

# Press Release

## Nine Month 2018 Profit After Tax<sup>1</sup> at Euro 53.4 million

### Main Highlights

- Sector leading capital position with Common Equity Tier 1 ratio (CET 1) at 18.3%; Tangible Book Value at Euro 7.8 billion.
- Continued progress on Asset Quality with NPEs declining by Euro 4.4 billion and NPLs down Euro 3.6 billion in Greece y-o-y. The NPE ratio in Greece at the end of September 2018 stood at 49.5% vs. 53.7% in September 2017.
- Liquidity position continued to improve with Group deposits up by Euro 1.5 billion q-o-q, to Euro 38.6 billion at the end of September 2018. Deposits in Greece up by a further Euro 0.4 billion q-t-d. Loan to Deposit ratio for the Group reduced further to 106% in September 2018 vs. 129% a year ago.
- Significant reduction in Eurosystem funding, down by Euro 6.3 billion y-t-d. In November 2018, liquidity drawn from ECB maintained at Euro 3.1 billion, while ELA further reduced to Euro 0.8 billion from Euro 8.4 billion at the end of Q3 2017.
- NII at Euro 1,329.4 million, down 9.1% y-o-y, mainly due to a lower contribution from loans.
- Income from financial operations in Q3 2018 of Euro 134.8 million, primarily attributed to realisation of gains from our Greek Government Bonds portfolio. Total income from financial operations for 9M 2018 at Euro 398.4 million.
- Pre-Provision Income at Euro 1.2 billion, up by 16.1% y-o-y following strong trading gains.
- Impairment losses on loans at Euro 944.1 million in 9M 2018 vs. Euro 761.7 million in 9M 2017 (+24% y-o-y), implying a Cost of Risk (CoR) of 229bps over gross loans.
- Profit Before Tax at Euro 163.4 million for 9M 2018. Income Tax for the Group stood at Euro 110.1 million in 9M 2018, driven by higher taxable profits.
- Profit After Tax at Euro 53.4 million vs. Euro 85.1 million in 9M 2017.

### Alpha Bank's CEO, Demetrios P. Mantzounis stated:

*"We continue to make progress in de-risking the balance sheet by further reducing NPEs, while we are expanding the restructuring solutions offered from our network to borrowers. Our liquidity profile continues to improve with increasing deposits and reduced reliance on ELA, while our capital position remains the strongest amongst Greek banks. Operational performance has been resilient, supported by strong gains from our bond portfolio, despite pressure on NII arising from lower interest revenues as we continue to deleverage. We remain focused on improving the profitability of the Group, which is still affected from an elevated level of impairments and enhancing value for our Shareholders".*

<sup>1</sup>Profit After Tax attributable to Shareholders.

**KEY FINANCIAL DATA**

| (in Euro million)   | Nine Months ending (YoY) |                  |                  | Quarter ending (QoQ) |                   |                |
|---|--------------------------|------------------|------------------|----------------------|-------------------|----------------|
|   | 30.9.2018                | 30.9.2017        | YoY (%)          | 30.9.2018            | 30.6.2018         | QoQ (%)        |
| Net Interest Income   | 1,329.4                  | 1,463.0          | (9.1%)           | 426.6                | 459.0             | (7.1%)         |
| Net fee & commission income                                       | 247.9                    | 240.8            | 2.9%             | 78.9                 | 84.6              | (6.7%)         |
| Income from financial operations                                  | 398.4                    | 115.9            | ...              | 134.8                | 77.5              | ...            |
| Other income  | 27.3                     | 42.5             | (35.7%)          | 8.9                  | 10.3              | ...            |
| Operating Income  | 2,003.0                  | 1,862.2          | 7.6%             | 649.2                | 631.4             | 2.8%           |
| <b>Core Operating Income</b>                                      | <b>1,604.6</b>           | <b>1,746.3</b>   | <b>(8.1%)</b>    | <b>514.5</b>         | <b>553.9</b>      | <b>(7.1%)</b>  |
| Staff Costs   | (349.8)                  | (353.8)          | (1.1%)           | (115.7)              | (117.7)           | (1.6%)         |
| General Expenses  | (388.2)                  | (394.9)          | (1.7%)           | (132.8)              | (129.1)           | 2.9%           |
| Depreciation & Amortisation expenses                              | (76.1)                   | (74.4)           | 2.3%             | (26.0)               | (25.1)            | 3.6%           |
| <b>Recurring Operating Expenses<sup>1</sup></b>                   | <b>(814.1)</b>           | <b>(823.1)</b>   | <b>(1.1%)</b>    | <b>(274.5)</b>       | <b>(271.8)</b>    | <b>1.0%</b>    |
| Integration costs   | (0.4)                    | (1.4)            | ...              | (0.1)                | (0.1)             | ...            |
| Extraordinary costs   | (12.0)                   | (24.1)           | ...              | (0.8)                | (8.8)             | ...            |
| <b>Total Operating Expenses</b>                                   | <b>(826.5)</b>           | <b>(848.6)</b>   | <b>(2.6%)</b>    | <b>(275.4)</b>       | <b>(280.7)</b>    | <b>(1.9%)</b>  |
| <b>Core Pre-Provision Income</b>                                  | <b>790.6</b>             | <b>923.2</b>     | <b>(14.4%)</b>   | <b>240.0</b>         | <b>282.1</b>      | <b>(14.9%)</b> |
| <b>Pre-Provision Income</b>                                       | <b>1,176.5</b>           | <b>1,013.6</b>   | <b>16.1%</b>     | <b>373.8</b>         | <b>350.7</b>      | <b>6.6%</b>    |
| Impairment Losses on loans  | (944.1)                  | (761.7)          | 24.0%            | (294.6)              | (313.7)           | (6.1%)         |
| Other Impairment losses   | (69.0)                   | 0.0              | ...              | (19.0)               | (43.0)            | ...            |
| <b>Profit/ (Loss) Before Tax</b>                                  | <b>163.4</b>             | <b>251.9</b>     | ...              | <b>60.2</b>          | <b>(6.1)</b>      | ...            |
| Income Tax <sup>2</sup>   | (110.1)                  | (98.3)           | ...              | (19.2)               | (46.8)            | ...            |
| <b>Profit/ (Loss) after income tax from continuing operations</b> | <b>53.3</b>              | <b>153.5</b>     | ...              | <b>41.0</b>          | <b>(52.9)</b>     | ...            |
| Profit/ (Loss) after income tax from discontinued operations      | 0.0                      | (68.5)           | ...              | 0.0                  | 0.0               | ...            |
| <b>Profit/ (Loss) After Tax</b>                                   | <b>53.3</b>              | <b>85.1</b>      | ...              | <b>41.0</b>          | <b>(52.9)</b>     | ...            |
| <b>Profit/ (Loss) After Tax attributable to shareholders</b>      | <b>53.4</b>              | <b>85.1</b>      | ...              | <b>41.1</b>          | <b>(52.9)</b>     | ...            |
|   | <b>30.9.2018</b>         | <b>30.9.2017</b> |                  | <b>30.9.2018</b>     | <b>30.06.2018</b> |                |
| <b>Net Interest Margin (NIM)</b>                                  | 2.9%                     | 3.1%             |                  | 2.9%                 | 3.1%              |                |
| <b>Recurring Cost to Income Ratio</b>                             | 50.7%                    | 47.1%            |                  | 53.4%                | 49.1%             |                |
| <b>Common Equity Tier 1 (CET1)<sup>3</sup></b>                    | 18.3%                    | 17.8%            |                  | 18.3%                | 18.5%             |                |
| <b>Loan to Deposit Ratio (LDR)</b>                                | 106%                     | 129%             |                  | 106%                 | 111%              |                |
|   | <b>30.9.2018</b>         | <b>30.6.2018</b> | <b>31.3.2018</b> | <b>31.12.2017</b>    | <b>30.9.2017</b>  | <b>YoY (%)</b> |
| <b>Total Assets</b>   | 60,266                   | 59,013           | 59,327           | 60,813               | 61,290            | (1.7%)         |
| <b>Net Loans</b>  | 40,751                   | 41,207           | 41,524           | 43,318               | 43,567            | (6.5%)         |
| <b>Securities</b>   | 6,048                    | 5,583            | 5,511            | 5,885                | 6,539             | (7.5%)         |
| <b>Deposits</b>   | 38,581                   | 37,059           | 35,899           | 34,890               | 33,900            | 13.8%          |
| <b>Shareholders' Equity<sup>4</sup></b>                           | 8,165                    | 8,250            | 8,333            | 9,583                | 9,400             | (13.1%)        |
| <b>Tangible Equity</b>  | 7,751                    | 7,845            | 7,933            | 9,193                | 9,019             | (14.1%)        |

<sup>1</sup> 9M 2017 comparative figures have been restated due to reclassification of integration costs.

<sup>2</sup> Income tax in Q2 2018 affected by higher taxable, compared to accounting, profits and a one off tax expense of Euro 16 million derived from a recent amendment in Romanian legislation related to sales of loans.

<sup>3</sup> CET1 ratio for Q3 2018 includes the unaudited profit for the period.

<sup>4</sup> Figures as of December 2017 are pro forma for IFRS 9 adoption.

## Key Developments and Performance Overview

### Fiscal over-performance maintained while the robust growth dynamics positively affect both labour and real estate markets

The Greek economy continued to grow in the first half of 2018 at a faster pace, as real GDP increased by 2.2% y-o-y, from 1.5% in 2017. This recovery is mainly driven by (i) net exports of goods and services, and, (ii) the rebound of private consumption, supported by the employment gains. These favourable growth dynamics are reflected in both the labour and real estate markets. Unemployment rate fell to 18.9% in August 2018, down by 9 percentage points from its historical peak in mid-2013, while house price index increased for the first time since 2009, by 1.3% y-o-y in the 9M of 2018.

Greece successfully concluded its third economic programme in August 2018 albeit Greek bond yields remain elevated, as a result of the spillover effects from the debate on the Italian fiscal policy stance. Confidence is expected to be gradually restored as the accumulated cash buffer of the Greek state provides an adequate breathing space for the forthcoming state financing needs while the general government balance is projected to record the third-in-a-row surplus in the current year. Moreover, the focus on the privatisation programme and the projected infrastructure projects - where progress so far fell short of expectations - may stimulate confidence and FDI inflows, while the clearance of government arrears to the private sector (Euro 2.6 billion in September 2018) is expected to further improve liquidity conditions.

### Sector leading capital position with CET1 ratio at 18.3% at the end of Q3 2018

At the end of September 2018, Alpha Bank's **Common Equity Tier 1 (CET1)** stood at Euro 8.8 billion, resulting in a CET1 ratio of 18.3%, down by 22 bps q-o-q due to the lower valuation of our AFS portfolio, which more than offset the benefit from the period profit. Our **fully loaded Basel III CET1** ratio, taking into account the 5-year amortisation for the implementation of IFRS 9, stands at 15.2%. Deferred Tax Assets at the end of September 2018 stood at Euro 4.8 billion, with the eligible amount to be converted to tax credit claims at Euro 3.3 billion. Tangible Book Value at the end of September 2018 was the highest among Greek banks, at Euro 7.8 billion. Tangible Book Value per Share stood at Euro 5.0.

Our **RWAs** at the end of September 2018 amounted to Euro 48.2 billion, up by 0.2% q-o-q or Euro 0.1 billion, mainly on the back of higher market risk contribution.

### Improving Liquidity Profile and Funding Mix in Q3 2018

In Q3 2018, our **Central Bank reliance** decreased further by Euro 1.7 billion q-o-q, to Euro 4.2 billion, supported primarily by deposit inflows in Greece of Euro 1.2 billion and the increase of repos and other interbank transactions by Euro 0.7 billion. The Bank's reliance on ELA stood at Euro 1.1 billion at the end of September 2018, down by Euro 5.9 billion from year-end 2017, while our reliance on the ECB was maintained at Euro 3.1 billion, despite the ECB's suspension of waiver on August 21 following Greece's exit from the adjustment programme. In November 2018, ELA reliance was further reduced to Euro 0.8 billion.

Our open market repo transactions stood at Euro 5 billion at the end of Q3 2018.

### Lower NII in Q3 2018 mainly due to declining contribution from loans

**Net Interest Income** in Q3 2018 stood at Euro 426.6 million, down by 3.5% q-o-q, or Euro 15.7 million, not taking into account the one-off positive impact of the Euro 16.7 million, booked in Q2 2018, in relation to the retrospective application of ECB's TLTRO-II funding rate.

The reduction in NII mainly stems from lower average loan balances and spread reduction in Q3 2018 which had a negative effect of Euro 14.1 million. Funding cost de-escalation continued in Q3 2018, driven by reduced ELA reliance as well as an increase of interbank repos, contributing Euro 5.6 million to NII. A moderate decrease in wholesale funding cost is expected in Q4 2018 as ELA approaches full elimination.

**In 9M 2018, fee generation and gains from financial operations further supported our Operating Income**

**Net fee and commission income** stood at Euro 247.9 million in 9M 2018, up by 2.9% y-o-y, on the back of higher fees from credit cards, as well as a higher contribution of private banking and brokerage. **Income from financial operations** amounted to Euro 398.4 million, compared to Euro 115.9 million in 9M 2017, positively affected by gains from financial operations primarily attributed to gains realisation from our Greek Government Bonds portfolio. **Other income** stood at Euro 27.3 million.

**Recurring Operating expenses decrease by 1.1% y-o-y**

**Recurring operating expenses** continued to decline, down 1.1% y-o-y to Euro 814.1 million, mainly as a result of lower staff costs, with the corresponding Cost to Income ratio at 50.7%. At the end of September 2018, **Personnel expenses** amounted to Euro 349.8 million, down 1.1% y-o-y, due to headcount reduction. Group headcount was reduced from 11,859 in September 2017 to 11,358 Employees at the end of September 2018 (-4.2% y-o-y), mainly on the back of the VSS implemented in our operations in Greece during 2018. Staff exits in 2018 are expected to reach 765 employees, taking into account the Voluntary Separation Scheme (VSS) in June 2018, with an estimated annualised benefit of Euro 30 million. **General expenses** amounted to Euro 388.2 million, down by 1.7% y-o-y. The Group Network, at the end of September 2018, declined to a total of 643 Branches, from 676 in September 2017, as a result of the ongoing platform rationalisation in Greece.

**Retail Transformation Plan: Positive first signs on receptiveness and long-term modifications**

The Bank launched a new NPE Retail Transformation Plan to accelerate its restructuring efficiency through a recalibrated product suit matched with portfolio segments. The plan consists of new flexible, upgraded and new restructuring products, based on customers' ability to pay, aiming at the long term viability of the solutions offered. The implementation phase has started in July; early signs are positive in terms of customers' receptiveness and volume of modifications.

**Successful conclusion of binding agreement for the disposal of two Non-Performing Loan Portfolios**

On November 29, 2018, Alpha Bank has entered into a binding agreement for the disposal of two Non-Performing Loan portfolios: firstly, a portfolio of Greek SMEs mainly secured with real estate assets together with repossessed real estate assets (REO) in Greece of total on-balance sheet gross book value circa Euro 1 billion and Euro 56 million, respectively ("Project Jupiter"), and, secondly, a portfolio of Non Performing unsecured consumer and small business loans with total outstanding principal amount, as of 31.3.2018, of circa Euro 1.3 billion ("Project Mercury"). The completion of both transactions is expected to take place by the end of 2018, with the REO disposal expected to be concluded by 2019. Both transactions are expected to have a positive impact for the Bank in terms of financial results, capital and liquidity.

**NPEs down by Euro 2.1 billion in Greece q-o-q**

Our **NPE stock in Greece** contracted by Euro 4.4 billion y-o-y or Euro 2.1 billion in Q3 2018, bringing the total stock down to Euro 22.5 billion at the end of Q3 2018. This mainly reflects the classification to the Held for Sale category of selected non-performing portfolios falling within the perimeter of designated sale transactions, in view of their expected disposal. Group **NPE ratio** at the end of September 2018 stood at 49.9%, down by circa 2pps q-o-q, with NPE coverage at 47.3%.

Our **NPL balances in Greece** also continued to decline with stock down by Euro 1.6 billion q-o-q or Euro 3.6 billion y-o-y, to Euro 14.9 billion.

At the end of September 2018, our **Group NPL ratio** stood at 34.1% vs 35.6% in the previous quarter. NPL coverage ratio stood at 69%, while the total coverage including collateral stood at 126%.

From a segment perspective, at the end of September 2018, business, mortgages and consumer **NPL ratio** for the Group stood at 31.8%, 37.5% and 34.5%, while their cash coverage stood at 81%, 47% and 91%, respectively.

**CoR declined to 217bps over gross loans in Q3 2018 vs. 226bps in the previous quarter**

In Q3 2018, **impairment losses on loans and advances**<sup>1</sup> amounted to Euro 294.6 million, vs. Euro 313.7 million in Q2 2018, implying a CoR of 217bps over gross loans. **Other impairment losses** stood at Euro 19 million.

At the end of September 2018, **accumulated provisions** for the Group amounted to Euro 12.6 billion, while the ratio of loan loss reserves over gross loans stood at 23.6%.

**Corporate credit demand continued to pick up leading to new financing of Euro 2 billion in 9M 2018**

**Gross loans** of the Group amounted to Euro 53.2 billion as of the end of September 2018, down by Euro 2.2 billion q-o-q, as a result of the classification of Euro 2.1 billion as Held for Sale of selected loan portfolios falling within the perimeter of designated sale transactions in view of their expected disposal. Loan balances in Greece stood at Euro 45.4 billion down by Euro 2.1 billion q-o-q, while in SEE, loans amounted to Euro 7.6 billion, down by Euro 0.1 billion q-o-q.

In Q3 2018, Alpha Bank continued to extend credit to sectors where loan demand is strong. Within 9M 2018, new loan disbursements, mainly to corporates of the private sector, reached Euro 2 billion, primarily to sectors such as trade, manufacturing, transportation and tourism.

**Steady deposit inflows in Q3 2018 from both businesses & households allow for further rationalisation of Group's funding profile**

In Q3 2018, our **Group deposit base** recorded inflows of Euro 1.5 billion. In Greece, deposit balances increased by Euro 1.2 billion or 3.9% q-o-q to Euro 32.7 billion, reflecting the further restoration of confidence, the easing of liquidity conditions in the economy and the strong tourist season, out of which Euro 0.5 billion was attributed to inflows from households and Euro 0.8 billion from businesses and State deposits. Domestic inflows from households continued to outperform the system-wide increase, leading to a further gain in the respective market share. Deposits in SEE reached Euro 5.0 billion at the end of September 2018, with inflows of Euro 240 million, as a result of inflows mainly of time deposits in our Romanian operations.

The **Loan to Deposit Ratio** for the Group, at the end of September 2018, declined further to 106% from 111% at the end of Q2 2018 and respectively for Greece to 107%, down from 113% at the end of June 2018, significantly below our Loan to Deposit ratio target as per our restructuring plan.

**Operations in SEE**

In **SEE**, our Operating Income amounted to Euro 176.8 million in 9M 2018, down by 15.8% y-o-y, negatively affected by the lower Net Interest Income as a result of lower loan volumes mainly in Cyprus as well as asset spread compression. Our Pre-Provision Income stood at Euro 48.1 million, down by 46.2% y-o-y. In 9M 2018, our SEE operations posted losses of Euro 128.5 million before tax, also negatively influenced by the high level of impairments on loans which stood at Euro 176 million in 9M 2018, largely related to our operations in Cyprus and implying a CoR of 305bps over gross loans.

In **Cyprus**, the loan portfolio in Q3 2018 amounted to Euro 4.7 billion (-8.1% y-o-y), while deposit balances increased by Euro 35 million y-o-y (+1.6% y-o-y) to Euro 2.2 billion. In **Romania**, loan balances decreased by Euro 225 million y-o-y to Euro 2.6 billion, while deposits increased by Euro 420 million y-o-y (+22.4% y-o-y) to Euro 2.3 billion. In **Albania**, loans stood at Euro 307 million, (-7.7% y-o-y) and deposits increased to Euro 488 million (+4.7% y-o-y). The **Loan to Deposit Ratio** in SEE operations improved to 103% at the end of September 2018, down from 126% the previous year.

Athens, November 29, 2018

<sup>1</sup> Including provisions for off balance sheet items of Euro 81.1 million in Greece and Euro 88.2 for the Group as of September 2018.

## Glossary

### Reconciliation of key Management's definitions with 'Annual report (In accordance with Law 3556/2007)'

| Terms   | Definition  | Abbreviation   |
|---|---|----------------|
| 1 Accumulated Provisions or Loan Loss Reserve | Accumulated Impairment Allowance, as disclosed for credit risk monitoring purposes (note 41)                      | LLR            |
| 2 Core Operating Income                       | Operating Income (5) less Income from financial operations  |                |
| 3 Gross Loans                                 | Total gross amount of Loans and Advances to Customers, as disclosed for credit risk monitoring purposes (note 41) |                |
| 4 Impairment losses or Loan Loss Provisions   | Impairment losses and provisions to cover credit risk   | LLPs           |
| 5 Operating Income                            | Total income plus Share of profit/(loss) of associates and joint ventures   |                |
| 6 Recurring Operating Expenses                | Total Operating Expenses (7) less Integration, Extraordinary Costs and One-Offs                                   | Recurring OPEX |
| 7 Total Operating Expenses                    | Total expenses  | Total OPEX     |

### Alternative Performance Measures (APMs)

| APMs                                      | Definition   | Abbreviation        |
|---|--|---------------------|
| Common Equity Tier 1 ratio (Fully-loaded) | Common Equity Tier 1 regulatory capital as defined by Regulation No 575/2013 (Full implementation of Basel 3), divided by total Risk Weighted Assets (RWAs)  | FL CET 1 ratio      |
| Common Equity Tier 1 ratio (Phased-in)    | Common Equity Tier 1 regulatory capital as defined by Regulation No 575/2013, as amended, based on the transitional rules, divided by total Risk Weighted Assets (RWAs)  | CET1 ratio          |
| Core Pre-Provision Income                 | Core Operating Income (2) for the period less Recurring Operating Expenses (6) for the period  | Core PPI            |
| Cost of Risk                              | Impairment losses (4) for the period divided by the average Gross Loans (3) of the relevant period   | CoR                 |
| Forborne Exposures                        | Forborne exposures are debt contracts in respect of which forbearance measures have been extended. Forbearance measures consist of concessions towards a debtor facing or about to face difficulties in meeting its financial commitments ("financial difficulties")   | Forborne            |
| Forborne Non Performing loans (under EBA) | Forborne non-performing exposures comprise the following:<br>a) Exposures that are classified as non-performing due to the extension of forbearance measures<br>b) Exposures that were non-performing prior to the extension of forbearance measures<br>c) Forborne exposures which have been reclassified from the forborne performing category, either due to the extension of additional forbearance measures or due to becoming more than 30 days past-due | FNPEs               |
| Loan Loss Reserves over Loans             | Accumulated Provisions (1) divided by Gross Loans (4) at the end of the reported period  |                     |
| Loan to Deposit ratio                     | Net Loans divided by Deposits at the end of the reported period  | LDR or L/D ratio    |
| Net Interest Margin                       | Net Interest Income for the period, annualised and divided by the average Total Assets of the relevant period  | NIM                 |
| Net Loans                                 | Gross Loans (3) at the end of the period less Accumulated Provisions (1) at the end of the period  |                     |
| Non Performing Exposures                  | Non-performing exposures are those that satisfy either or both of the following criteria:<br>a) Exposures which are more than 90 days past-due<br>b) The debtor is assessed as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past-due amount or of the number of days past due  | NPEs                |
| Non Performing Exposure Coverage          | Accumulated Provisions (1) divided by Non Performing Exposures (NPEs) at the end of the reference period   | NPE (cash) coverage |
| Non Performing Exposure ratio             | Non Performing Exposures (NPEs) divided by Gross Loans (3) at the end of the reference period  | NPE ratio           |
| Non Performing Exposure Total Coverage    | Accumulated Provisions (1) including the value of the associated collaterals divided by Non Performing Exposures (NPEs) at the end of the reported period  | NPE Total coverage  |
| Non Performing Loans (under EBA)          | The part of the Non Performing Exposures (under EBA) that are not classified as Forborne   | EBA NPLs            |
| Non Performing Loans (under IFRS)         | Non Performing Loans (under IFRS) are considered those if one of the following conditions apply: a) Exposures which are more than 90 days past-due b) Exposures under Legal actions  | NPLs                |
| Non Performing Loan Coverage              | Accumulated Provisions (1) divided by Non Performing Loans (under IFRS) at the end of the reference period   | NPL (cash) Coverage |
| Non Performing Loan ratio                 | Non Performing Loans (under IFRS) divided by Gross Loans (3) at the end of the reference period  | NPL ratio           |
| Non Performing Loan Total Coverage        | Accumulated Provisions (1) including the value of the associated collaterals divided by Non Performing Loans (under IFRS) at the end of the reference period   | NPL Total Coverage  |
| Pre-Provision Income                      | Operating Income (5) for the period less Total Operating Expenses (7) for the period   | PPI                 |
| Recurring Cost to Income ratio            | Recurring Operating Expenses (6) for the period divided by Core Operating Income (2) for the period  | C/I ratio           |
| Remedial Management Costs                 | Operational costs related to NPL management initiatives (eg. Collection costs, Legal costs, etc.)  |                     |
| Risk Weighted Assets                      | Risk-weighted assets are the bank's assets and off-balance sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013, taking into account credit, market and operational risk   | RWAs                |
| Tangible Book Value per share             | Tangible Book Value per share is the Total Equity attributable to shareholders excluding Goodwill and other intangible assets, minorities, hybrids and preference shares divided by the outstanding number of shares   | TBV/share           |
| Tangible Equity or Tangible Book Value    | Tangible Equity is the Total Equity attributable to shareholders excluding goodwill, intangibles, minorities, hybrids, preference shares   | TE or TBV           |
| Unlikely to pay (under EBA)               | The debtor is assessed as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past-due amount or of the number of days past due (Article 178(3) of Regulation (EU) 575/2013)  | Utp                 |

**The Bank**

The Alpha Bank Group is one of the leading Groups of the financial sector in Greece. The Group offers a wide range of high-quality financial products and services, including retail banking, SMEs and corporate banking, asset management and private banking, the distribution of insurance products, investment banking, brokerage and real estate management.

The Parent Company and main Bank of the Group is Alpha Bank, which was founded in 1879 by J.F. Costopoulos. Alpha Bank constitutes a consistent point of reference in the Greek banking system with one of the highest capital adequacy ratios in Europe.

**ENQUIRIES****Alpha Bank**

Dimitrios Kostopoulos  
Manager  
Investor Relations Division

Elena Katopodi  
Assistant Manager  
Investor Relations Division

**Finsbury**

Edward Simpkins/Andrew Hughes  
Tel. +44 207 251 3801

---

E-mail: [ir@alpha.gr](mailto:ir@alpha.gr)

Tel: +30 210 326 2271  
+30 210 326 2274  
+30 210 326 2276

+30 210 326 2272  
+30 210 326 2273  
+30 210 326 2277

**Disclaimer**

No representation or warranty, express or implied, is or will be made in relation to, and no responsibility is or will be accepted by Alpha Bank S.A. as to the accuracy or completeness of the information contained in this press release and nothing in this press release shall be deemed to constitute such a representation or warranty.

Although the statements of fact and certain industry, market and competitive data in this announcement have been obtained from and are based upon sources that are believed to be reliable, their accuracy is not guaranteed and any such information may be incomplete or condensed. All opinions and estimates included in this press release are subject to change without notice. Alpha Bank S.A. is under no obligation to update or keep current the information contained herein.

Certain statements in this press release are forward-looking statements with respect to certain future events and potential financial performance. Although Alpha Bank S.A. believes that these statements are based on reasonable assumptions, these forward-looking statements, by their nature, involve risks, assumptions, and uncertainties that could significantly affect expected results and no representation or warranty is made or given as to their achievement or reasonableness. The risk exists that these statements may not be fulfilled as they may be influenced by several factors including, but not limited to, fluctuations in interest rates, exchange rates and stock indices, as well as changes in economic, political, regulatory and technological conditions. Readers are cautioned not to place undue reliance on such forward-looking statements and should conduct their own investigation and analysis of the information contained in this press release. Alpha Bank S.A. disclaims any obligation to update any forward-looking statements contained herein, except as required pursuant to applicable law. Neither this press release nor any of the information contained herein constitutes an offer to sell or the solicitation of an offer to buy any securities.