-categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified in the "held for trading" category if acquired principally for the purpose of generating a profit from short-term fluctuations in price. Derivative financial instruments are also categorised as "held for trading" unless they are designated as accounting hedges in which case hedge accounting is applied. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performance is evaluated on a fair value basis, in accordance with a documented investment strategy. Information about these financial assets is provided internally on a fair value basis to key management personnel. Financial assets and liabilities designated as at fair value through profit or loss, are subsequently measured at fair value and any change in the fair value is recorded in the income statement.

(b) Loans and Receivables

These include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which the Group does not indent to sell in the short-term. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. Loans and receivables are measured at amortized cost using the effective interest method.

(c) Held to maturity investments

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity. When the Group sells other than an insignificant amount of held-to-maturity assets, then the entire category is tainted and reclassified as available-for-sale. Held-to-maturity financial assets are measured at amortised cost, using the effective interest method

(d) Available for sale investment

Available-for-sale investments are those intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices.

Purchases and sales of financial assets at fair value through profit or loss, held-to-maturity, and available-for-sale are recognized at trade date – the date on which the Group commits to purchase or sell the asset. Loans are recognized when cash is advanced to the borrowers.

Financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value and any change in fair value is recognized directly into equity.

3.6.3 Off setting

Financial assets and liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.
Income and expenses are offset only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

3.6.4 Fair value measurement

For the measurement of assets and liabilities at fair value, the Group uses current market prices for every financial instrument. For those assets and liabilities whose current market price was not available, the values that were derived by applying valuation methods do not differ much from their carrying values.

3.6.5 Impairment of financial assets

Assets carried at fair value

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the asset is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in profit or loss is removed from equity and recognized in the income statement. Impairment losses recognized in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in profit or loss, the impairment loss is reversed through the income statement.

3.6.6 Derivative financial instruments and hedge accounting

Derivative financial instruments include forward exchange contracts, currency and interest rate swaps, stock, currency and index futures, equity and currency options and other derivative financial instruments. These are initially recognised in the balance sheet at fair value, and subsequently are remeasured at their fair value. Fair values are obtained from quoted market prices, discounted cash flow models and other appropriate pricing models. All derivatives are shown as financial assets at fair value through profit or loss when fair value is positive and as financial liabilities when fair value is negative.
The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received).

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract and the host contracts is not carried at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the income statement.

The Group has designated all derivatives as trading and has not applied hedging accounting.

3.6.7 Sale and repurchase agreements

The Group enters into agreements for purchases (sales) of investments and to resell (repurchase) substantially identical investments at a certain date in the future at a fixed price. Investments purchased, on condition that they will be resold in the future (reverse repos), are not recognized in the balance sheet. The amounts paid for purchase thereof are recognized as receivables from other banks or customers. The difference between the sale and repurchase consideration is recognized as interest income or expense during the repurchase agreement period on an accrual basis.

Investments sold under repurchase agreements continue to be recognized in the balance sheet and are measured in accordance with the accounting policy for either assets held for trading or available-for-sale as appropriate. The proceeds from the sale of the investments are reported as liabilities to either banks or customers.

3.7 Insurance contracts

Through its insurance subsidiaries, the Group issues insurance contracts to customers. Under these contracts the Group accepts significant insurance risk, by agreeing to compensate the contract holder on the occurrence of a specified, uncertain future event.

The Group's insurance company issues only insurance contracts covering property and casualty risks up to one year of duration.

Property and casualty insurance contracts are separated in two categories:

a) Automobile third party liability. This category includes insurance contracts covering the risk of automobile third party liability.
b) Non-automobile lines. This category includes insurance contracts covering the risk of fire and allied lines, marine, general liability, legal protection, road assistance, etc.

Gross insurance premiums are recognized in the income statement over the period covered by the related insurance contract. The insurance premiums are recognized before the deduction of the relevant commissions.

Contract costs

Costs incurred for the initiation or the renewal of insurance contract, such as brokers commission, are deferred and recognized as an asset. The relevant amounts are amortized to Profit or Loss on a systematic basis over the contractual term of the relevant insurance contract.

Liabilities from insurance contracts

Provisions for outstanding claims are revised at each balance sheet date and any change is recognized in Profit or Loss to the extent that it refers to claim covered by the Group, while any amount covered by reinsurance is recognized as an asset (receivable) according to the reinsurance contracts.

(a) Unearned Premiums

Gross insurance premiums for general insurance business are recognized in the income statement over the period covered by the related insurance contract. The proportion of premiums which relates to periods of risk extending beyond the end of the year is reported as unearned premium and is calculated on a daily basis.

(b) Provisions for claims incurred

Provisions for outstanding claims are based on the estimated ultimate cost of all claims incurred but not settled at the balance sheet date, whether reported or not, together with related claims handling costs. The amount of provisions is estimated based on available information (adjuster reports, court decisions etc.) at the balance sheet date.

Provisions for outstanding claims include reserves for incurred claims, which are not reported to the company at the balance sheet date (I.B.N.R.). Provisions for outstanding claims are reported at the balance sheet date according to the requirements of regulatory authority legislation in force (law 400/1970). Specifically the automobile third party liability related claims reserves, are checked according to the K3-3975/11.10.1999 decision of The Ministry of Development, forming the greater possible reserve. I.B.N.R. provisions are estimated based on the K3-3974/11.10.1999 decision of The Ministry of Development.

Provisions for outstanding claims include reserves for incurred claims, which are not reported to the Company at the balance sheet date (I.B.N.R.). Provisions for outstanding claims are reported at the balance sheet date according to the requirements of regulatory authority legislation in force (law 400/1970). Specifically the automobile third party liability related claims reserves, are checked according to the K3-3975/11.10.1999 decision of The Ministry of Development, forming the greater possible reserve. I.B.N.R. provisions are estimated based on the K3-3974/11.10.1999 decision of The Ministry of Development.

The difference in non-life insurance contract liabilities (increase / decrease) related to their previous assessment is transferred to the profit and loss accounts as far as the Company's own retention, while the rest is transferred to the reinsurance accounts, according to the reinsurance agreements.

Reinsurance contracts

Reinsurance contracts are contracts entered into by the Group's insurance subsidiaries, under which the Group is compensated for losses incurred under insurance contracts issued by the Group's insurance subsidiaries. The reinsurance contracts entered into by the Group's insurance subsidiaries, in which the issuer of the insurance contract is another insurer (inwards reinsurance) are included in reinsurance contracts.

Any amounts recovered from reinsurers, that derive from the reinsurance contracts of the Group, are recognized in assets. The amounts recovered from or to reinsurers are calculated based on the amounts related with the reinsurance contracts and are based on the terms of each reinsurance contract. The reinsurance liabilities are mainly premiums payable for reinsurance contracts and are recognized as expenses on an accrual basis.

The Group evaluates its reinsurance assets for impairment. If there is objective evidence that the reinsurance assets have incurred an impairment, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognizes the reduction in its value in the income statement.

Liability adequacy test

At each balance sheet date, liability adequacy tests are performed by the Group's insurance companies to ensure the adequacy of liabilities that arise from their operations. In performing these tests, current best estimates of operational and investment income and operational and administration expenses are based on past experience and financial results.

In case when the adequacy test reveals insufficient reserves, provisions are adjusted accordingly. The liability is derecognized when the contract expires, is discharged or is cancelled.

The Group has no insurance subsidiary after the disposal of its shareholding in PROTON in 2008.

3.8 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months maturity and include cash and non restricted balances with Central Bank, government bonds and treasury bills and amounts due from other banks and short-term government securities.

3.9 Intangible assets

The Group has included in this category goodwill from acquisitions and software which is carried at amortised cost less accumulated amortization.

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the acquired undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in the balance sheet in "Goodwill and other intangible assets".
Negative goodwill is recognised immediately as gain in the income statement.

Goodwill is tested for impairment annually and whenever there are indications of impairment and is carried at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing, using the country of operation and economic segment as the allocation bases.

(b) Other intangible assets arisen from business combinations

An intangible asset acquired in a business combination is recognized if it is identifiable; it is probable that the expected future economic benefits associated with the asset will flow to the Group and its cost can be measured reliably. Identifiable is an asset when it is separable, i.e. is capable of being separated or divided from the entity and transferred individually or together with a related contract, or arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

The Group, has recognized the following intangible assets in their fair value that was acquired at the take-over of Omega Bank as part of a business combination on 30 September 2006:

- Intangible asset from conventions of customer loans
- Intangible asset from conventions of customer deposits
- Intangible asset from conventions of financial brokerage

Amortisation of other intangible assets arising from a business combination is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, which extends from 4 to 5 years. Other intangible assets coming from a business combination that are subject to amortizations are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Amortisation charge is included within "Depreciation" in the income statement.

(c) Computer software

Costs that are directly associated with identifiable and unique computer software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Subsequently computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. Expenditure, which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement.

Costs associated with maintenance of computer software programmes are recognised as an expense when incurred. Computer software costs are amortised using the straight-line method over their useful lives, not exceeding a period of five years. Amortisation commences when the computer software is available for use and is included within "Depreciation" in the income statement.

3.10 Property, plant and equipment

All plant and equipment are stated at historical cost less depreciation, except land and buildings which are shown at fair value based on valuations by external independent valuers, less subsequent depreciation for buildings.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Expenditure for repairs and maintenance of property and equipment is charged to the income statement of the year in which they were incurred. Depreciation on buildings and other tangible assets are calculated using the straight line method to allocate their cost or fair value to their residual values over their estimated useful lives.
The carrying amount of impaired assets is written down to their recoverable amounts. Gains and losses from disposals are recognised in the income statement.

Land is not depreciated but is reviewed for impairment. Depreciation on other property and equipment is calculated using the straight-line method to allocate the cost or revalued amount of each asset less their residual values, over their estimated useful lives. The estimated useful lives are as follows:

- Buildings: 50 years
- Lease hold improvements: depreciated on a straight-line basis over the term of the lease
- Computers: 3 years
- Vehicles: 5-7 years
- Furniture and equipment: 10 years
- The commercial value of leased assets is depreciated over the lease period

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains and losses on disposal of property and equipment are determined by comparing proceeds to carrying amount and are included in the income statement.

3.11 Investment property

Investment property are properties held by the Group either to earn rental income or for capital appreciation. The Group records investment property at fair value as determined by an independent valuation company having an appropriate recognised professional qualification. Initially investment property is recorded at cost including acquisition expenses. Any gain or loss arising from a change in fair value is recognised in profit or loss.

3.12 Assets held for sale

The Group classifies an asset as held for sale if it is committed to recover its carrying amount principally through a sale transaction rather than through continuing use. For this to be the case, these assets should be available for immediate sale in their present condition subject only to terms that are usual and customary for sales of such assets and their sale is highly probable. The category of assets held for sale comprises of two type of assets:

- Property acquired from auctions with the intention to recover loans and receivables past due.
- Group of assets forming a disposal group that the Group intends to dispose together at a single transaction. Liabilities associated with this disposal group are also classified separately.

Assets held for sale, according to IFRS 5 "Non current assets held for sale" are measured at the lower of their carrying amount and fair value less costs to sell. Assets held for sale are not depreciated but are subject to impairment. Gains/ losses from sale of these assets are recognized in the income statement.

3.13 Leases

3.13.1 A Group company is a lessee

(i) Finance lease

The Group has not entered into a finance lease agreement in the capacity of a lessee.

(ii) Operating leases

Leases where the risks and rewards of ownership remain with the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received by the lessor) are charged to the income statement on a straight line basis over the period of the lease.

3.13.2 A Group company is a lessor

(i) Finance lease

When assets are leased out under finance lease / hire purchase, the present value of the lease payments is recognized as a receivable. Lease income and hire purchase fees are recognized in the income statement in a systematic manner, based on instalments receivable during the year so as to provide a constant periodic rate using the net investment method.

(ii) Operating leases

Assets leased out under operating leases are carried on the Group's financial statements and are depreciated over their useful economic lives. Payments received under operating leases are recorded in the income statement on a straight line basis.

3.14 Financial liabilities

Financial liabilities are treated as held for trading if:

(a) acquired principally for the purpose of selling or repurchasing them in the near term;
(b) a derivative financial instrument (except for a designated and effective hedging instrument).

Financial liabilities are initially recognised at fair value. Subsequently any changes in their fair value are recognised in the income statement.

3.15 Share capital

(a) Share issue costs

Incremental costs directly attributable to the issue of new shares are deducted from equity.

(b) Dividends on ordinary shares

The dividend distribution to ordinary shareholders is recognized in the period in which the dividend is approved by the Company's shareholders.

(c) Treasury Shares

Where the Company or other members of the Group purchase the Company's equity share capital, the consideration paid is deducted from total shareholders' equity as treasury shares. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

3.16 Fiduciary activities

Assets and income arising thereon together with related undertakings to return such assets to customers are excluded from these financial statements where the Group acts in a fiduciary capacity such as nominee, trustee or agent.

3.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is more likely than not that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money.

Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The Group recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

3.18 Employee benefits

(a) Defined contribution plans

A defined contribution plan is a plan under which the Company and the employees pay fixed contributions into a separate fund. The benefits provided to the employees participating in defined contribution plans are based on the return of the fund. Each fund is governed by specified regulations as agreed between the two parties and in compliance with relevant statutory obligations. The contributions of the Group to the defined contribution plans are charged to the income statement in the year in which they arise.

Proton Group's personnel are insured for medical care in multiemployer funds. In these funds, there are no separate accounts for each company, hence accounting for defined contribution is followed. Once the contribution has been paid, the Group has no further payment obligations.

(b) Defined benefit plans

The Group former subsidiary's defined benefit plan regards the legal commitment to pay lump-sum severance grant, pursuant to L.2112/1920. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as years of service and compensation. The liability recognised in the balance sheet for defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated on an annual basis by an independent actuary with the use of the projected unit credit method.

The present value of the liability of the defined benefit plan is calculated by discounting the future cash outflows of the plan with the long-term Greek bonds' rate.

Actuarial gains and losses are not recognised as an expense unless the total unrecognised gain or loss exceeds 10% of the greater of the obligation and related plan assets. The amount exceeding this 10% corridor is charged or credited to profit or loss over the employees' expected average remaining working lives. Actuarial gains and losses within the 10% corridor are disclosed separately. Past-service costs are recognized immediately in the income statement, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past service

Costs are amortised on a straight-line basis over the vesting period.

(c) Share based employee remuneration

The Group's former subsidiary (Proton) operates equity-settled share-based remuneration plans for remuneration of its employees.

All employee services received in exchange for the grant of any share-based remuneration are measured at their fair values at the date at which they are granted. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

All share-based remuneration is ultimately recognised as an expense in the income statement with a corresponding credit to "stock option reserve", net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to expense recognised in prior periods if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded in share premium account.

3.19 Income Tax

Current tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the consolidated financial statements with their respective tax bases. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax liabilities are recognised for all taxable temporary differences.

However, in accordance with the rules set out in IAS 12, no deferred taxes are recognised in conjunction with goodwill.

No deferred taxes are recognised to temporary differences associated with shares in subsidiaries if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

No deferred taxes are recognised from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates, judgements and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Impairment of available for sale financial assets

The Group follows the guidance in IAS 39 to determine if an investment has been impaired. This decision requires critical judgement. Available for sale equity investments are impaired when there has been a significant or prolonged decline in fair value below its cost.

When the declines in fair value are considered significant or prolonged, the fair value reserve is transferred to the income statement.

b) Financial Instruments Classification

The Group's accounting policies require financial assets and liabilities to be classified into different categories at their inception:

- Investments held to maturity. Management judgement is required when applying this classification, which takes into account the Group's intention & ability to hold investment to maturity.
- Financial instruments for trading purposes include Investments and derivatives held to achieve short-term profit.

5. STRUCTURE OF THE GROUP

The structure of the Group as at 31 December 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
IRF US	USA	100%	Percentage Ownership	Direct Stake
ASSOCIATES				
S.GOLDMAN ASSET MANAGEMENT LLC	USA	49%		Indirect stake through "IRF US"

The following table indicates the Group structure as at 31 December 2008 and 31 December 2007:

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 (Discontinued operations)						
PROTON BANK SA	GREECE	20.60%	0.00%	20.60%	Control	Direct Stake
FIRST GLOBAL BROKERS SA	SERBIA	0.00%	16.63%	16.63%	Control	Indirect stake through "Proton Bank"

Name	Country	Direct Shareholding %	Indirect Shareholding %	Direct and Indirect Holding	Relation that dictated the consolidation	Note
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 17).

Proton Bank is fully consolidated in the 2007 and the 9 month period of 2008 accounts because of the “de facto” power of the Company to control its financial and operating activities. In particular, IRF owned 20.60% of the voting rights of Proton Bank while the percentage of voting rights controlled by the Company was increased to 27.14% after taking into consideration the holding of two other shareholders of Proton Bank who were committed to vote in accordance with IRF’s instructions based on an agreement. IRF had exercised its effective power and appointed six members in the eleven-member Board of Directors of Proton Bank, including Proton Bank’s chairman.

The Company’s directors used their judgment in order to ascertain whether IRF had the effective control of Proton Bank according to the accounting policy adopted. Based on all relevant information available, the Company concluded that it had the ability to control Proton Bank and therefore fully consolidated its financial statements. The following reasons support the fact that IRF had control over Proton Bank:

(a) IRF had exercised its effective power and appointed six members in the eleven-member Board of Directors of Proton Bank, including Proton Bank’s chairman;

(b) Based on the Purchase Agreement, the vendors, who were directors and shareholders of Proton Bank, agreed to vote in such a way that would protect IRF’s power to appoint the majority of the Proton Bank’s Board of Directors;

(c) There was no realistic possibility that all the other shareholders, who represented the 72.86% of the voting rights, would be organized in such a way as to in practice block the exercise of IRF’s power. In particular, the 72.86% of the shares of Proton Bank was held by more than 10,000 investors, the majority of whom did not usually attend the Shareholders’ Meeting. Moreover, only 3 of them controlled more than 5% of the entity; and

(d) The relevant judgment was in compliance with the relevant Greek regulations.

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.

IRF US INVESTMENTS INC: During the period, IRF US Investments inc. **(IRF US)** was organized as a wholly owned subsidiary under the laws of the State of Delaware. IRF US's only activity is to hold the 49% interest in S.Goldman Asset Management LLC **(SGAM)**. IRF US is fully consolidated in IRF's Group financial statements.

S.Goldman Asset Management LLC (SGAM) is a limited liability company formed under the law of the State of Delaware. IRF US holds a 49% interest in SGAM. SGAM is an investment manager on a "managed account" and fund basis. SGAM is classified as an associate company and it is consolidated under the equity method.

6. RISK MANAGEMENT

IRF Group is exposed to various risks in relation to financial instruments. After the disposal of Proton Bank, the extent of these risks has been reduced. IRF intends to minimise its exposure to credit, liquidity and interest rate risk, while it is exposed to market risks due to its investments in listed equity shares.

All comparative figures for the year 2007 include the consolidated accounts of Proton Bank Group.

6.1 Credit Risk

The Group is exposed to credit risk, which is the risk that the counterparty of a financial instrument will cause losses to the Group by failing to discharge its obligations.

6.1.1 Maximum credit risk exposure before collateral held or other credit enhancements:

The below table presents the maximum credit risk exposure as at 31 December 2009, 31 December 2008 and 31 December 2007 respectively, without taking into account any collaterals or other credit enhancements pledged.

For on-balance-sheet assets, the exposures set out above are based on net carrying amounts as reported in Statement of Financial Position.

Amounts presented in € '000

Total exposure to credit risk

Exposure to credit risk of the Statement of Financial Position items:	**31.12.2009**	**31.12.2008**	**31.12.2007**
Cash and other equivalents	126,842	148,609	322,354
Due from other Banks	-	-	205,055
Loans and advances to Banks	-	-	45,906
Loans to retail customers			
-Credit Cards	-	-	37,232
-Consumer / Personal loans	-	-	159,010
-Housing	-	-	48,341
Corporate loans	-	-	1,113,216
Derivative financial instruments	-	-	11,529
Trading portfolio and other financial assets at fair value through Profit & Loss	15,585	3,688	126,792
Securities at fair value as at initial recognition	-	-	5,421
Investing portfolio securities	-		
-Held to maturity	-	-	9,717
-Available for sale	-	-	242,144
Other assets	923	607	91,475
Exposure to credit risk pertaining to off Statement of Financial Position items:			
Letters of Guarantee & Letters of Credit	-	-	113,358
Undrawn loans (approved) & other commitments	-	-	3,830
Total	**143,349**	**152,904**	**2,535,381**

6.1.2 Concentration of risks of financial assets with credit risk exposure: analysis per industry

The table below breaks down the Group's main credit exposure at their carrying amounts, as categorized by the industry sectors of our counterparties.

Amounts presented in € '000	**Financial institutions**	**Manuf/ring**	**Transport telecomm**	**Public sector**	**Trade**	**Leasing**	**Energy**	**Other industries**	**Individuals and households**	**Total**
Cash and other equivalents	126,842	-	-	-	-	-	-	-	-	**126,842**
Trading portfolio and other financial assets at fair value through Profit & Loss	2,296	-	2,574	-	2,714	-	986	4,307	2,708	**15,585**
Other assets	713	-	44	-	22	-	14	74	56	**923**
Total maximum credit risk as at 31 December 2009	**129,850**	**-**	**2,618**	**-**	**2,736**	**-**	**1,000**	**4,381**	**2,765**	**143,350**
Total maximum credit risk as at 31 December 2008	**149,151**	**-**	**-**	**-**	**-**	**-**	**-**	**3,753**	**-**	**152,904**
Total maximum credit risk as at 31 December 2007	**836,155**	**120,820**	**207,525**	**160,314**	**281,160**	**69,858**	**-**	**497,778**	**244,583**	**2,418,193**

6.1.3 Debt securities

The table below presents an analysis of debt securities, and other eligible bills by rating agency designation at 31 December 2009 and 31 December 2008, based on Moody's (or equivalent) rating system :

	Trading portfolio through profit or loss	
Amounts presented in € '000	**2009**	**2008**
AAA to A	205	-
Baa to B	4,808	-
Caa toC	8,926	-
Unrated	1,645	3,688
Total	**15,585**	**3,688**

The table below presents an analysis of debt securities, and other eligible bills by rating agency designation at 31 December 2007, based on Standard & Poor's rating system :

Amounts presented in € '000	**Due from banks**	**Trading portfolio**	**Financial assets at fair value through profit or loss**	**Held-to-maturity investments**	**Available-for-sale financial assets**	**Total**
AAA	-	4,735	-	-	51,334	56,069
AA- to AA+	14,579	81,733	-	-	12,402	108,714
A- to A+	6,441	18,684	-	6,659	129,805	161,589
Lower than A-	94,590	15,474	-	-	8,531	118,595
Unrated	411,800	6,166	5,421	3,058	40,072	466,517
Total	**527,410**	**126,792**	**5,421**	**9,717**	**242,144**	**911,484**

"Due from unrated financial institutions" mainly refer to deposits in subsidiaries of banking groups which have not been rated. The parents of these subsidiaries are included in the bracket "Lower than A-".

6.2 Market Risk

The Group takes on exposure to market risks. Market risk is the risk of occurring possible losses caused by the fluctuation and volatility of market prices, such as share prices, interest rate and foreign exchange rate fluctuations.

Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes.

The table below, presents the results in the carrying value of the assets of the Group by implementing a stress test scenario on the factors concerning the aforementioned market risks.

As of 31 December 2009

Amounts presented in € '000

Market Prices	**Price Volatility**	**Impact on Equity and Profit and Loss**
Foreign-exchange rate	-10%	(9,045)
Prices of listed securities	-40%	(84,279)
Interest Rates	+1,00%	(740)

As of 31 December 2008

Amounts presented in € '000

Market Prices	Price Volatility	Impact on Equity and Profit and Loss
Foreign-exchange rate	-10%	(12,842)
Prices of listed securities	-50%	(127,210)
Interest Rates	+2,5%	(4,390)

Foreing-exchange rate

The tables above illustrate the sensitivity of profit and equity in relation to the Group's financial assets and financial liabilities and mainly the USD/EURO exchange rates "all other things being equal".

Prices of listed securities

For listed securities a price volatily of -40% (2008: -50%) has been considered to be a suitable basis for estimating how profit or loss and equity would have been affected by changes in the market risk that were reasonably possible at the market date. It is noted that as at 31 December 2009 the Group held shares of a total value € 178.3 million in one listed company on the Athens Stock Exchange.

Interest Rates

The changes in the tables above are considered to be reasonably possible based on observations of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

For the year 2007 the Group applied the VAR methodology (due to consolidation with Proton Bank). For these reason the presentation is not comparable.

6.3 Currency Risk

The Group undertakes currency risk arising from the exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The following tables summarize the Group's exposure to currency risk. The Group's assets and liabilities at carrying amounts, categorized by currency are included in the table.

ASSETS	**EUR**	**USD**	**GBP**	**AUD**	**TOTAL**
Cash and other equivalents	51,282	75,560	-	-	126,842
Trading portfolio and other financial assets at fair value through Profit & Loss	1,977	16,236	-	286	18,499
Investment portfolio securities	193,886	-	-	-	193,886
Derivative financial instruments	-	80	-	-	80
Other assets	35	934	-	1	969
Total assets	**247,179**	**92,810**	**-**	**287**	**340,276**
LIABILITIES	**EUR**	**USD**	**GBP**	**AUD**	**TOTAL**
Long term loans	198,104	-	-	-	198,104
Financial liabilities at fair value through profit & loss	-	1,687	-	-	1,687
Derivative financial instruments	-	21	-	-	21
Other liabilities	175	875	58	-	1,109
Total liabilities	**198,279**	**2,584**	**58**	**0**	**200,921**
Net Balance Sheet position	**48,900**	**90,226**	**-58**	**287**	**139,355**

As of 31 December 2008

Amounts presented in € '000

ASSETS	EUR	USD	GBP	TOTAL
Total assets	275,280	128,374	34	403,689
Total liabilities	198,646	916	586	200,148
Net Balance Sheet position	**76,634**	**127,458**	**(551)**	**203,541**

As of 31 December 2007

Amounts presented in € '000	EUR	USD	GBP	JPY	OTHER	TOTAL
Total assets	2,451,882	261,836	4,600	3,397	28,639	2,750,354
Total liabilities	1,622,938	160,859	4,630	183,153	1,429	1,973,009
Net Balance Sheet position	**828,944**	**100,977**	**(30)**	**(179,756)**	**27,21**	**777,346**

6.4 Interest Rate Risk

Interest rate risk is the risk of a negative impact on the Group's financial condition due to its exposure to interest rates.

The following tables summarise the Group's exposure to interest rate risks. Included in the tables are the Group's assets and liabilities at carrying amounts categorized by contractual reprising date for floating rate items and maturity day for fixed rate items.

Amounts presented in € '000 **As at 31 December 2009** **ASSETS**	**Less than 1 month**	**From 1 to 3 months**	**From 3 to 12 months**	**From 1 to 5 years**	**More than 5 years**	**Uncategorized**	**Total**
Cash and other equivalents	24,486	102,356	-	-	-	-	126,842
Trading portfolio and other financial assets at fair value through Profit & Loss	1,195	7,624	6,765	-	-	2,914	18,499
Investment portfolio	-	-	-	-	-	193,886	193,886
Derivative financial instruments	-	-	-	-	-	80	80
Other assets	-	-	-	-	-	969	969
Total assets	**25,681**	**109,980**	**6,765**	**-**	**-**	**197,850**	**340,276**
As at 31 December 2009							
LIABILITIES							
Long term loans	-	-	198,104	-	-	-	198,104
Financial liabilities at fair value through profit & loss	-	-	1,687	-	-	-	1,687
Derivative financial instruments	-	-	-	-	-	21	21
Other Liabilities	-	-	-	-	-	1,109	1,109
Total Liabilities	**-**	**-**	**199,791**	**-**	**-**	**1,130**	**200,921**
Net interest gap	**25,681**	**109,980**	**-193,026**	**-**	**-**	**196,720**	**139,355**

Amounts presented in € '000 **As at 31 December 2008**	**Less than 1 month**	**From 1 to 3 months**	**From 3 to 12 months**	**From 1 to 5 years**	**More than 5 years**	**Uncategorized**	**Total**
Total assets	76,155	72,455	3,688	-	-	251,392	403,689
Total Liabilities	-	-	198,393	-	-	1,755	200,148
Net interest gap	**76,155**	**72,455**	**(194,705)**	**-**	**-**	**249,637**	**203,541**

As at 31 December 2007	Less than 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Uncategorized	Total
Total assets							
Total liabilities	1,326,590	418,754	109,784	12,405	28,400	77,076	1,973,009
Net interest gap	**92,803**	**17,106**	**112,442**	**241,634**	**(12,546)**	**325,899**	**777,347**

6.5 Liquidity Risk

Liquidity risk arises from the Group's financing process and management of the open positions in the market. Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with financing liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors, to fulfil commitments to lend, and to liquidate its financial assets at fair value.
The Group has a significant amount of cash and cash equivelants as well as significant tradable investments as at 31 December 2009. There are no material uncertainties regarding the going concern of the Group.

6.5.1 Non derivative contractual cash flows

The table below presents the cash flows payable by the Group under non-derivative financial liabilities remaining contractual maturities at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Amounts presented in € '000

As at 31 December 2009

LIABILITIES	Less than 1 month	1-3 months	3-12 months	1-5 years	over 5 years	Total
Long term loans	-	1,729	5,282	205,243	-	212,253
Financial liabilities at fair value through profit & loss	-		106	1,262	750	2,119
Other liabilities	-	969	-	-	-	969
Total liabilities	**-**	**2,698**	**5,387**	**206,505**	**750**	**215,341**

As at 31 December 2008

LIABILITIES	Less than 1 month	1-3 months	3-12 months	1-5 years	over 5 years	Total
Due to other banks	-	2,976	11,808	220,639	-	235,423
Other liabilities	-	1,755	-	-	-	1,755
Total liabilities	**-**	**4,731**	**11,808**	**220,639**	**-**	**237,178**

As at 31 December 2007

LIABILITIES	Less than 1 month	1-3 months	3-12 months	1-5 years	over 5 years	Total
Due to other Banks	288,506	145,435	-	-	-	433,941
Due to customers	1,041,364	278,979	112,359	13,852	3,733	1,450,287
Bonds issued	-	580	984	3,998	30,556	36,118
Other liabilities	260	10,615	-	-	5	10,880
Total liabilities	**1,330,130**	**435,609**	**113,343**	**17,850**	**34,294**	**1,931,226**

6.5.2 Derivative contractual cash flows

The table below analyses the Group's derivative financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 December 2009

Amounts presented in € '000

LIABILITIES	Less than 1 month	1-3 months	3-12 months	1-5 years	over 5 years	Total
Derivative financial instruments		21				
Total liabilities	**-**	**21**	**-**	**-**	**-**	**-**

There were no derivatives outstanding at 31 December 2008.

As at 31 December 2007

Amounts presented in € '000	Less than 1 month	1 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Derivatives held for trading:						
-Other derivative contracts	1,444	-	(297)	-	-	**1,147**
Total	**1,444**	**-**	**(297)**	**-**	**-**	**1,147**

The table below analyses the Group's derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 December 2007	Less than 1 month	1 - 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Derivatives held for trading:						
-Foreign exchange derivatives						
-Outflow	180,428	46,529	37,258	-	-	**264,214**
-Inflow	177,738	46,444	36,781	-	-	**260,963**
-Interest rate derivatives						
-Outflow	197	2,152	6,139	8,943	15,737	**33,168**
-Inflow	62	1,124	7,730	9,760	15,539	**34,215**
-Other derivative contracts						
-Outflow						
-Inflow	-	4	13	52	-	**70**
Total Outflow	**180,625**	**48,681**	**43,397**	**8,943**	**15,737**	**297,383**
Total Inflow	**177,800**	**47,572**	**44,525**	**9,812**	**15,539**	**295,248**

6.6 Financial instruments measured at fair value

The Group adopted the amendments to IFRS 7 Improving Disclosures about Financial Instruments effective from 1 January 2009. These amendments require the Group to present certain information about financial instruments measured at fair value in the statement of financial position.

In the first year of application comparative information need not be presented for the disclosures required by the amendment. Accordingly, the disclosure for the fair value hierarchy is only presented for the 31 December 2009 year end.

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy.

This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- *Level 2*: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices); and

- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

Amounts presented in € '000	LEVEL 1	LEVEL 2	LEVEL 3
Assets			
Listed securities and debentures	212,385	-	-
Listed derivatives	80	-	-
Total	**212,465**	**-**	**-**
Liabilities			
Listed debentures	1,687	-	-
Listed derivatives	21	-	-
Total	**1,709**	**-**	**-**
Net fair value	**210,756**	**-**	**-**

There have been no transfers between levels 1 and 2 in the reporting period.

6.7 Capital management

The Group' s capital management objectives are:

• to ensure the Group's ability to continue as a going concern; and

• to provide an adequate return to shareholders

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital on the basis of the debt-to-capital ratio. This ratio is calculated as net debt ÷ capital. Net debt is calculated as long term loans (as shown in the statement of financial position) less cash and cash equivalents. Capital comprises all components of equity (ie share capital, share premium, non-controlling interests, retained earnings, and revaluation reserve).

Amounts presented in € '000	31/12/2009	31/12/2008
Net debt		
Long term loans	198,104	198,393
Less cash and cash equivalents	-126,842	-148,610
Total	**71,262**	**49,783**
Total equity	**139,478**	**203,541**
Net debt-to capital- ratio	**0.51**	**0.24**

7. INTEREST INCOME & INTEREST EXPENSE

Amounts presented in € '000	31/12/2009	31/12/2008
Interest and similar income		
From deposits in financial institutions	1,767	7,374
From securities	650	52
From loans and receivables	-	732
Total	**2,417**	**8,158**
Interest and similar expenses		
Due to financial institutions	(9,158)	(10,946)
Other interest related expenses	(65)	(363)
Total	**(9,223)**	**(11,309)**

8. FEE AND COMMISSION INCOME & EXPENSE

Amounts presented in € '000	31/12/2009	31/12/2008
Fee and commission income from:		
Loans and advances to third parties	-	86
Total	**-**	**86**
Fee and commission expense from:		
Securities brokerage & safekeeping	(393)	(556)
Loans fees and commissions	-	(325)
Total	**(393)**	**(881)**

9. DIVIDEND INCOME

Amounts presented in € '000	31/12/2009	31/12/2008
Dividends from available-for-sale securities	18,162	729
Dividends from trading securities	198	-
Total	**18,360**	**729**

From the total amount of dividend from AFS securities, the amount of € 16,257,139 is related to dividends received from a listed company on the Athens Stock Exchange.

10. GAINS FROM DERIVATIVE FINANCIAL INSTRUMENTS

Realised / settlement gains

Amounts presented in € '000	31/12/2009	31/12/2008
Listed derivatives	22	-
Share swaps	-	9,624
Total	**22**	**9,624**

Valuation Gains

Amounts presented in € '000	31/12/2009	31/12/2008
Listed derivatives	1	-
Total	**1**	**-**

11. REALISED GAINS/(LOSSES) FROM DISPOSAL OF AVAILABLE-FOR-SALE FINANCIAL ASSETS

Amounts presented in € '000	31/12/2009	31/12/2008
Listed stocks	7,939	(44,282)
Total	**7,939**	**(44,282)**

12. REALISED GAIN FROM DISPOSAL OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT & LOSS

Amounts presented in € '000	31/12/2009	31/12/2008
Listed shares	13,586	-
Listed bonds	1,251	-
Total	**14,837**	**-**

13.UNREALISED GAIN FROM VALUATION OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT & LOSS

Amounts presented in € '000	31/12/2009	31/12/2008
Listed shares	34	-
Listed bonds	636	-
Total	**670**	**-**

14. IMPAIRMENT LOSSES

Amounts presented in € '000	31/12/2009	31/12/2008
Listed stocks	(81,717)	(185,146)
Total	**(81,717)**	**(185,146)**

As of 31 December 2009 and 31 December 2008, the total of approximately € 81,717,403 and € 185,145,946 respectively, was generated from the difference between the acquisition cost of the investments classified as available-for-sale and fair value of the aforementioned portfolio. The management of IRF, taking into consideration the following factors:

a) the large decline in the fair value of the investments;
b) the budget crises in the Hellenic Republic
c) the prolonged negative trend on the Athens Stock Exchange; and
d) the combined effect of the above on international economic and market conditions,

has concluded that there is an objective evidence of impairment of the available-for-sale investments.

Following the stipulations of IAS 39 paragraphs 59 and 67, when a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity shall be removed from equity and recognised in profit or loss even though the financial asset has not been derecognised.

15. STAFF COSTS

Amounts presented in € '000	31/12/2009	31/12/2008
Wages and salaries	(100)	(100)
Total	**(100)**	**(100)**

	31/12/2009	31/12/2008
Number of employees	1	1

The CEO, is the sole employee of the Company.

16. OTHER OPERATING EXPENSES

Amounts presented in € '000	31/12/2009	31/12/2008
Consulting and other third party fees	(1,270)	(1,740)
Legal fees	(155)	(189)
Other operating expenses	(354)	(144)
Total	**(1,778)**	**(2,074)**

17. DISCONTINUED OPERATIONS

17.1 NET PROFIT FROM DISCONTINUED OPERATIONS

On 24 September 2008, IRF sold 15.95% investment in Proton Bank from its 20.6% percent 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	31/12/2008
Interest and similar income	98,772
Interest and similar charges	(65,261)
Net interest income	**33,511**
Fee and commission income	21,569
Fee and commission expense	(7,451)
Net fee and commission income	**14,118**
Income from insurance services	24,045
Expenses from insurance services	(7,119)
Net Income from insurance services	**16,926**
Dividend income	1,872
Net trading income	(20,455)
Loss on investment portfolio recognised in profit and loss due to disposal of subsidiary.	(23,852)
Net income from financial instruments designated at fair value	4,425
Gains less losses from investment securities	(40)
Other operating income	1,648
	(36,402)
Total net income	**28,152**
Staff costs	(20,851)
Other operating expenses	(19,078)
Write-off of goodwill	(5,757)
Depreciation	(14,323)
Insurance claims	(17,716)
Impairment losses on financial assets and non financial assets	-
Total operating expenses	**(77,726)**

Amounts presented in € '000	**31/12/2008**
Share of (losses)/profits of associates	(1,273)
(Loss)/Profit before tax	**(50,847)**
Less: Income tax	(1,621)
(Loss)/Profit after tax from discontinued operations	**(52,468)**
Loss from disposal of discontinued operations	**(26,952)**
Impairment of goodwill previously recognised	**(7,720)**
Net profit from discontinued operations	**(87,139)**

The amount of approximately € 23,852,000 in the period of 2008, refers to losses from the valuation of Proton's available-for-sale portfolio, recognised directly to equity. Because of the disposal of the subsidiary the relevant amount is recognised as a loss in the income statement. The amount of approximately € 7,720,000 in the period of 2008, refers to an impairment loss recognised during the second quarter of the year, before the sale of the subsidiary.

17.2 LOSS ON DISPOSAL OF PROTON BANK

The assets and the liabilities of Proton as of the disposal date are as follows:

Amounts presented in € '000	
Cash and balances with the Central Bank	60,270
Loans and advances to banks	55,646
Loans and receivables	1,316,680
Derivative financial instruments	28,208
Financial assets at fair value through profit or loss	147,123
Financial assets designated at fair value	44,524
Investment portfolio	319,943
Investments in associates	2,617
Intangible assets	155,656
Property, plant and equipment	27,325
Deferred tax assets	12,728
Other assets	47,048
Non-current assets held for sale	41,568
Total assets	**2,259,336**

Amounts presented in € '000	
less	
Due to banks	354,658
Due to customers	1,419,834
Derivative financial instruments	19,952
Debt securities in issue	25,219
Retirement benefit obligations	1,528
Current income tax liabilities	9,144
Deferred tax liabilities	4,262
Other liabilities	9,634
Liabilities related to non-current assets held for sale	45,163
Total liabilities	**1,889,394**
Total net assets	**369,942**
less: Minority rights	(249,055)
Total net assets disposed	**120,887**

The loss from the disposal of Proton Group is analysed as follows:

Amounts presented in € '000	
Cash consideration	64,727
Cost of remaining investment transferred to available for sale portfolio	29,208
Total consideration	93,935
Less: Total net assets disposed	(120,887)
Loss on disposal	**(26,952)**

The net cash flow from the sale of Proton Group is analysed as follows:

Amounts presented in € '000	
Consideration paid in cash	64,727
less: cash & cash equivalent of Proton at the date of disposal	(66,604)
Cash received from the sale of Proton, net of cash disposed	**(1,877)**

18. PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

Amounts presented in € '000	**Land**	**Buildings**	**Machinery**	**Vehicles**	**Furniture**	**Total**
Balance at 1 January 2008						
Cost	7,233	14,900	72	185	10,266	32,656
Accumulated depreciation	-	(1,824)	(34)	(116)	(2.803)	(4.777)
Net carrying amount	**7,233**	**13,076**	**38**	**69**	**7,463**	**27,880**
Year ended 31 December 2008						
Opening currying amount	7,233	13,076	38	69	7,463	27,880
Exchange differences	-	3	-	-	-	3
Cost						
Accumulated depreciation						
Additions	-	498	6	-	1,010	1,514
Disposals - cost of acquisition	-	-	-	-	(158)	(158)
Disposals - accumulated depreciation	-	-	-	-	32	32
Depreciation charge	-	(778)	(8)	(26)	(1,133)	(1,945)
Transfer to disposal of Proton Bank	(7,233)	(12,799)	(36)	(43)	(7,214)	(27,325)
Closing net carrying amount	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31 December 2008						
Net carrying amount	**-**	**-**	**-**	**-**	**-**	**-**

19. GOODWILL AND OTHER INTANGIBLE ASSETS

Amounts presented in € '000	**Goodwill**	**Customer relations & other intangible assets**	**Software**	**Total**
Balance at 1 January 2008				
Cost	157,184	19,538	4,747	181,469
Accumulated amortisation	(7,465)	(5,216)	(2,003)	(14,684)
Net carrying amount	**149,719**	**14,322**	**2,744**	**166,785**

Amounts presented in € '000	**Goodwill**	**Customer relations & other intangible assets**	**Software**	**Total**
Year ended 31 December 2008				
Opening net carrying amount	149,719	14,322	2,744	166,785
Transfer in assets held for sale:				-
-Cost				-
-Accumulated amortisation				-
Additions			293	293
Write-off, disposals				-
-Cost				-
-Accumulated amortisation	(7,720)			(7,720)
Amortisation charge		(3,129)	(573)	(3,702)
Transfer in disposal of Proton Bank	(141,999)	(11,193)	(2,464)	(155,656)
Closing net carrying amount	**-**	**-**	**-**	**-**
Balance at 31 December 2008				
Cost	-	-	-	-
Accumulated amortisation, impairment	-	-	-	-
Net carrying amount	**-**	**-**	**-**	**-**

Amounts presented in € '000	**Goodwill**	**Customer relations & other intangible assets**	**Software**	**Total**
Year ended 31 December 2007				
Opening net carrying amount	168,353	18,495	3,252	190,100
Transfer in assets held for sale:	0			0
-Cost	(12,393)		(126)	(12,519)
-Accumulated amortisation	0		46	46
Additions	1,224		309	1,533
Write-off, disposals				
-Cost			(8)	(8)
-Accumulated amortisation			1	1
Amortisation charge		(4,173)	(730)	(4,903)
Impairment charge	(7,465)			(7,465)
Closing net carrying amount	**149,719**	**14,322**	**2,744**	**166,785**

Additions to goodwill during the year 2007 are attributable to the acquisition of an additional stake in Proton and other subsidiaries. The Group on 30 June 2008 reported an impairment loss of approximately € 7,720,000 being the excess of Proton's carrying amount.

The recoverable amount of Proton Group has been determined based on value in use calculations. This impairment loss, due to the sale of Proton Bank, has been transferred to loss from discontinued operations (note 17).

20. INVESTMENTS IN ASSOCIATES

Amounts presented in € '000	**31/12/2009**	**31/12/2008**	**31/12/2007**
Investments in associates	228	-	3,886
Total	**228**	**-**	**3,886**

For the year 2007, all investments in associates refer to a 29.20% holding by Proton Bank to the closed-end fund Omega AEEX, a company listed on ASE. After the disposal of Proton Bank, as of 31 December 2008, IRF does not hold any investment in associates for 2008. In 2009, IRF investmented a nominal sum in exchange for a 49% interest in "S.Goldman Asset Management Llc". Shares of "S.Goldman Asset Management Llc" are not publicly listed on a stock exchange and price quotes are thus unavailable.

Some brief financial information as at 31 December 2009 on the associate is given below:

Amounts presented in € '000	**Domicile**	**Assets**	**Liabilities**	**Profits /(losses)**	**Participation %**
S.GOLDMAN ASSET MANAGEMENT LLC	USA	1,128	662	452	49%

21. LOANS AND ADVANCES TO CUSTOMERS

Loans and advances to customers refer to balances from Proton Group. Loans are measured at amortized cost. Loans fair value is not materially different from their carrying amount. The loan portfolio at a Group level for 2007 is analyzed as follows:

Amounts presented in € '000	**31/12/2009**	**31/12/2008**	**31/12/2007**
Short term			
Retail customers			
Consumer loans /loans to individuals	-	-	159,010
Credit cards	-	-	37,232
Finance lease receivables	-	-	11,286
Less: Allowances for losses (impairment) on loans and advances to customers	-	-	(4,561)
Total current loans and receivables	**-**	**-**	***202,968***
Long term			
Retail customers			
Mortgages	-	-	48,341
Corporate customers			
Agriculture	-	-	57,847
Mining	-	-	1,309
Heavy industry	-	-	113,773
Small Industry	-	-	12,946
Building / construction	-	-	139,832
Energy	-	-	310
Commercial / Insurance	-	-	259,391
Transportation	-	-	205,918
Financial institutions	-	-	45,906
Services	-	-	29,752
Other companies	-	-	222,280
Finance lease receivables	-	-	58,572
Less: Allowances for losses (impairment) on loans and advances to customers	-	-	(31,119)
Total non current loans and receivables	**-**	**-**	**1,165,057**

Loans and advances to customers include finance lease receivables. Group's finance lease receivables refer to buildings, machineries and vehicles which are leased under a finance lease agreement to corporations.

Amounts presented in € '000	**31/12/2009**	**31/12/2008**	**31/12/2007**
Net investment in finance leases			
Gross Investment in leased equipment			
Less than 1 year	-	-	15,947
Between 1 to 5 years	-	-	61,795
More than 5 years	-	-	20,968
Less: unearned finance income	-	-	(28,852)
Net investments in leased equipment	**-**	**-**	**69,858**

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
The net finance leases receivables comprises:	-	-	
Less than 1 year	-	-	11,286
Between 1 to 5 years	-	-	43,733
More than 5 years	-	-	14,839
Total	**-**	**-**	**69,858**

The movements in the provisions account are as follows:

Movement in allowances for credit losses	31/12/2009	31/12/2008	31/12/2007
Amounts presented in € '000			
Balance at the beginning of the year	-	-	39,298
Impairment	-	-	6,892
Write-offs	-	-	(10,509)
Balance at the end of the year	**-**	**-**	**35,681**

22. INVESTMENT PORTFOLIO

The Group's investment portfolio comprises financial instruments available for sale and held to maturity.

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Investments held to maturity	-	-	
Government bonds	-	-	6,659
Corporate bonds	-	-	3,058
Total investment held to maturity	-	-	9,717
Available for sale portfolio (at fair value)			
Corporate bonds		-	112,339
Equity securities	275,603	433,654	5,991
Other investments		-	2,092
Government bonds		-	129,805
Less: Provision for losses (impairment)	(81,717)	(185,146)	-
Total available for sale securities	193,886	248,508	250,227
Total Investment portfolio	**193,886**	**248,508**	**259,944**

The movement in the investment portfolio for the year ended 31 December 2009 may be summarized as follows:

Amounts presented in € '000	**Financial assets available for sale 2009**
Balance as at 1 January 2009	248,508
Additions	33,307
Disposals	(18,912)
Gains / (losses) from changes in fair value through equity	12,701
Impairment losses	(81,717)
Balance as at 31 December 2009	**193,886**

Investment in Marfin Investment Group (MIG) constitutes the major investment in IRF's portfolio as at 31 December 2009.

Investments in associates are accounted under the equity method.

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

Amounts presented in € '000			
Trading Portfolio	**31/12/2009**	**31/12/2008**	**31/12/2007**
Government bonds	-	-	23,850
Corporate entities bonds	15,585	3,688	102,942
Mutual funds	-	-	8,903
Equity securities	2,914	2,276	38,686
	18,499	**5,965**	**174,381**
Other financial instruments at fair value through Profit & Loss	**31/12/2009**	**31/12/2008**	**31/12/2007**
Corporate entities bonds	-	-	5,421
Total	**18,499**	**5,965**	**179,802**

24. DERIVATIVE FINANCIAL INSTRUMENTS

There were no derivative financial instruments at 31 December 2008. The notional and fair values of derivatives held at 31 December 2009 and 31 December 2007 were:

		31st December 2009 FAIR VALUE	
Amounts presented in € '000	**Notional amount**	**Assets**	**Liabilities**
Derivatives held for trading			
a) Trading in exchanges			
Options / Warrants	424	80	21
	424	**80**	**21**

		31st December 2007 FAIR VALUE	
Amounts presented in € '000	**Notional amount**	**Assets**	**Liabilities**
Derivatives held for trading			
a) Trading in exchanges			
Options	3,583	-	136
Forwards / Futures	9,418	-	-
	13,001	**-**	**136**
b) OTC			
Interest rate swaps	489,672	4,302	4,240
Options	1,770,193	6,861	6,836
FX forwards	324,064	-	3,358
Credit default swaps	30,000	72	-
Total return swap	10,000	294	-
	2,623,929	**11,529**	**14,434**
Total recognised derivative assets /liabilities	**2,636,930**	**11,529**	**14,570**

The notional amount of certain types of derivative financial instruments provide a basis for comparison with instruments recognised on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit or price risks.

The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates, market prices or foreign exchange rates relative to their terms.

The aggregate contractual or notional amount of derivative financial instruments on hand, to the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities, can fluctuate significantly from time to time.

The Group does not apply hedge accounting as described in IAS 39, therefore the gains and losses arising on derivative financial instruments are recognised in the income statement.

25. OTHER ASSETS

The Group's other assets and the company's other assets account are analysed as follows:

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Other Assets			
Advances to employees	-	-	28
Advances to third parties	-	-	52
Contributions to Co-Guarantee Fund and Supplementary Fund	-	-	12,640
Guarantee fees	-	-	621
Prepayments to third parties	47	63	139
Brokerage fees receivables	666	381	15,539
Credit card receivables	-	-	1,751
Prepaid taxes and other tax advances	-	-	8,963
Sundry debtors and other receivables	256	163	17,436
Bad debts (other than loans and receivables)	-	-	4,206
Receivables from related parties	-	-	2
Receivables from foreign stock exchange	-	-	4,608
Bond subscriptions	-	-	30,411
	969	**607**	**96,396**
Less:Provisions for losses (impairment) of receivables besides loans	-	-	(4,921)
Total	**969**	**607**	**91,474**

26. NON CURRENT ASSETS HELD FOR SALE

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Asset of "Proton Insurance'	-	-	53,509
Land	-	-	148
Buildings	-	-	70
Total	**-**	**-**	**53,727**

The account includes land and building acquired by means of foreclosure and auctions.

27. DEFERRED TAX – INCOME TAX EXPENSE

Deferred tax has been calculated based on the nominal tax rate applicable for the financial years in which a temporary taxable and deductible difference reversal is expected. Deferred income tax assets and liabilities are attributable to the following items:

Amounts presented in € '000	31/12/2009		31/12/2008		31/12/2007	
	Deferred Tax		Deferred Tax		Deferred Tax	
	Asset	Liability	Asset	Liability	Asset	Liability
Retirement benefit obligations					296	-
Financial liabilities	-	-	-	-	192	-
Property, plant & equipment	-	-	-	-	-	548
Intangible assets	-	-	-	-		3,581
Investment in associates	-	99	-	-	-	-
Staff bonuses and allowances	-	-	-	-	-	-
Tax Deductible losses	-	-	-	-	-	-
Commission from loan advances	-	-	-	-	168	-
Finance Leases	-	-	-	-	567	-
Provision for bad debts	-	-	-		1,063	-
Financial assets at fair value through profit or loss	-	-	-	-	1,430	-
Available for sale financial assets	-	-	-	-	3,359	2,800
Other financial assets	-	-	-	-	9	
Other assets	-	-	-	-	16	
Total	*-*	*99*	-	-	*7,099*	*6,928*
Amount set-off	-	-	-	-	(548)	-
Balance at 31 December	**-**	**99**	**-**	**-**	**6,551**	**6,928**

The Group operates in a number of different jurisdictions. Profits recorded in the jurisdictions of Bermuda and Marshall Islands are tax free. Income generated by entities established under United States Law is subject to income tax according to United States Tax Law. The companies operating in the United States remain subject to examination for three previous periods by local tax authorities.

The tax charge for the year is analyzed below:

	31/12/2009	
	Amount	**Rate**
Federal	61	28,40%
State	16	7,30%
Local	19	8,90%
Total	**96**	**44,60%**

	31/12/2009
	Amount
Loss before tax	**(50,994)**
Less: loss generated in other jurisdictions (tax free)	(51,209)
Taxable in US at 44,6%	***216***
Income tax expense	**96**

28. CASH AND BALANCES WITH CENTRAL BANK

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Cash on hand and cash in course of collection	-	-	34,384
Cheques receivable	-	-	12,344
Included in cash and cash equivalents	**-**	**-**	**46,728**
Mandatory reserve deposits with Central Bank	-	-	6,068
Total	**-**	**-**	**52,796**

29. LOANS AND ADVANCES TO FINANCIAL INSTITUTIONS

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Deposits placed in other financial institutions	-	-	33,787
Time deposits	-	-	155,133
Cheques receivables	-	-	1,053
Total	**-**	**-**	**189,972**
Placements with other banks (over 90 days)	-	-	15,082
Total	**-**	**-**	**205,055**

30. CASH AND OTHER EQUIVALENTS

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Petty cash	1	1	1
Deposits placed in other financial institutions	4,485	3,569	322,354
Time deposits	122,356	145,039	-
Total	**126,842**	**148,610**	**322,355**

31. ISSUED DEBT SECURITIES

	31/12/2009	31/12/2008	31/12/2007
Eurobond with maturity 2017	-	-	25,283
Total	**-**	**-**	**25,283**

32. RETIREMENT BENEFIT OBLIGATION

The retirement benefit obligations refer to Proton Group's personnel and it is described as follows:

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Amount recognized in Statement of Financial Position			
Present value of unfunded benefit obligations	-	-	1,317
Unrecognised actuarial profits / (losses)	-	-	(178)
Total Liabilities at the end of period	**-**	**-**	**1,140**
Amounts recognized in profit and loss			
Current service cost			277
Interest cost	-	-	44
Net actuarial losses recognized	-	-	1
Settlements	-	-	302
Total	**-**	**-**	**624**

The change in liabilities is described below:

Amounts presented in € '000

Change in liabilities:	31/12/2009	31/12/2008	31/12/2007
Opening balance	-	-	1,228
Less: transfer in discontinued operations	-	-	(275)
	-	**-**	**953**
Increase due to acquisition of Proton Bank			
Increase due to business combination with Omega			
Expense for the period	-	-	625
Compensation paid	-	-	(438)
Total liability recognized in Balance Sheet	**-**	**-**	**1,140**

The main actuarial assumptions used are provided below:

	31/12/2009	31/12/2008	31/12/2007
Discount Rate	-	-	4.90%
Future salary increases	-	-	4.70%
Personnel turnover rate	-	-	0.50%
	EVK	EVK	EVK

Mortality rates	-	-	2,000

33. LONG TERM LOANS

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Long-term loans due to banks	198,104	198,393	-
Total	**198,104**	**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 4.06% as at 31 December 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.

34. DUE TO FINANCIAL INSTITUTIONS

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Interbank deposits	-	-	392,371
Sight deposits	-	-	201
Time deposits	-	-	28,864
Sale and repurchase agreement (REPOS)	-	-	12,505
Total	**-**	**-**	**433,941**

35. DUE TO CUSTOMERS

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Due to Customers			
Retail Customers			
Savings account	-	-	57,700
Sight deposits	-	-	18,175
Time deposits	-	-	794,343
Deposits under notice	-	-	1,738
Total	**-**	**-**	**871,956**
Corporate Customers			
Sight deposits	-	-	67,898
Time deposits:			
Companies	-	-	319,249
Public organizations	-	-	-
Public companies	-	-	5,838
Other time deposits	-	-	55,694
Sale and repurchase agreement (REPOS)	-	-	986
Total	**-**	**-**	**449,665**
Blocked deposits	-	-	184
Pledged deposits	-	-	59,534
Margin accounts	-	-	40,800
Total	**-**	**-**	**1,422,139**

36. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT & LOSS

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Corporate entities bonds (short pos.)	1,687	-	-
Total	**1,687**	**-**	**-**

All corporate bonds are listed in the US market.

37. CURRENT INCOME TAX LIABILITIES

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Income Tax on Taxable Profits	-	-	9,671
Provision of tax liabilities	-	-	828
Total	**-**	**-**	**10,498**

38. OTHER LIABILITIES

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Withholding taxes arising from salaries	-	-	542
Taxes and duties payable from customers' deposits	-	-	439
Other withholding taxes and duties	-	-	188
Prior year income taxes (from tax audit)	-	-	541
Social security contributions	-	-	878
Dividends payable	-	-	95
Contribution to subsidiaries	7	-	-
Salaries payable	17	17	239
Brokerage services securities and derivatives	985	-	266
Suppliers and other third party liabilities	107	1,739	10,983
Total	**1,115**	**1,755**	**14,170**

39. SHARE CAPITAL & SHARE PREMIUM

Amounts in €' 000	Number of shares	Nominal value $	Share capital in $	Share capital	Share premium	Total
Closing balance at 31 December 2007	**124,832,394**	**-**	**187**	**147**	**400,443**	**400,590**
Closing balance at 31 December 2008	**124,832,394**	**-**	**187**	**147**	**400,443**	**400,590**
Share premium returned to shareholders					(17,951)	**(17,951)**
Closing balance at 31 December 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.

Authorised share capital

	Preference Shares of $0.0001 each		Common Shares of $0.0015 each	
	Number	Amount in $	Number	Amount in $
Authorized at 31 December 2009	**2,500,000**	**250**	**200,000,000**	**300,000**

Warrants

On 14 November 2009 the 13,596,541 listed Warrants of the Company expired, with no notice from the warrant holders prior to the expiry for relevant exercise. The Board approved on 20 November 2009 the delisting of the Warrants from the SFM and the clearance of the Warrant holders register.

40. OTHER RESERVES

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Statutory reserves	-	-	275
Reserve of subsidiary's stock option program	-	-	200
Translation of exchange differences	3	-	-
Other reserves	-	-	16,112
Total	**3**	**-**	**16,587**

41. 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 not calculated due to the expiration of the company's warrants.

Basic earnings per share are analysed below:

Amounts presented in € **Basic Earnings per share**	**1/1 - 31/12/09**	**1/1 - 31/12/08**
Net profit from continuing and discontinued operations attributable to the Parent Company's Shareholders	(51,089,923.69)	(264,128,730.70)
Weighted average number of shares in issue	124,832,395	124,832,395
Basic earnings per Share (€/Share)	**(0.41)**	**(2.12)**
Net profit from continuing operations attributable to the Parent Company's Shareholders	(51,089,923.69)	(218,795,029.60)
Weighted average number of shares in issue	124,832,395	124,832,395
Basic earnings per Share (€/Share)	**(0.41)**	**(1.75)**

42. CASH AND CASH EQUIVALENTS – CASH FLOW STATEMENT

The table below presents the analysis of "cash and cash equivalent" of the Cash Flow Statement. For the purposes of preparing the Cash Flow Statement of the Group for 31 Decemeber 2007 (which includes the consolidated cash flows of Proton Bank), the short-term placements in other financial institutions, which were either immediately available or available within 90 days, were included in the cash account.

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Cash and balances with Central Bank	-	-	46,728
Petty cash	1	1	1
Deposits placed in other financial institutions	4,485	3,569	322,354
Time deposits	122,356	145,039	-
Loans and advances to financial institutions	-	-	189,974
Asset held for sale	-	-	316
Total - Included in cash and cash equivalents	**126,842**	**148,610**	**559,372**

43. ASSETS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE.

On 28 December 2007 the Proton Group committed to sell 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. 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, for the year ended 31 December 2007. Assets of Proton Insurance, after eliminating all balances with the other group companies, are as follows:

Amounts presented in € '000

ASSET	**31.12.2007**
Cash	10
Loans and advances to banks	306
Financial assets at fair value through profit or loss	12,980
Investments in associates	625
Intangible assets	12,473
Property, plant and equipment	2,256
Investment property	50
Insurance receivables	19,610
Reinsurance contracts	1,632
Deferred tax assets	69
Other assets	3,497
Total assets	**53,509**

LIABILITIES	**31.12.2007**
Debt securities in issue (note 31)	1,539
Retirement benefit obligations	275
Provisions for insurance contracts	36,093
Deferred tax liabilities	93
Other liabilities	6,339
Total liabilities	**44,339**

Intangible assets include goodwill of € 12,393 thousand which was originally allocated to Proton Insurance. The total net assets (including goodwill) were measured at their carrying amount which does not exceed the fair value of Proton Insurance less cost to sale. Fair value of Proton Insurance was determined on the basis of the binding agreement between the Group and "Commercial Value Societe Anonyme Insurance".

44. RELATED PARTIES TRANSACTIONS

44.1 Transactions between companies included in Consolidation

Transactions of the parent company with Subsidiaries *Amounts presented in € '000*	**31/12/2008**	**31/12/2008**	**31/12/2007**
Asset accounts			
Time deposit	-	-	28,864
Total	**-**	**-**	**28,864**
Income			
Dividend income	71,025	2,582	-
Interest income		656	-
Total	**71,025**	**3,238**	**-**
Liability accounts			
Other liabilities	-	70,881	70,199
Total	**-**	**70,881**	**70,199**

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

44.2 Transactions with Associates

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Asset accounts			
Other amounts due	-	-	28
Total	**-**	**-**	**28**
Liability accounts			
Deposits	-	-	5,188
Other liabilities	985	-	18
Capital contribution	7	-	-
Total	**992**	**-**	**5,206**
Income /Expenses			
Interest and similar expenses	-	(143)	193
Other expenses (fees)	(1,092)	-	-
Other income	-	88	205
Total	**(1,092)**	**(55)**	**398**

44.3 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 CEO of the Company.

Transactions with Management and Members of the Board of Directors

Amounts presented in € '000	31/12/2009	31/12/2008	31/12/2007
Asset accounts			
Loans	-	-	22,467
Other assets	-	-	195
Total	**-**	**-**	**22,662**
Liability accounts			
Deposits	-	-	67,775
Debt securities in issue	-	-	1,539
Other Liabilities	17	1,009	177
Total	**17**	**1,009**	**69,491**
Letters of Guarantee	**-**	**-**	**18,195**
Income			
Interest and similar income	-	1,178	1,419
Other income	-	1,186	394
Total	**-**	**2,364**	**1,813**
Expenses			
Remuneration	100	3,719	5,224
Interest and similar expenses	-	2,094	3,120
Other fees & expenses	-	1,136	4,378
Total	**100**	**6,949**	**12,722**

45. STOCK OPTION PLAN

The Company has approved a stock option plan for its directors and employees in respect of up to 10 per cent of Shares in issue from time to time. Pursuant to the plan, holders receive options which vest over a period to be determined by the Board at the date of the granting of each such option. No share option has been granted to the directors or the employees of the company as of 31 December 2009.

46. COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

46.1 Contingent legal liabilities

As at 31 December 2009 there was no litigation pending against the Group in connection with its activities.

46.2 Assets given as collateral

All investment portfolio and cash accounts of IRF, is assigned as collateral to IRF's long term loan.

47. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The fair value represents the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Differences might arise between the carrying amount and the fair value of financial assets and liabilities. The securities of IRF GROUP are presented in the financial statements at their fair value.

48. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

Assets

Balance at 31 December 2009

Assets	Fair value through profit or loss	Available for sale	Held to maturity	Loans & advances	Total
Trading portfolio and other financial assets at fair value through Profit & Loss	18,499		-	-	**18,499**
Investment portfolio	-	193,886	-	-	**193,886**
Derivative financial instruments	80	-	-	-	**80**
Total	**18,579**	**193,886**	**0**	**0**	**212,465**

Balance at 31 December 2008

Assets	Fair value through profit or loss	Available for sale	Held to maturity	Loans & advances	Total
Trading portfolio and other financial assets at fair value through Profit & Loss	5,965	-	-	-	**5,965**
Investment portfolio	-	248,508	-	-	**248,508**
Total	**5,965**	**248,508**	**-**	**-**	**254,473**

Balance at 31 December 2007

Assets	Fair value through profit or loss	Available for sale	Held to maturity	Loans & advances	Total
Loans & advances to financial institutions	-	-	-	527,410	**527,410**
Trading portfolio and other financial assets at fair value through Profit & Loss	179,802	-	-	-	**179,802**
Derivative financial instruments	11,529	-	-		**11,529**
Loans and advances to customers	-	-	-	1,368,025	**1,368,025**
Investment portfolio	-	250,227	9,717		**259,944**
Other assets	-	-	-	91,474	**91,474**
Total	**191,331**	**250,227**	**9,717**	**1,986,909**	**2,438,184**

Liabilities

Balance at 31 December 2009

LIABILITIES	At amortized cost	At fair value through profit or loss	Total
Long term loans	198,104		**198,104**
Financial liabilities at fair value through profit & loss	-	1,687	**1,687**
Derivative financial instruments	-	21	**21**
Total liabilities	**198,104**	**1,709**	**199,813**

Balance at 31 December 2008

LIABILITIES	At amortized cost	At fair value through profit or loss	Total
Long term loans	198,393		**198,393**
Total liabilities	**198,393**		**198,393**

Balance at 31 December 2007

LIABILITIES	At amortized cost	At fair value through profit or loss	Total
Due to financial institutions	433,941		**433,941**
Due to customers	1,422,139		**1,422,139**
Derivative financial instruments		14,570	**14,570**
Issued debt securities	25,283		**25,283**
Total liabilities	**1,881,363**	**14,570**	**1,895,933**

For the periods ending 31 December 2009 and 31 December 2008, all financial assets and liabilities are carried at their value, except from the long term loans due to financial institutions which are carried at amortized cost. Due to the fact that the interest rate changes every trimester, the fair value of the loans will not significantly differ from its carrying amount.

49. POST REPORTING DATE EVENTS

Subsequent events, which regard the Group which, according to the International Financial Reporting Standards, need to be mentioned, are the following:

In January 2010, the Company transferred approximately US$23.8 million of its trading portfolio investments to SG Aurora Fund LTD, an investment fund incorporated in Delaware US, receiving in exchange 23,810.182 shares of the fund.

On 19 March 2010, the Company exercised the right to participate in a convertible bond loan issue of MIG. Under the terms of the issue, the Company acquired 10,482,180 bonds for a price of €4.77 per bond, paying approximately €50 million. The bonds bear 5% fixed annual interest, they are convertible into common registered shares of MIG and on 26 March 2010 they shall commence trading on the Athens Stock Exchange. The bonds will mature in 5 years.

50. APPROVAL OF FINANCIAL STATEMENTS

The financial statements of IRF European Finance Investments Limited ("the Company") as well as the consolidated financial statements of the Company and its subsidiaries ("the Group"), for the year ended 31 December 2009 were approved by the Company's Board of Directors on 26 March 2010 and are subject to the final approval of the General Meeting of the Shareholders according the Company's Bye-laws, Independent Auditors Report on pages 8 to 9.

Athens, 26 March 2010

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