



ALPHA BANK

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Press Release

Alpha Bank announces a targeted Euro 1.66 billion offering of new shares for cash (“Offering”) as a part of its Euro 2.74 billion Capital Strengthening Plan in order to address the outcome of the SSM’s Comprehensive Assessment in Adverse Scenario

Following its decision to call an Extraordinary General Meeting (“EGM”) for 14 November 2015 to approve a comprehensive Capital Strengthening Plan (“Capital Plan”), Alpha Bank hereby announces its intention to proceed with an offering of new shares for cash (“Offering”) targeting an amount of Euro 1.66 billion.

Capital Plan details and expected outcome

The Capital Plan is aimed to cover Alpha Bank's capital needs as recently determined by the SSM's Comprehensive Assessment which, including the Adverse Scenario, amount to Euro 2.74 billion. The Capital Plan consists of:

- An Offering of new shares for cash targeting Euro 1.66 billion to be completed as an offering through an international bookbuilding to Qualified Investors and other eligible investors, a process expected to be completed on 16 November 2015¹. Pre-emption rights in the Offering are expected to be abolished at the EGM.
- Already announced and ongoing Liability Management Exercise (“LME”), which is expected to generate additional capital benefit for an amount of up to Euro 1.1 billion. The expiration of the offer is expected to be on 12 November 2015.
- Any part of the adverse scenario capital shortfall not addressed by the Offering and LME is expected to result in the provision of State Aid, in the form of precautionary capital support. As a strict statutory precondition to the release of any such precautionary capital support senior, subordinated and hybrid instruments of Alpha Bank, not tendered in the LME, are expected to be converted into equity.

The HFSF will provide the precautionary capital support, if any, at a ratio of 25% new Ordinary Shares and 75% Contingent Convertible Securities (“CoCos”). CoCos are expected to qualify as CET 1 instruments, will bear a coupon of 8% payable in cash or shares, repayable by the issuer at any date (subject to regulatory approval) and convertible at 116% of their nominal value to shares at the capital increase issue price.

¹ Subject to acceleration.



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The Capital Plan is intended to strengthen Alpha Bank's balance sheet with high-quality capital and to minimise the requirement for State Aid. Upon completion of this exercise, Alpha Bank is expected to have a pro forma Tangible Book Value of Euro 9.3 billion and phased-in CET1 Ratio of 17.7%.

EGM invitation

The Board of Directors of Alpha Bank expects the results of the Offering and Capital Strengthening Plan to be approved at the EGM of 14 November 2015. Subsequently, and subject to the EGM's decisions on the proposed reverse stock split, and the issuance of relevant regulatory approvals, settlement and trading of new shares are expected to take place in the week of 23 November 2015.

Syndicate

Citigroup Global Markets Ltd and J.P. Morgan Securities plc are acting as Joint Global Coordinators and, together with Barclays Bank PLC, as Joint Bookrunners. BNP PARIBAS, COMMERZBANK, Nomura International plc and Keefe, Bruyette & Woods, a Stifel Company are acting as Co-Lead Managers. Alpha Finance, Axia Ventures Group and Investment Bank of Greece are acting as Advisors to Alpha Bank.

Athens, November 11, 2015



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