



MARFIN BANK

MARFIN PANK EESTI AS

(Marfin Bank Estonia Ltd.)

**Public Interim Report
IV Quarter 2009**

Translation from original in Estonian

Registry code: 10586461
Address: Pärnu mnt 12, 10148 Tallinn, Estonia
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Internet home page: www.marfinbank.ee

SUMMARY INFORMATION

General Data of Credit Institution

Business name	MARFIN PANK EESTI AS
Location and address	Pärnu mnt 12, 10148 Tallinn, Estonia
Country of registration	Republic of Estonia
Registration date	14.10.1999
Registration code	10586461 (Estonian Commercial Register)
Telephone	(+372) 6 802 500
Fax	(+372) 6 802 501
S.W.I.F.T. BIC code	SBMBEE22
E-mail	info@marfinbank.ee
Internet home page	http://www.marfinbank.ee

Auditor

Business name of auditor	Aktsiaselts PricewaterhouseCoopers
Registration code of auditor	10142876
Auditor's location and address	Pärnu mnt 15, 10141 Tallinn, Estonia
Partner in charge	Tiit Raimla
Engagement leader	Relika Mell
Report balance sheet date	31.12.2009
Report period	01.01.2009 – 31.12.2009
Report currency and units	Estonian kroon (EEK), in thousands of kroons
Comparison currency and units	Euro (EUR), in thousands of euros

Bank has not been rated by international rating agencies.

Public Interim Report IV Quarter 2009 of MARFIN PANK EESTI AS is unaudited.
Only the credit institution data and figures are disclosed in the report.

	EEK ths.	EUR ths.
Total assets	739,030	47,233
Net profit / loss	-84,388	-5,393
Return on equity (ROE)	-61.60%	-61.60%
Asset utilisation (AU)	8.43%	8.43%
Overdue claims and loans	116,547	7,449
Loan loss provisions	84,658	5,411
Net own funds	101,989	6,518
Capital adequacy	22.99%	22.99%

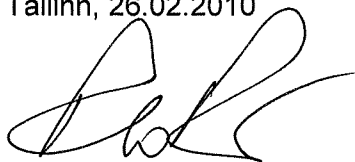
"Public Interim Report III Quarter 2009" of MARFIN PANK EESTI AS is available in the office of MARFIN PANK EESTI in Tallinn, Pärnu mnt 12 and on the Bank's internet web page www.marfinbank.ee from 26.02.2010.

DECLARATION OF THE MANAGEMENT BOARD

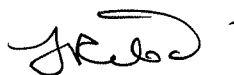
The Management Board of MARFIN PANK EESTI AS is, after examining the information presented in this Public Interim Report, of opinion that:

1. Public Interim Report, consisting of summary information, declaration of the Management Board, management report and financial statements, discloses information meeting the requirements set by the rules of "Public Interim Report".
2. The data and additional information presented in the Public Interim Report is true and complete.
3. Nothing is missing or omitted from the data and information presented in the Public Interim Report, which could influence their content or meaning.
4. Financial statements have been compiled in accordance with International Financial Reporting Standards as adopted by the European Union, and give a true and fair view of the financial position of the bank and of the results of its operations and its cash flows.
5. MARFIN PANK EESTI AS is operating on a going concern basis.

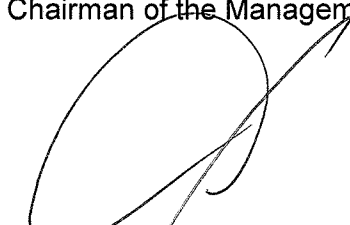
In Tallinn, 26.02.2010



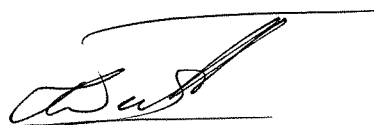
Riho Rasmann
Chairman of the Management Board



Sven Raba
Member of the Management Board



Mart Veskimägi
Member of the Management Board



Roul Tutt
Member of the Management Board

MANAGEMENT REPORT

Description of the Credit Institution and its Management Bodies

MARFIN PANK EESTI AS is a credit institution, established in 1999 and operating in Estonia. MARFIN PANK EESTI AS (hereinafter: the Bank) holds the activity license issued by Estonian Central Bank (the Bank of Estonia), which allows the Bank to engage in all banking operations. Bank has an account manager status of Estonian Central Depository for Securities, is the member of S.W.I.F.T. and pan-Baltic member of NASDAQ OMX Baltic stock exchanges. Bank has joined SEPA (Single Euro Payments Area) systems as an indirect member and the cross-border clearing system TARGET2-Estonia.

MARFIN PANK EESTI AS uses the trademark MARFIN BANK, which is globally used by Marfin Popular Bank group in all international markets.

MARFIN PANK EESTI AS belongs to the banking group of Marfin Popular Bank, registered in Cyprus, and operating in 11 countries with 515 branches. Group has more than 9000 employees. Year 2009 net profit of the Marfin Popular Bank group totalled 186.7 million euros and total assets 41.8 billion euros according to preliminary results. Marfin Popular Bank has a A-3/Prime-1 (outlook: stable) rating by Moody's Investors Service, and BBB+ (outlook: stable) rating by Fitch Ratings.

The owners of MARFIN PANK EESTI AS, as of the report date, are:

52.8379% of shares are owned by Marfin Popular Bank Public Company Ltd. (location Nicosia, Cyprus);

32.4229% of shares are owned by Mr. Nikolaos Sarros (place of residence Athens, Greece);

4.8883% of shares are owned by Sigma Real Estate OÜ (location Tallinn, Estonia), a private limited company under control of Mr. Nikolaos Sarros;

4.8883% is owned by Frösundaviksparken AB (location Ängelholm, Sweden), under control of Mr. Ulrich John;

2.4938% of shares are owned by Mirage Investments OÜ (location Tallinn, Estonia) and

2.4688% is owned by Mr. Emmanouil Karavelakis (place of residence Athens, Greece).

There were no changes in owners in the year 2009.

The Supervisory Board of the Bank has seven members. Mr. Fotios Karatzenis (Chairman of the Supervisory Board), Mr. Nikolaos Sarros (Vice-Chairman of the Supervisory Board), Mr. Efthymios Bouloutas, Mr. Achillefs Giannisis, Mr. Frank Ulrich John, Mr. Emmanouil Karavelakis and Mr. Christos Stylianides were the members of the Supervisory Board as of report date. There were no changes in the Supervisory Board in the year 2009.

The Management Board of the Bank has four members. Mr. Riho Rasmann is the Chairman of the Management Board, and the members of the Management Board are Mr. Sven Raba, Mr. Mart Veskimägi and Mr. Roul Tutt. The Chairman of the Management Board and the members of the Management Board do not own shares neither hold options to acquire shares of the Bank. There were no changes in the Management Board in the year 2009.

The Bank has neither subsidiaries nor participating interests, exceeding 20% shareholding in any company. Bank owns 16% of business development company European Business Development AS.

Major Economic Events

10th year of operations has been a year of fast growth for the Bank, primarily in terms of customer numbers and deposit volumes. Number of customers of the Bank increased 1.3 times during the year, the number of active depositors increased 24%. Deposit growth rate was much higher than the market average, being 1.2 times in client (excluding credit institutions) deposits. Volumes of transactions grew even more. The Bank is still offering free of charge normal EEK payments within Estonia to its customers in its internet bank, and many other fees and commissions are more favourable as well.

Client deposits with the Bank totalled 425.7 million kroons i.e. 27.2 million euros as of 31.12.2009 (357.0 million kroons i.e. 22.8 million euros as of 31.12.2008). Bank continues to pay higher interest rates on time deposits, than the market average.

Gross loan portfolio (excluding deposits with financial institutions and accrued interests) comprised 617.6 million kroons (39.5 million euros), decreasing 5.6% from beginning of year (average of Estonian credit institutions was -8.6%) and forming 83.6% of total assets as at the end of financial year (31.12.2008: 78.9%). Gross loan portfolio amounted 654.0 million kroons i.e. 41.8 million euros as of 31.12.2008. Loans to deposits ratio stood at 1.45 at year-end 2009 (1.83 at year-end 2008).

Significant increase in conservative loan and other loss provisions caused the net loss of the Bank in year 2009, and first write-offs of hopeless claims were made, totalling 1.2 million kroons (0.1 million euros). Net loss of 2009 comprised 84.4 million kroons i.e. 5.4 million euros (net loss of 2008 was 12.4 million kroons i.e. 0.8 million euros). Total assets of the Bank have decreased 9.3% from beginning of the year, reaching 752.5 million kroons i.e. 48.1 million euros as of 31.12.2009 (as of 31.12.2008 the balance sheet total was 829.4 million kroons i.e. 53.0 million euros).

Net interest income of the reporting period was 34.8 million kroons i.e. 2.2 million euros (2008: 43.9 million kroons i.e. 2.8 million euros), earned mostly on loans. Net fees and commissions income totalled 2.3 million kroons i.e. 0.1 million euros (2008: 0.1 million kroons i.e. 0.01 million euros). 3.4 million kroons i.e. 0.2 million euros was earned as dealing profits from FX and securities' transactions (2008: 4.4 million kroons i.e. 0.3 million euros). Total operating income from banking activities comprised 39.4 million kroons i.e. 2.5 million euros in year 2009 compared with 46.3 million kroons i.e. 3.0 million euros year earlier. Administrative expenses of 2009 and 2008 were correspondingly 35.9 million kroons (2.3 million euros) and 37.0 million kroons (2.4 million euros).

Total of 0.8 million kroons (0.05 million euros) of membership fees were calculated to the Supervisory Board members in year 2009, in the same volume as year earlier. No membership fees have been paid to the members of the Management Board. Calculated salaries of the members of the Management Board totalled 3.7 million kroons i.e. 0.2 million euros in year 2009, of employees 12.6 million kroons i.e. 0.8 million euros. Calculated salaries of the members of the Management Board totalled the same in year 2008 as in 2009, of employees 11.9 million kroons (0.8 million euros). Average number of employees was 47 (year earlier also 47), number of employees at the end of year 2009 was 47 (at year-end 2008: 48).

Bank's equity totalled 102.6 million kroons i.e. 6.6 million euros as of 31 December 2009 and the regulatory capital adequacy stood at 22.99% (31.12.2008: 183.8 million kroons i.e. 11.7 million euros, capital adequacy 30.06%). Bank took a 4.0 million euro i.e. 62.6 million kroon subordinated debt from Marfin Egnatia Bank S.A., a bank belonging to the group, in December 2009 to fulfill the prudential ratios and increase the share of long-term funding. This 10-year subordinated loan can be treated as tier 2 own funds. Bank is planning share capital increase in the end of the first quarter of year 2010.

Ratios

		01.01.2009- 31.12.2009	01.01.2008- 31.12.2008
Return on equity	ROE	-61.60%	-6.45%
Equity multiplier	EM	5.69	3.73
Profit margin	PM	-128.53%	-15.74%
Asset utilisation	AU	8.43%	11.00%
Return on assets	ROA	-10.83%	-1.73%
Net interest margin	NIM	3.13%	12.74%
Basic earnings per share	Basic EPS	-4.21	-0.62
Diluted earnings per share	Diluted EPS	-4.21	-0.62
Spread	SPREAD	1.58%	15.08%
Yield on interest-earning assets	YIEA	5.15%	20.27%
Cost of interest-bearing liabilities	COL	3.57%	5.20%

Explanations to ratios

Total income includes the following income items: interest income, fees and commissions income, dealing profits, income from financial investments, other operating income, extraordinary income, income from value adjustments of fixed and intangible assets (+), income from value adjustments of advances and off-balance sheet commitments (+), income from value adjustments of long term financial investments.

ROE	Net profit (loss) / Average equity * 100
EM	Average assets / Average equity
PM	Net profit (loss) / Total income * 100
AU	Total income / Average assets * 100
ROA	Net profit (loss) / Average assets * 100
NIM	Net interest income / Average interest earning assets * 100
Basic EPS	Net profit (loss) / Average number of shares
Diluted EPS	Net profit (loss) / Average number of shares (considering all convertible securities)
SPREAD	Yield on interest earning assets - Cost of interest bearing liabilities = YIEA - COL
YIEA	Interest income / Average interest earning assets * 100
COL	Interest expense / Average interest bearing liabilities * 100

Ratings

MARFIN PANK EESTI AS has not been rated by international rating agencies.

Legal Disputes

The Bank has submitted three statements of claim to the Harju County Court, as of 31 December 2009. Courts are proceeding with sixteen bankruptcy proceedings against both principal obligors and guarantors. Bankruptcy proceedings have ended with abatement due to lack of assets of two legal entities and one private person. Four statements against private persons have been filed for payment order. Execution proceedings are taking place against seven private persons and three legal entities.

There are no court actions filed against the Bank, and Bank's management is not aware, as of report preparation date, of any significant claims for compensation of damages what the third parties would be planning to file against the Bank.

FINANCIAL STATEMENTS

Balance Sheet

	EEK ths.	EEK ths.	EUR ths.	EUR ths.
	31.12.09	31.12.08	31.12.09	31.12.08
ASSETS				
Cash	2,076	1,889	133	121
Loans and advances				
Balances with central bank	107,592	112,350	6,876	7,180
Due from other banks	61,057	47,972	3,902	3,066
Due from customers	555,113	640,107	35,478	40,910
o/w allowance (-)	-84,658	-22,893	-5,411	-1,463
o/w interest	19,101	5,555	1,221	355
Financial assets held for trading	245	910	16	58
Available-for-sale financial assets	2,972	19,137	190	1,223
Property and equipment	2,853	4,518	182	289
Investment properties	4,382	0	280	0
Intangible assets	621	931	40	60
Other assets	2,118	1,536	135	98
TOTAL ASSETS	739,030	829,350	47,233	53,005
LIABILITIES				
Financial liabilities held for trading	112	325	7	21
Financial liabilities measured at amortised cost	566,780	623,550	36,224	39,852
Due to credit institutions	141,043	266,519	9,014	17,034
Incl. Interest payable on credit institutions deposits	62	353	0	0
Due to customers	425,737	357,031	27,210	22,818
Government	1	0	0	0
Financial institutions	29	33	2	2
Companies	246,011	184,854	15,723	11,814
Non-profit organisations	16,148	26,277	1,032	1,679
Private persons	159,547	136,960	10,197	8,753
Incl. Interest payable	4,001	3,817	256	244
Subordinated debt	63,018	0	4,028	0
Borrowed funds from government and foreign aid	1,158	0	74	0
Tax liabilities	825	802	53	51
Other liabilities	4,527	20,894	289	1,335
TOTAL LIABILITIES	636,420	645,571	40,675	41,260
SHAREHOLDERS' EQUITY				
Share capital	200,500	200,500	12,814	12,814
Statutory legal reserve	559	559	36	36
Fair value reserve of available-for-sale financial assets	-338	-3,557	-22	-227
Accumulated deficit	-13,723	-1,353	-877	-86
Profit / loss for the financial year	-84,388	-12,370	-5,393	-791
TOTAL SHAREHOLDERS' EQUITY	102,610	183,779	6,558	11,746
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	739,030	829,350	47,233	53,005

Income Statement

	EEK ths. 01.01.2009- 31.12.2009	EEK ths. 01.10.2009- 31.12.2009	EEK ths. 01.01.2008- 31.12.2008	EEK ths. 01.10.2008- 31.12.2008
Interest income	57,808	17,940	71,509	17,462
From loans	53,849	17,384	62,874	16,129
From deposits	1,231	116	4,007	1,341
From debt securities	1,904	392	3,670	-335
From derivatives	507	44	285	157
Other income	317	4	673	170
Interest expense	23,010	5,323	27,578	8,110
On demand deposits	1,349	222	2,515	843
On time deposits	20,660	4,614	23,935	6,984
On derivatives	534	40	0	-845
From borrowings	467	447	1,128	1,128
Net interest income	34,798	12,617	43,931	9,352
Fees and commissions income	4,371	1,320	2,621	1,061
Account opening and maintenance fees	363	132	339	114
Bank transaction fees	2,941	870	1,845	745
Securities' transaction fees	917	298	346	147
Other fees and commissions income	150	20	91	55
Fees and commissions expense	2,105	662	2,536	590
Securities' transactions expenses	599	188	143	67
Bank transaction expenses	995	342	787	326
S.W.I.F.T. expenses	511	132	426	197
Other fees and commissions expense	0	0	1,180	0
Net fees and commissions expense	2,266	658	85	471
Net trading income/expense	3,480	1,028	4,473	1,385
From foreign exchange	3,436	1,032	4,486	1,437
From shares and debt securities in trading portfolio	44	-4	-13	-52
Other operation expenses	1,131	281	2,188	135
Guarantee Fund payments	16	5	858	3
Financial Supervision Authority fees	862	213	844	215
Tallinn Stock Exchange fees	187	47	186	46
Other operating expenses	66	16	300	-129
Total income	39,413	14,022	46,301	11,073
Administrative expenses	35,926	9,978	36,965	10,477
Personnel expense, payroll related taxes	23,211	6,211	22,672	6,577
Other administrative expense	12,715	3,767	14,293	3,900
Depreciation and amortisation of tangible and intangible assets	-2,373	-481	-2,628	-672
Impairment loss on assets (+/-)	-85,502	-62,064	-19,078	-3,586
Total operating expenses	123,801	72,523	58,671	14,735
NET PROFIT / LOSS FOR THE PERIOD	-84,388	-58,501	-12,370	-3,662
Basic earnings/loss per share	-4.21 EEK		-0.62 EEK	
Diluted earnings/loss per share	-4.21 EEK		-0.62 EEK	

Income Statement

	EUR ths. 01.01.2009- 31.12.2009	EUR ths. 01.10.2009- 31.12.2009	EUR ths. 01.01.2008- 31.12.2008	EUR ths. 01.10.2008- 31.12.2008
Interest income	3,695	1,147	4,570	1,116
From loans	3,442	1,111	4,018	1,031
From deposits	79	7	256	86
From debt securities	122	25	235	-21
From derivatives	32	3	18	10
Other income	20	0	43	11
Interest expense	1,471	340	1,763	518
On demand deposits	86	14	161	54
On time deposits	1,320	295	1,530	446
On derivatives	34	3	0	-54
From borrowings	30	29	72	72
Net interest income	2,224	806	2,808	598
Fees and commissions income	279	84	168	68
Account opening and maintenance fees	23	8	22	7
Bank transaction fees	188	56	118	48
Securities' transaction fees	59	19	22	9
Other fees and commissions income	10	1	6	4
Fees and commissions expense	135	42	162	38
Securities' transactions expenses	38	12	9	4
Bank transaction expenses	64	22	50	21
S.W.I.F.T. expenses	33	8	27	13
Other fees and commissions expense	0	0	75	0
Net fees and commissions expense	145	42	5	30
Net trading income/expense	222	66	286	89
From foreign exchange	220	66	287	92
From shares and debt securities in trading portfolio	3	0	-1	-3
Other operation expenses	72	18	140	9
Guarantee Fund payments	1	0	55	0
Financial Supervision Authority fees	55	14	54	14
Tallinn Stock Exchange fees	12	3	12	3
Other operating expenses	4	1	19	-8
Total income	2,519	896	2,959	708
Administrative expenses	2,296	638	2,362	670
Personnel expense, payroll related taxes	1,483	397	1,449	420
Other administrative expense	813	241	913	249
Depreciation and amortisation of tangible and intangible assets	-152	-31	-168	-43
Impairment loss on assets (+/-)	-5,465	-3,967	-1,219	-229
Total operating expenses	7,912	4,635	3,750	942
NET PROFIT / LOSS FOR THE PERIOD	-5,393	-3,739	-791	-234
Basic earnings/loss per share	-0.27 EUR		-0.02 EUR	
Diluted earnings/loss per share	-0.27 EUR		-0.02 EUR	

Statement of Cash Flows

	EEK ths.	EEK ths.	EUR ths.	EUR ths.
	2009	2008	2009	2008
Cash flows from operating activities	-49,371	23,446	-3,155	1,498
Interests received	44,185	65,007	2,824	4,155
Interests paid	-22,694	-23,186	-1,450	-1,482
Fees and commissions received	4,132	2,371	264	152
Fees and commissions paid	-2,105	-2,536	-135	-162
Administrative expenses	-35,534	-35,028	-2,271	-2,239
Trading income received	3,480	4,473	222	286
Other operating expenses	-1,131	-2,188	-72	-140
Change in operating assets:				
Deposits with credit institutions	397	-36,941	25	-2,361
Loans and claims to customers	33,879	-192,024	2,165	-12,273
Other assets	-259	4,262	-17	272
Securities purchased/sold	-438	363	-28	23
Change in operating liabilities:				
Deposits of credit institutions	-125,185	151,562	-8,001	9,687
Other deposits	68,522	70,500	4,379	4,506
Other liabilities	-16,620	16,811	-1,062	1,074
Cash flows from financing activities	63,744	0	4,074	0
Subordinated loan received	62,586	0	4,000	0
Other borrowings received	2,100	0	134	0
Borrowings repaid	-942	0	-60	0
Cash flows from investing activities	-5,461	-1,835	-349	-117
Purchase of property and equipment	-192	-1,732	-12	-111
Purchase of intangible assets	-212	-103	-14	-7
Purchase of investment properties	-5,057	0	-323	0
Total cash flows	8,912	21,611	570	1,381
Cash and cash equivalents at the beginning of year	67,928	46,317	4,341	2,960
Net change in cash and cash equivalents	8,912	21,611	570	1,381
Cash and cash equivalents at the end of the year*	76,840	67,928	4,911	4,341

* Cash and cash equivalents at the end of the year comprise:

	EEK ths.	EEK ths.	EUR ths.	EUR ths.
	2009	2008	2009	2008
Cash	2,076	1,889	133	121
Surplus of the reserve in the Bank of Estonia	13,706	18,067	876	1,155
Deposits with credit institutions	61,057	47,972	3,902	3,066
Total	76,840	67,928	4,911	4,341

Statement of Changes in Equity

	EEK ths.	EEK ths.	EUR ths.	EUR ths.
	2009	2008	2009	2008
Share capital				
Balance at the beginning of period	200,500	200,500	12,814	12,814
Balance at the end of period	200,500	200,500	12,814	12,814
Other reserves				
Balance at the beginning of period	559	446	36	29
Change in fair value reserve	-338	-3,557	-22	-227
Increase in statutory legal reserve	0	113	0	7
Balance at the end of period	221	-2,998	14	-192
Accumulated deficit				
Balance at the beginning of period	-13,723	-1,353	-877	-86
Profit/loss for the financial year	-84,388	-12,370	-5,393	-791
Balance at the end of period	-98 111	-13,723	-6,270	-877
Total shareholders' equity:				
at the beginning of period	183,779	199,706	11,746	12,764
at the end of period	102,610	183,779	6,558	11,746

Share capital is divided into 20,500,000 common shares with nominal value of 10 Estonian kroons each, and has been paid-in in cash.

According to the articles of association, the minimum share capital of the Bank is 100,000,000 Estonian kroons and maximum share capital is 400,000,000 Estonian kroons.

Contingent Liabilities

	31.12.2009	
	EEK ths.	EUR ths.
	Liabilities	Liabilities
Irrevocable transactions	2,010	128
Guarantees and similar irrevocable transactions	275	18
Unused part of credit lines and overdraft limits	1,735	111
	31.12.2008	
	EEK ths.	EUR ths.
	Liabilities	Liabilities
Irrevocable transactions	19,227	1,229
Guarantees and similar irrevocable transactions	17,191	1,099
Unused part of credit lines and overdraft limits	2,036	130

Currency Risk

EEK and EUR joint position	31.12.2009				
	Balance sheet position		Off-balance sheet position		Net
	long	short	long	short	position
Position, EEK ths.	665,753	289,943	3,524	64,026	315,308
Position, EUR ths.	42,549	18,531	225	4,092	20,152
EEK and EUR joint position	31.12.2008				
	Balance sheet position		Off-balance sheet position		Net
	long	short	long	short	position
Position, EEK ths.	768,908	580,112	41,545	64,164	166,176
Position, EUR ths.	49,142	37,076	2,655	4,101	10,621

The net position of other currencies does not exceed 1% of own funds.

Risk Concentration

	31.12.2009			
	no.	EEK ths.	EUR ths.	% of net own funds
Number of customers (client groups) with high risk concentration	16			
Due from customers with high risk concentration		316,838	20,250	206.42%
Due from persons related with credit institution		8,572	548	5.58%
	31.12.2008			
	no.	EEK ths.	EUR ths.	% of net own funds
Number of customers (client groups) with high risk concentration	13			
Due from customers with high risk concentration		354,910	22,683	194.10%
Due from persons related with credit institution		8,181	523	4.47%

Capital Adequacy

	EEK ths.	EUR ths.	EEK ths.	EUR ths.
	31.12.09	31.12.09	31.12.08	31.12.08
Share capital paid-in	200,500	12,814	200,500	12,814
Other reserves	559	36	559	36
Retained profit/loss of the previous years	-13,723	-877	-1,353	-86
Intangible assets	-621	-40	-931	-60
Net loss of the period	-84,388	-5,393	-12,370	-791
Total tier 1 own funds	102,327	6,540	186,405	11,913
Subordinated debt	62,586	4,000	0	0
Available-for-sale financial instruments	0	0	-1,601	-102
Tier 2 own funds, which exceed the limits	-11,423	-730	0	0
Second level equity	51,163	3,270	0	0
Minimum own funds	153,490	9,810	184,804	11,811
Tier 1 own funds after deductions	102,327	6,540	186,405	11,913
Tier 2 own funds after deductions	51,163	3,270	-1 601	-102
Own funds for capital adequacy calculations	153,490	9,810	186,405	11,913
Credit institutions and investment companies under standard method	1,371	88	3,308	211
Companies under standard method	15,067	963	15,714	1,004
Mass claims under standard method	16,635	1,063	29,959	1,915
Claims backed by mortgages under standard method	2,789	178	3,203	205
Overdue claims under standard method	19,266	1,231	4,852	310
Other assets under standard method	941	60	851	54
Total capital requirement for credit risk and counterparty credit risk	56,069	3,583	57,888	3,700
Operational risk base method	5,797	370	4,116	263
Total capital requirement for operational risk	5,797	370	4 116	263
Capital requirements for adequacy calculations	61,866	3,954	62,004	3,963
Capital adequacy	24.81%	24.81%	30.06%	30.06%

Minimum capital adequacy ratio, as required by the Bank of Estonia, is 10%.

Bank is publishing information on risk management, own funds and capital adequacy in the annual reports and interim reports on the web page of the Bank following the decree of the Governor of the Bank of Estonia. Capital adequacy requirement is applied to MARFIN PANK EESTI AS; there is no consolidation group as the Bank has no subsidiaries. Consolidation group definition applied in capital adequacy calculation does not differ from the consolidation group definition used in the compilation of the financial statements.

The amount of capital requirement to cover currency risk and commodities risk is zero.

New capital adequacy calculation directive Basel II is in force from 01.01.2008. Bank uses standard method for calculating capital requirements for credit risk and base method for calculating capital requirement for operational risk. Estonian Financial Supervisory Authority has made an exemption freeing the Bank from capital requirement to cover trading portfolio risks as per Credit Institutions Act § 79 clause 2 sub-clauses 2 and 3 from 01.01.2008.