EFG Hellas (Cayman Islands) Limited

Annual Report

31 December 2009

Registered No CR - 117363 Cayman Islands

Registered office: PO Box 309 GT, Ugland House, South Church Street,
George Town, Grand Cayman, Cayman Islands

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Declaration of the Managers Responsible for Financial Reporting

Pursuant to paragraph 4 of Luxembourg's Transparency Law, the undersigned Fokion Karavias and Anastasios Ioannidis, Directors of the Company, to the best of their knowledge, hereby declare that the above Annual non statutory financial statements prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and that the management report includes an indication of important events that have occurred during the financial year, and their impact on the financial statements, together with a description of the principal risks and uncertainties the Company is exposed to.

F. Karavias Director	A. Ioannidis Director

14 May 2010

Report of the Directors

The directors submit their report and the non statutory financial statements of EFG Hellas (Cayman Islands) Limited ("the Company") for the year ended 31 December 2009.

1. Business review and principal activities

The Company was incorporated under the laws of the Cayman Islands on 26 April 2002 as an exempted company with limited liability. It is a wholly-owned subsidiary and financing vehicle of EFG Eurobank Ergasias S.A., the Company's immediate parent company incorporated in Greece.

The Company issues medium term debt instruments under a European Medium Term Note ("EMTN") programme that was last updated in July 2009 at an aggregate amount of € 25 bn. The outstanding issues debt instruments are guaranteed by EFG Eurobank Ergasias S.A. The net proceeds are applied by the Company to meet part of the general financing requirements of the Company's immediate parent undertaking and its subsidiaries.

The profit for the year on these activities amounted to € 1,059 ths (2008: profit € 20 ths). No dividend was paid to shareholders during 2009 (2008: nil).

2. Business environment, strategy and future outlook

The Company's business strategy and activities are linked to those of its parent company. The business environment during 2009 has been challenging for the EFG Eurobank Ergasias S.A. and the Company. The second half of 2009 witnessed clear signs of stabilization in global financial markets, and world economies, including the region the parent company operates in (Greece, Central and Southeastern Europe), are slowly working out of the recession. This same period, however, also brought to the fore the structural weaknesses which the Greek government needs to address, namely the large General Government debt, further burdened by Greek sovereign spreads which are significantly wider than other Euro-zone member states. The Greek Government has announced a series of austerity measures to reduce the budget deficit through structural reforms, curbed public spending and increased taxation. At the same time, it agreed to receive a joint EMU/IMF support package of €110bn over the next three years, which allows the Greek Government to implement its fiscal adjustment plan without the need to resort to market financing over the next three years. The package became operational in May 2010 and the European Council has reaffirmed its strong support to the reform programme of the Greek government. Furthermore, the European Council decided to set up a European Financial Stabilization Mechanism (with IMF participation) to offer, if required, financial support to Member States. This mechanism can reach €750 bn and safeguards the stability of all the euro area. In addition, the ECB has decided to purchase sovereign and corporate debt directly from the markets in order to ensure depth and liquidity in the euro area public and private debt securities markets.In this business environment, the Company's cost of funding and interest rate spreads have increased.

The assessment by the directors of the Company's ongoing business model is closely associated with the business decisions and operations of the parent company. On the basis of the analysis of the Bank's and the Company's profitability, liquidity and macro-economic environment, the directors of the Company consider the financial position of the Company to be satisfactory at the year end, and they expect the business to continue to develop in 2010 and beyond, subject to the current market conditions and the perspective of Greek sovereign debt. The directors monitor the progress of the Company by reference to financial and non-financial data available to them on a regular basis. Particular attention is paid to key performance indicators, including net interest margin and the balances for notes outstanding at the reporting date. These are adjusted regularly in line with the requirements of the business and the nature of the monitoring activities.

3. Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. All of the key business risks affecting the Company, including credit risk, are managed in coordination with the parent company, and are set out in Note 15 to the non statutory financial statements.

The Company is a finance vehicle whose principal purpose is to raise debt to be deposited with the parent company and its financial position may be influenced by the parent company's financial condition. The principal risks and uncertainties of the parent company for 2010, which include those of the Company, are discussed in the Report of Directors included in the 2009 Annual Financial Report of EFG Eurobank Ergasias S.A. Bank, which was signed on 24 March 2010 (available at webside: www.eurobank.gr).

4. Directors

The directors of the Company who acted during the year were as follows:

Marialena Antonara
Dimosthenis Arhodidis
Anastasios Ioannidis
Nicholaos Karamouzis
Fokion Karavias
Nikolaos Laios
Yasmine Ralli (resigned on June 29, 2009)
Dimitra Spyrou
Achilleas Stogioglou
Alexandra Vogiatzi
Julia Zavakos

None of the directors has or had any notifiable interest in the shares of the Company or any member of the EFG Bank European Financial Group.

5. Parent company

The immediate parent company is EFG Eurobank Ergasias SA, incorporated in Greece. The ultimate parent company is Private Financial Holdings Limited (PFH), which is owned and controlled indirectly by members of the Latsis family.

6. Directors' responsibilities in relation to the financial statements

The directors have prepared these non statutory financial statements for the reasons and explanations set out in Note 1 to the non statutory financial statements so as to provide a true and fair view of the state of affairs of the Company and the profit or loss for that period.

In preparing the non statutory financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company. The directors 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.

7. Statement as to disclosure of information to auditors

Each director in office at the of the director's report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

8. Auditors

A resolution to appoint PricewaterhouseCoopers Greece as auditors to the Company will be proposed at the forthcoming annual general meeting.

By order of the Board

F. Karavias Director	A. Ioannidis Director
14 May 2010	14 May 2010

Independent auditors' report to the Directors of EFG Hellas (Cayman Islands) Limited in respect of the non-statutory financial statements

Report on the Financial Statements

We have audited the accompanying non-statutory financial statements of EFG Hellas (Cayman Islands) Limited (the "Company") set out on pages 8 to 21 which comprise the balance sheet as of 31 December 2009 and the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these non-statutory financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility
Our responsibility is to express an opinion on these non-statutory financial statements based on our audit. This report, including the opinion, has been prepared for and only for the directors for management purposes in accordance with our engagement letter dated December 19, 2009 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other person to whom this report is shown or into whose hands it may came including without limitation under any contractual obligations of the Company, save where expressly agreed by our prior consent in writing.
Notwithstanding the foregoing, we agree the Audit Report, may be:

1. Laid by the Directors before the shareholders, as a body, at the annual general meeting of the Company for information purposes; and
2. Published by the Directors in a member state of the European Union in accordance with Article 28(B) (8), Chapter XII of the Rules and Regulations of the Luxembourg Stock Exchange.

Notwithstanding (1) and (2) above, we do not assume or accept any responsibility or liability to any individual shareholders of the Company, to any holders of the debt securities issued by the Company or to any other person to whom the Audit Report is shown or into whose hands it may come.

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 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 system of 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 entity'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 accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2009, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Athens, 14 May 2010

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers
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152 32 Halandri
SOEL Reg. No. 113

Income Statement
for the year ended 31 December 2009

	Note	2009 €'000	2008 €'000
Interest and similar income	4	37,657	104,747
Interest expense and similar charges	5	(36,433)	(104,654)
Net interest income		1,224	93
Net gains/(losses) from financial instruments designated at fair value	7	(10)	0
Operating Expenses	6	(155)	(73)
Profit before income tax		1,059	20
Income tax expense	9	-	-
Profit for the year		1,059	20
Attributable to:			
The parent company		1,059	20

The notes on pages 12 to 21 form part of these financial statements

Balance Sheet at 31 December 2009

	Note	2009 €'000	2008 €'000
Assets			
Deposits with banks	10	531,081	1,008,399
Derivative financial instruments	14	25,500	17,795
Total assets		**556,581**	**1,026,194**
Liabilities			
Liabilities evidenced by paper at amortised cost	11	1,104	93,532
Liabilities evidenced by paper designated at fair value	12	502,782	813,709
Derivative financial instruments	14	51,494	118,811
Total liabilities		**555,380**	**1,026,052**
Equity			
Share capital	13	16	16
Retained earnings		1,185	126
Total equity		**1,201**	**142**
Total equity and liabilities		**556,581**	**1,026,194**

The financial statements on pages 8 to 21 were approved by the Board of Directors on 14 May 2010 and were signed on its behalf by:

F. Karavias
Director

14 May 2010

A. Ioannidis
Director

14 May 2010

The notes on pages 12 to 21 form part of these financial statements

Statement of changes in equity at 31 December 2009

	Share capital €'000	Retained earnings €'000	Total €'000
At 1 January 2008	**16**	**106**	**122**
Other comprehensive income for the year	-	-	-
Profit for the year	-	20	20
Total comprehensive income for the year ended 31 December 2008	-	20	20
At 31 December 2008	**16**	**126**	**142**
At 1 January 2009	**16**	**126**	**142**
Other comprehensive income for the year	-	-	-
Profit for the year	-	1,059	1,059
Total comprehensive income for the year ended 31 December 2009	-	1,059	1,059
At 31 December 2009	**16**	**1,185**	**1,201**

The notes on pages 12 to 21 form part of these financial statements

Cash flow statement for the year ended 31 December 2009

	2009 €'000	2008 €'000
Cash flows from operating activities		
Interest and similar income received	27,103	98,052
Interest expense and similar charges paid	(62,823)	(103,010)
Cash payments to suppliers	(154)	(74)
Cash flows from operating activities before changes in operating assets and liabilities	(35,874)	(5,032)
Changes in operating assets and liabilities		
Net (increase) in loans and advances to banks	399,024	347,289
Net cash used operating activities	**363,150**	**342,257**
Cash flows from financing activities		
Proceeds from issue of liabilities evidenced by paper	84,205	229,357
Repayments of liabilities evidenced by paper	(518,883)	(496,981)
Net cash from financing activities	**(434,678)**	**(267,624)**
Net increase in cash and cash equivalents	**(71,528)**	**74,633**
Cash and cash equivalents at beginning of year	85,540	10,907
Cash and cash equivalents at end of year (note 10)	**14,012**	**85,540**

The notes on pages 12 to 21 form part of these financial statements

Notes to the Financial Statements for the year ended 31 December 2009

1. General information

These non statutory financial statements were prepared solely to assist the directors in discharging their stewardship obligations and fiduciary responsibilities in respect of the Company and to assist them voluntarily to comply with Article 28(B)(8), Chapter XII of the Rules and Regulations of the Luxembourg Stock Exchange.

EFG Hellas (Cayman Islands) Limited (the "Company") is a public limited company with registered number CR - 117363. The Company is a subsidiary of EFG Eurobank Ergasias S.A. (the "parent company"). EFG Hellas (Cayman Islands) Limited is a finance company, whose sole business is raising debt for the parent company via notes listed on Luxemburg Stock Exchange, purchased by institutional and private investors. The listed notes outstanding are guaranteed by the parent company. EFG Hellas (Cayman Islands) Limited has no employees or audit committee.

2. Accounting policies

Basis of preparation

These non statutory financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations as adopted by the European Union (EU).

The non statutory financial statements have been prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets (including derivative instruments) and liabilities held at fair value through profit or loss.

The Company's presentation currency is the Euro ("€") being the functional currency of the Company. Except as indicated, financial information presented in euros ("€") has been rounded to the nearest thousand.

The preparation of non statutory financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The policies set out below have been consistently applied to the years 2008 and 2009. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

(a) Amended and new standards and interpretations effective in 2009
-IFRS 2, Amendment - Vesting conditions and cancellations
-IFRS 7, Amendment - Financial Instruments: Disclosures
-IFRS 8, Operating segments
-IAS 1, Revised - Presentation of financial Statements
-IAS 23, Amendment - Borrowing costs
-IAS 32 and IAS 1, Amendment - Puttable financial instruments and obligations arising on liquidation
-IAS 39 and IFRIC 9, Amendments to Embedded derivatives
-IFRIC 13, Customer loyalty programmes
- Amendments to various Standards that form part of IASB's Annual Improvement Project (issued May 2008)

(b) Standards and interpretations issued but not yet effective
- IFRS 2, Amendments - Group Cash settled Share based payment transactions (effective 1 January 2010)
- IFRIC 14, Amendment - Prepayments of a Minimum Funding Requirement (not yet endorsed by EU)
- IFRIC 15, Agreements for the Construction of Real Estate (effective 1 January 2010)
- IFRIC 16, Hedges of a Net Investment in a Foreign Operation (effective 1 January 2010)
-IFRIC 17, Distribution of non-cash assets to owners (effective 1 January 2010)
- IFRS 9, Financial instruments (not yet endorsed by EU)
- IAS 24, Amendment - Related Party disclosures (not yet endorsed by EU)

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

2. Accounting policies (continued)

Basis of preparation (continued)

- IAS 32, Amendment - Classification of Rights Issues (effective 1 January 2011)
- IAS 39, Amendment - Eligible Hedged Items (effective1 January 2010)
- IFRIC 19, Extinguishing Financial Liabilities (not yet endorsed by EU)
- Amendments to various Standards that form part of IASB's Annual Improvement Project (issued April 2009, effective 1 January 2010)

The application of the above mentioned standards and interpretations is not expected to have a material impact on the Company's financial statements in the period of the initial application.

a) Interest income and expenses

Interest income and expenses are recognized in the income statement for all interest bearing instruments on an accruals basis, using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

b) Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Translation differences on financial assets and liabilities held at fair value through profit or loss are reported as part of the fair value gain or loss. Called up share capital denominated in US dollars has been translated into € on the exchange rate at the date of issue.

c) Financial assets

The Company classifies its financial assets in the following IAS 39 categories: financial assets designated at fair value through profit or loss and loans and receivables. Management determines the classification of its financial instruments at initial recognition.

(i) Financial assets at fair value through profit or loss
This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss upon initial recognition. A financial asset is classified as held for trading if acquired principally for the purpose of selling or repurchasing in the short term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments.

The Company designates certain financial assets upon initial recognition as at fair value through profit or loss when any of the following apply:

a) it eliminates or significantly reduces measurement or recognition inconsistencies; or
b) financial assets share the same risks with financial liabilities and those risks are managed and evaluated on a fair value basis ; or
c) structured products containing embedded derivatives that could significantly modify the cash flows of the host contract.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

2. Accounting policies (continued)

c) *Financial assets (continued)*

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those that the Company upon initial recognition designates as at fair value through profit or loss.

Accounting treatment and calculation

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 Company has transferred substantially all risks and rewards of ownership.

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active, the Company establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.

d) *Impairment of financial assets*

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

e) *Financial liabilities*

The Company classifies its financial liabilities in the following categories: financial liabilities measured at amortized cost and financial liabilities at fair value through profit or loss. Financial liabilities at fair value through profit or loss have two sub categories: financial liabilities held for trading and financial liabilities designated at fair value through profit or loss upon initial recognition.

The Company designates financial liabilities at fair value through profit or loss when any of the following apply:

a) it eliminates or significantly reduces measurement or recognition inconsistencies; or
b) financial liabilities share the same risks with financial assets and those risks are managed and evaluated on a fair value basis; or
c) structured products containing embedded derivatives that could significantly modify the cash flows of the host contract.

Financial liabilities are derecognized when the obligation specified in the relevant contract is discharged, cancelled or expires.

Financial liabilities are comprised of loan notes issued under the Company's EMTN programme.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

2. Accounting policies (continued)

f) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include deposits held at call with banks with original maturity of three month or less.

g) Derivative financial instruments

Derivative financial instruments are initially recognized in the balance sheet at fair value on the date on which a derivative contract is entered and subsequently are re-measured at their fair value. Fair values are obtained from quoted market prices, including recent market transactions, discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Changes in the fair value of any derivative financial instrument are recognized immediately in the income statement.

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) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

Certain derivatives, embedded in other financial instruments, are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract 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.

h) Offsetting financial instruments

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 realise the asset and settle the liability simultaneously.

i) Related party transactions

Related parties include fellow subsidiaries. All banking transactions entered into with related parties are in the normal course of business and on an arm's length basis.

j) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Dividend distribution on shares is recognized as a deduction in the Company’s equity when approved by the Company's shareholders.

3. Critical accounting estimates and judgement

In the process of applying the Company’s accounting policies, the Company’s Management makes various judgments, estimates and assumptions that affect the reported amounts of assets and liabilities recognized in the financial statements within the next financial year. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Deposits with banks

The main asset of the Company is deposits with the parent company. The directors’ assessment of the recoverability of this asset is closely associated with the operations of the parent company and includes reviews of liquidity and solvency.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

3. Critical accounting estimates and judgement (continued)

b) Fair value financial instruments

The fair values of Company's financial instruments that are not quoted in active markets are obtained from the parent company. The parent company determines the fair values by using valuation techniques. These valuation techniques (for example, models) are validated and periodically reviewed by the qualified personnel independent of the area that created them. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data.

4. Interest and similar income

	2009 €' 000	2008 €' 000
Interest income on deposits with parent company	14,163	52,243
Interest income on derivative financial instruments	23,494	52,504
	37,657	**104,747**

5. Interest expense and similar charges

	2009 €' 000	2008 €' 000
Interest expense on liabilities evidenced by paper	14,940	53,824
Interest expense on derivative financial instruments	21,493	50,830
	36,433	**104,654**

6. Operating expenses

The profit for the year is after charging the following items. All other administrative costs were borne by the parent company.

	2009 €' 000	2008 €' 000
Auditors remuneration		
-Audit of the non statutory financial statements of the Company	29	9
EMTN update costs	86	24
Other Expenses	40	40
	155	**73**

7. Net gains/ (losses) from financial instruments designated at fair value

	2009 €' 000	2008 €' 000
Changes in fair value of liabilities evidenced by paper	(61,605)	73,275
Changes in fair value of derivative instruments managed with liabilities evidenced by paper	61,595	(73,275)
	(10)	**0**

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

8. Emoluments of directors and employment statistics

The directors received no emoluments for their services (2008: nil). The emoluments of all directors are paid by the parent company. All the directors' services to this company are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to other group companies. Accordingly,

these accounts include no emoluments in respect of any director as it is not practicable to apportion the salary element. The Company employed no staff during the year (2008: nil).

9. Tax on profit on ordinary activities

The Company was incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, accordingly, has no liability to taxation in the Cayman Islands. In addition, the Company is non-UK resident and therefore not liable to corporation tax in the UK or any other country.

10. Deposits with banks

	2009 €' 000	2008 €' 000
Deposits with the parent company designated at fair value	9,845	-
Deposits with the parent company at amortized cost	521,236	1,008,399
	531,081	**1,008,399**
- with original maturity of more than 90 days	517,069	922,859
- with original maturity of less than 90 days (cash and cash equivalents)	14,012	85,540

The amounts presented under deposits with banks are placed on time deposit with the parent company on a rolling basis and earn interest at a margin above relevant currency floating or fixed rates payable on loan notes.

11. Liabilities evidenced by paper at amortised cost

	2009 €' 000	2008 €' 000
Loan notes	1,104	93,532
Book value of loan notes	**1,104**	**93,532**

The loan notes, bearer in form, are issued on either subordinated or unsubordinated basis, are listed on the Luxembourg Stock Exchange and carry interest at relevant currency floating rates plus an additional margin or at fixed rates.

Loan notes are secured by guarantees issued by the parent company. Under the program for issuance of debt instruments, loan notes are unconditionally and irrevocably guaranteed by the parent company on a subordinated or an unsubordinated basis, as specified in the relevant Final Terms.

The Company has not had any defaults on principal, interest or any other breaches with respect to their liabilities during the period.

At 31 December 2009 the aggregate of loan notes held by the related parties were amounting to € 199 ths (2008: € 290 ths)

The Company's risk management strategy for financial instruments is covered in note 15.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

12. Liabilities evidenced by paper designated at fair value

	2009 €' 000	2008 €' 000
Loan notes	502,782	813,709

Certain loan notes have been matched with interest rate swaps as part of a documented interest rate risk management strategy. An accounting mismatch would arise if the loan notes were accounted for at amortised cost, because the related derivatives are measured at fair value with movements in fair value taken through the income statement. By designating the loan notes at fair value, the movement in the fair value of the loan notes will be recorded in the income statement.

Certain structured loan notes pay interest which is calculated by reference to the future value of an index. However all loan notes effectively pay floating rate interest based on a spread over the relevant currency rate because, in the case of the structured loan notes, the interest rate risk is fully hedged by interest rate swaps.

Structured loan notes are fair valued by reference to market prices and the difference between carrying amount and fair value is routed through the income statement.

At 31 December 2009, the loan notes held by related parties amounted to € 174,300 ths (2008: € 174,165 ths).

13. Share capital

	2009 Number	2009 US$'000	2008 Number	2008 US$'000
Authorised Ordinary shares of US$1 each	50,000	50	50,000	50
Issued, allotted and paid up 49,999 ordinary shares at US$0.30 per ordinary share of US$1 each	50,000	15	50,000	15

The issued share capital of US$ 15,001 is reflected in the non statutory financial statements as € 16,436 based on the exchange rate at the date of issue.

14. Derivative Financial Instruments

Interest rate risk; nominal and fair values

In all cases interest rate swaps hedge the interest rate risk in the structured loan notes as set out in note 15, such that the structured loan notes effectively bear interest at floating rates. The fair values of derivative instruments held are set out in the following table:

Derivatives held for trading	2009			2008		
	Contract/ notional amount €'000	Fair values Assets €'000	Fair values Liabilities €'000	Contract/ notional amount €'000	Fair values Assets €'000	Fair values Liabilities €'000
Interest rate swaps	495.210	25,500	51,494	886,948	17,795	118,811
	495.210	**25,500**	**51,494**	**886,948**	**17,795**	**118,811**

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

15. Principal risks and uncertainties

The directors are responsible for the overall financial risk approach of the Company. In this regard the directors coordinate all financial risk management activities closely with the parent company risk managers to ensure that all significant financial risks of the Company are minimised. The directors have a financial risk management programme in place the main objective of which is minimising such risks as follows:

a) Credit risk: The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Impairment provisions are recognised for losses that have been incurred at the balance sheet date. The majority of cash proceeds generated from the EMTN programme are placed on deposit with the parent company. The aggregate carrying amount of these advances to the parent company and the derivative financial instruments with positive fair values approximates to the maximum amounts exposed to credit risk. Most of derivative financial instruments are entered into with third parties. The credit quality of all counterparties is continuously monitored and assessed by the directors. Financial assets are neither past due nor impaired.

b) Market risk: The Company is exposed into interest rate and currency risk of which the latter is not considered to be significant. The management has a policy of minimising such risks as follows:

- Interest rate risk: The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial positions and cash flows. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. Interest rate risk is managed either by placing funds on deposit at a variable interest rate which changes on the same basis as the interest rate applied on the variable rate loan notes, or by the use of interest rate swaps to eliminate the interest rate risk on the structured loan notes. Expected shifts in interest rates do not have a material impact on the net income of the Company.

- Currency risk: The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Currency risk has been eliminated by placing funds on deposit in the same currency as the loan notes issued currency interest rate swaps transactions.

c) Liquidity Risk: The Company is not exposed to liquidity or cash flow risk because the maturity of its assets and liabilities, and the underlying cash flows, are substantially the same. All proceeds of each loan notes issuance, less certain costs, are placed directly in matching deposits with EFG Eurobank Ergasias S.A., on the same terms and in the same currency. Any difference for interest rate risk is covered by swaps entered into with third parties.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

15. Principal risks and uncertainties (continued)

The amounts disclosed in the table below are the contractual undiscounted cash flows for the years 2009 and 2008.

	2009				
	Less than 1 month €' 000	1 to 3 months €' 000	3 months to 1 year €' 000	Over 1 year €' 000	Gross nominal inflow/(outflow) €' 000
Financial liabilities:					
- Loan notes	3,397	10,583	67,684	456,348	538,012
	3,397	**10,583**	**67,684**	**456,348**	**538,012**
Financial assets held for managing liquidity risk	**3,397**	**10,583**	**67,684**	**451,071**	**532,735**

	2008				
	Less than 1 month €' 000	1 to 3 months €' 000	3 months to 1 year €' 000	Over 1 year €' 000	Gross nominal inflow/(outflow) €' 000
Financial liabilities:					
- Loan notes	54,211	40,158	121,340	865,541	1,081,250
	54,211	**40,158**	**121,340**	**865,541**	**1,081,250**

d) Capital risk management: The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, issue new shares or sell assets to reduce debt. The Company is not subject to any external capital requirements except for the minimum requirement under the Companies Act. The Company has not breached the minimum requirement.

Fair value of financial assets and liabilities

The financial liabilities designated at fair value through profit or loss are measured at fair value (see note 12). The fair values are estimated by reference to quoted market prices or using valuation techniques based on observable market data. All of the company's other financial assets and liabilities are at floating rates of interest, which re-price at frequent intervals. Therefore, the Company has no exposure to fair value fluctuations and the carrying value of the financial assets and liabilities is substantially equivalent to their fair values.

All financial instruments that are measured at fair value are categorised into one of the three fair value hierarchy levels at year-end; based on whether the inputs to their fair values are observable or non observable.

i) Level 1 - Quoted prices in active markets for identical assets or liabilities. Quoted prices must be readily and regularly available from an exchange or active index/market location and prices must represent actual and regularly occurring market transactions on an arm's length basis. This level includes listed equity securities, debt instruments and exchange traded derivatives.

ii) Level 2 - Financial instruments measured using valuation techniques where all significant inputs are market observable. This level includes OTC derivative contracts and structured assets and liabilities.

Notes to the Financial Statements for the year ended 31 December 2009 (continued)

15. Principal risks and uncertainties (continued)

iii) Level 3 - Financial instruments measured using valuation techniques with significant non observable inputs.

The classification of the Company's financial assets and liabilities using the fair value hierarchy is presented in the following table:

	2009			
	Quoted prices in active market (Level 1) €' 000	**Valuation technique observable parameters (Level 2) €' 000**	**Valuation technique non observable parameters (Level 3) €' 000**	**Total**
Financial assets measured at fair value:				
Deposits with banks	-	9,845	-	9,845
Derivative financial instruments	-	25,500	-	25,500
Total financial assets	**-**	**35,345**	**-**	**35,345**
Financial liabilities measured at fair value:				
Liabilities evidenced by paper designated at fair value	-	502,782	-	502,782
Derivative financial instruments	-	51,494	-	51,494
	-	**554,276**	**-**	**554,276**

16. Ultimate parent company and controlling party

The Company's results are included in the consolidated financial statements of EFG Eurobank Ergasias S.A., its immediate parent undertaking, which is incorporated in Greece.

EFG Eurobank Ergasias S.A. is member of the worldwide EFG Group, which consists of credit institutions, financial services and financial holding companies. Its ultimate parent company is Private Financial Holdings Limited, which is owned and controlled indirectly by members of the Latsis family. Private Financial Holdings Limited (PFH) became the ultimate parent company on 6 August 2009, after the restructuring of the EFG Group. Until 6 August 2009, the ultimate parent company of EFG Group was EFG Bank European Financial Group (EFGB).

The financial statements of EFG Eurobank Ergasias S.A. are available from its head office: 8 Othonos Street, 105 57 Athens, Greece.

17. Segmental reporting

The Company operates one business segment i.e. providing funding to its immediate parent company, EFG Eurobank Ergasias S.A., through floating rate loan notes issued to a wide range of investors.

18. Post balance sheet events

On April 30, 2010 the parent company's credit rating by Moody's was changed to Baa3. On April 27, 2010 the parent company's credit rating has been changed to BB+ by S&P. On April 9, 2010 the parent company's credit rating has been changed to BBB- by Fitch.