ALPHA BANK

Press Release

Full Year 2017 Profit after Tax[1] at Euro 89.5 million

Main Highlights

- Strong capital position with Common Equity Tier 1 ratio (CET 1) at 18.3%; Tangible Book Value at Euro 9.2 billion, the highest among Greek banks. Taking into account IFRS 9 impact of Euro 1.1 billion post tax and allowing for transitional arrangements for 2018, pro-forma phased-in CET 1 ratio stands at 18.3%.
- Continued progress on Asset Quality with a contraction of our NPE stock in Greece by Euro 2.6 billion y-o-y and Euro 1.8 billion in Q4 2017.
- Group deposits at Euro 34.9 billion at the end of December 2017, up by Euro 1.9 billion y-o-y and Euro 1 billion in Q4 2017.
- Significant reduction in Eurosystem funding, down by Euro 8.2 billion y-o-y. At the end of December 2017, reliance on ELA stood at Euro 7 billion, down from Euro 13.2 billion a year ago.
- Core Pre-Provision Income at Euro 1.2 billion, stable y-o-y, despite balance sheet deleveraging.
- Improved operating efficiency, with Cost to Income ratio reduced to 47.6% vs. 48.2% a year ago.
- Loan Loss Provisions at Euro 1 billion in 2017, down by 13.9% y-o-y, implying a Cost of Risk (CoR) of 172bps vs 191bps in 2016.
- Profit after Tax from continuing operations at Euro 89.5 million for FY 2017 vs. Euro 19.5 in FY 2016. After the impact from discontinued operations, Profit after Tax in 2017 at Euro 21.1 million.
- In March 2018, Alpha Bank signed a binding agreement for the disposal of a Portfolio of Retail Unsecured Non Performing Loans of a total outstanding aggregate balance of Euro 3.7 billion.

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

"2017 was a pivotal year for Alpha Bank, with our yearly financial results indicating improvement in all areas. We have strengthened our capital ratios, reduced our Eurosystem reliance and contained costs. We are also constantly improving Customer experience, investing in our platform in order to offer a comprehensive multi-channel approach across mobile, online, telephone and Branch services. In 2017, we continued to support the Greek economy as we disbursed loans amounting to Euro 2.1 billion to the private sector. We also took a number of decisive actions to de-risk our balance sheet. The sale of more than Euro 400 million of NPLs in Romania and the disposal of a Euro 3.7 billion portfolio of Greek retail unsecured NPLs, whilst improving our capital position, demonstrate our focus on cleaning up our balance sheet and achieving our NPE targets. Throughout 2018 we will continue to focus on reducing NPLs in line with our targets, eliminating ELA support, expanding our non-interest revenues and making our franchise leaner and more efficient".

[1] Profit after Tax from continuing operations

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Financial Performance

- **Net Interest Income at Euro 1,942.6 million (+ 1% y-o-y), as a result of ongoing improvement in funding costs, on the back of a declining Central Banks' reliance, outweighing the lower contribution from the loan portfolio.**
- **Fees and commission income posted an increase of 1.8% y-o-y to Euro 323.5 million, on loan generated fees stemming from the Bank's increased participation in project financing and also supported by a higher contribution of asset gathering.**
- **Recurring operating expenses for FY 2017 at Euro 1,104 million, down by 0.4% y-o-y. Cost to Income ratio improved to 47.6% vs. 48.2% a year ago.**
- **Core Pre-Provision Income resilient y-o-y at Euro at 1,214.8 million (+2%).**
- **In Q4 2017, Pre-Provision Income stood at Euro 157 million including Euro 151.2 million extraordinary costs booked in Q4, mainly attributed to the provision of a new Voluntary Separation Scheme (VSS) of Euro 93 million and fixed assets' impairment of Euro 76 million.**
- **Loan loss provisions stood at Euro 1,005.4 million vs. Euro 1,168 million for FY 2016, implying a CoR of 172bps over gross loans vs. 191bps in 2016.**
- **Profit after Tax at Euro 21.1 million for 2017 following an after tax loss from discontinued operations of Euro 68.5 million, booked in Q2 2017, mainly related to recycling of FX differences following the completion of the sale of our Serbian operations.**

Key Balance Sheet Trends

- **Assets down by Euro 4.1 billion y-o-y at Euro 60.8 billion, mainly driven by net loans reduction and disposal of securities.**
- **Deposit balances increased by Euro 1.9 billion in 2017, to Euro 34.9 billion. In Greece, our deposit base increased by Euro 0.9 billion q-o-q to Euro 29.3 billion, mainly due to inflows from households, resulting in gain in the respective market share. Deposits in SEE continued to steadily grow, up by Euro 0.2 billion q-o-q. At the end of December 2017, the Loan to Deposit ratio for the Group reduced further to 124%.**
- **Eurosystem funding reduced by Euro 1.4 billion q-o-q to Euro 10.2 billion in December 2017, driven mainly by deposit inflows and securities' disposal of Euro 0.9 billion. As of the end of December 2017, ELA reliance stood at Euro 7 billion, down by Euro 1.4 billion q-o-q, while ECB funding remained stable at Euro 3.2 billion. In March 2018, ELA reduced further to Euro 5 billion.**
- **NPLs in Greece down by Euro 1.9 billion in Q4 2017 on the back of improving restructuring trends and management actions such as liquidations and disposals of selected non-performing portfolios as well as write-offs. Group NPL ratio at 34.9%, at the end of December 2017, with Cash coverage at 67%. Respectively, NPEs in Greece also declined by Euro 1.8 billion, leading our Group NPE ratio to 51.7% as of the end of December 2017. NPE Cash coverage at 45%.**
- **Accumulated provisions at Euro 13.3 billion, corresponding to 23.5% of gross loans. Post IFRS 9 implementation, accumulated provisions as of December 2017 amount to Euro 14.4 billion.**

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KEY FINANCIAL DATA

(in Euro million)	Twelve months ending (YoY)			Quarter ending (QoQ)		
	31.12.2017	**31.12.2016**	***YoY (%)***	**31.12.2017**	**30.9.2017**	***QoQ (%)***
Net Interest Income	1,942.6	1,924.1	*1.0%*	479.6	486.9	*(1.5%)*
Net fee & commission income	323.5	317.9	*1.8%*	82.7	79.3	*4.2%*
Income from financial operations	144.7	84.9	…	28.8	75.2	…
Other income	52.8	56.8	*(7.1%)*	10.3	22.8	…
Operating Income	2,463.6	2,383.7	*3.3%*	601.4	664.2	*(9.5%)*
Core Operating Income	**2,318.9**	**2,298.8**	***0.9%***	**572.6**	**589.0**	***(2.8%)***
Staff Costs	(473.6)	(500.9)	*(5.4%)*	(119.9)	(118.0)	*1.6%*
General Expenses	(530.7)	(510.0)	*4.1%*	(144.3)	(137.3)	*5.1%*
Depreciation & Amortisation expenses	(99.7)	(97.4)	*2.4%*	(25.4)	(24.4)	*4.1%*
Recurring Operating Expenses	**(1,104.0)**	**(1,108.3)**	***(0.4%)***	**(289.5)**	**(279.7)**	***3.5%***
Integration costs	(9.4)	(6.0)	…	(3.7)	(1.8)	…
Extraordinary costs[1]	(179.6)	(111.2)	…	(151.2)	(7.4)	…
Total Operating Expenses	**(1,293.0)**	**(1,225.5)**	***5.5%***	**(444.4)**	**(288.8)**	***53.9%***
Core Pre-Provision Income	**1,214.8**	**1,190.6**	***2.0%***	**283.1**	**309.4**	***(8.5%)***
Pre-Provision Income	**1,170.5**	**1,158.3**	***1.1%***	**157.0**	**375.4**	***(58.2%)***
Impairment Losses	(1,005.4)	(1,168.0)	*(13.9%)*	(243.7)	(298.3)	*(18.3%)*
Profit/ (Loss) Before Tax	**165.1**	**(9.7)**	**…**	**(86.8)**	**77.1**	**…**
Income Tax	(75.6)	29.2	…	22.7	(41.6)	…
Profit/ (Loss) after income tax from continuing operations	**89.5**	**19.5**	**…**	**(64.0)**	**35.6**	**…**
Profit/ (Loss) after income tax from discontinued operations	(68.5)	22.8	…	0,0	0.0	…
Profit/ (Loss) After Tax	**21.1**	**42.3**	**…**	**(64.0)**	**35.6**	**…**
Profit/ (Loss) After Tax attributable to shareholders	**21.1**	**42.1**	**…**	**(64.0)**	**35.5**	**…**
	31.12.2017	**31.12.2016**		**31.12.2017**	**30.9.2017**	
Net Interest Margin (NIM)	3.1%	2.9%		3.1%	3.1%	
Recurring Cost to Income Ratio	47.6%	48.2%		50.6%	47.5%	
Common Equity Tier 1 (CET1)	18.3%	17.1%		18.3%	17.8%	
Loan to Deposit Ratio (LDR)	124%	135%		124%	129%	
	31.12.2017	**30.9.2017**	**30.6.2017**	**31.3.2017**	**31.12.2016**	***YoY (%)***
Total Assets	60,813	61,290	62,710	64,118	64,872	*(6.3%)*
Net Loans	43,318	43,567	43,785	44,178	44,409	*(2.5%)*
Securities	5,885	6,539	7,612	7,900	7,945	*(25.9%)*
Deposits	34,890	33,900	33,141	33,090	32,946	*5.9%*
Shareholders' Equity	9,583	9,400	9,413	9,173	9,077	*5.6%*
Tangible Equity	9,193	9,019	9,038	8,804	8,706	*5.6%*

[1] Extraordinary costs for FY 2017 primarily include the provision for the cost of VSS in 2018 of Euro 92.7 million and the annual fixed assets' impairment of Euro 76.1 million in Q4 2017.

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Key Developments and Performance Overview

Recovery signs are strengthening as the completion of the 3rd Economic Adjustment Programme is on track

Greek economy is on a recovery path, with soft and hard data evidencing an upturn in economic activity in 2017, supported by a benign external environment. Real GDP increased by 1.4% in 2017, driven mainly by investment, with economic environment and financial conditions evolving better than anticipated in 2017. Greece returned to the capital markets with relatively favorable terms and prospects, as demonstrated by the upgrade of the country's rating by the international rating agencies. Short term developments point towards a shift to higher growth rates in 2018-2019, as real GDP is expected to pick up at above 2% annually in the coming two years. The current account was almost balanced in 2017 as a result of strong tourism revenues (+10.5%), while on the contrary, despite the significant increase of exports of goods by 14.1% the trade deficit widened. The primary surplus of the general government in 2017 is expected to reach 2.4% of GDP, higher than the target of 1.75%. This overachievement is taking place for a second consecutive year, while the target for a primary surplus of 3.5% of GDP in 2018 is considered within reach.

As the completion of the programme remains on track, the following elements in the forthcoming months are of great significance: (i) The specification of the debt relief measures that will strengthen investor confidence and safeguard smooth and sustainable access to capital markets. (ii) The financial safety net that will be put in place to assure that the country is able to cover its financing needs and able to withstand financial shocks and heightening borrowing costs. (iii) The speed up of the privatisation programme and the focus on the structural reform agenda, in order for the economy to regain a sustainable access to the markets, boost competitiveness and accelerate employment gains.

CET1 ratio increased further to 18.3% in Q4, up 51bps q-o-q;

At the end of December 2017, Alpha Bank's **Common Equity Tier 1 (CET1)** stood at Euro 9 billion resulting in a **CET1 ratio** of 18.3%, up by 51bps q-o-q, positively affected by the reduction of Credit risk and the higher prices on our AFS portfolio in the fourth quarter. Our **fully loaded Basel III CET1 ratio** stood at 18.3%. Deferred Tax Assets at the end of December 2017 stood at Euro 4.3 billion with the eligible amount to be converted to tax credit claims at Euro 3.3 billion. Tangible Book Value at the end of December 2017 was the highest among Greek banks at Euro 9.2 billion. Tangible Book Value per Share stood at Euro 6.
Our **RWAs** at the end of December 2017 amounted to Euro 49.1 billion, down by 0.6% q-o-q or Euro 0.3 billion, mainly on the back of lower loan contribution.

Pro-forma Phased-in CET1 ratio at 18.3% following first time adoption of IFRS 9

Taking into account the estimated impact from the adoption of the new International Financial Reporting Standard (IFRS) 9, implemented by all credit institutions as of 1 January 2018, our **pro- forma fully loaded Common Equity Tier 1 ratio** stands at 15.9% based on data as of 31.12.2017. Respectively, by applying the five-year transitional arrangements provided for by the Regulation (EU) 2017/2395, the estimated capital impact on the Bank's Common Equity Tier (CET) 1 ratio for the first year of application is approximately 0.1%, based on data as of 31.12.2017, leading to a **phased-in CET 1 ratio** post IFRS 9 of 18.3%.

Further progress towards ELA disengagement

In Q4 2017, our **Central Banks' reliance** decreased further by Euro 1.4 billion q-o-q, to Euro 10.2 billion, supported mainly by securities' disposals of Euro 0.9 billion – mostly EFSF bonds – as well as deposit inflows of Euro 0.9 billion. The Bank's reliance on ELA stood at Euro 7 billion at the end of December 2017, reduced by Euro 1.4 billion from Q3 2017 and Euro 6.2 billion y-o-y. The eligible collateral buffer of Central Banks funding stood at the end of December 2017 at Euro 3.8 billion.

Lower NII in Q4 2017 due to declining contribution from the asset side

Net Interest Income in 2017 stood at Euro 1,942.6 million, stable y-o-y (+1%). In Q4 2017, Net Interest Income amounted to Euro 479.6 million, down by 1.5% q-o-q or Euro 7.3 million. Lower interest contribution from loan balances, spread reduction, and deposit inflows experienced in the last quarter, more than offset the benefit from the lower wholesale funding costs on the back of our declining Central Banks' dependence.

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In 2017, higher fee income and gain from financial operations further supported our Operating Income

Net fee and commission income stood at Euro 323.5 million, up by 1.8% y-o-y, mainly on loan generated fees related mostly to the Bank's participation in project financing as well as a higher contribution of asset gathering. Meanwhile, revenues from cards continued their upward trend, up by 1.7% y-o-y or Euro 1.1 million, supported by another record tourist season. **Income from financial operations** amounted to Euro 144.7 million, compared to Euro 84.9 million in 2016, positively affected by trading gains mainly attributed to the disposal of securities as well as the Bank's participation in the exchange programme of Greek Government Bonds by the Hellenic Republic. **Other income** stood at Euro 52.8 million.

OPEX performance flat affected by increase in remedial management costs

Recurring operating expenses remained effectively flat y-o-y and amounted to Euro 1,104 million (-0.4% y-o-y), affected by the increase of NPL remedial management expenses which offset the benefit from the significantly lower staff costs with the corresponding Cost to Income ratio easing further to 47.6% in 2017. At the end of December 2017, **Personnel expenses** amounted to Euro 473.6 million, down by 5.4% y-o-y, mainly due to headcount reduction. Group headcount was reduced from 11,863 in December 2016 to 11,727 Employees at the end of December 2017 (-1.1% y-o-y), on the back of the VSS implemented in our operations in Greece in 2016. **General expenses** amounted to Euro 530.7 million, up by 4.1% y-o-y, negatively affected by increased NPL remedial management costs. Excluding NPL remedial management costs, which stood at Euro 88.2 million, General expenses for 2017 amounted to Euro 442.5 million, down by 0.8% y-o-y. Group Network, at the end of December 2017, declined to a total of 670 Branches, from 721 in December 2016, on the back of the ongoing platform rationalisation in Greece.

NPEs down by Euro 1.8 billion and NPLs by Euro 1.9 billion in Greece q-o-q

NPE contraction accelerated in Q4 2017, as our **NPE stock in Greece** declined by Euro 1.8 billion to Euro 25 billion. This performance mainly reflects improving restructuring trends in the last quarter of 2017 in addition to management actions such as liquidations and disposals of selected non-performing portfolios as well as write-offs. Group **NPE ratio** at the end of December 2017 stood at 51.7%, down by 190bps q-o-q, with NPE Coverage at 45%.

Our **NPLs in Greece** also continued their negative trajectory in Q4 2017, with stock down by Euro 1.9 billion q-o-q to Euro 16.6 billion. As a result, the reduction of NPLs in Greece amounted to Euro 3 billion in 2017.

At the end of December 2017, our **Group NPL ratio** stood at 34.9% vs. 37.3% in the previous quarter. NPL coverage ratio stood at 67%, while the total coverage including collateral stood at 122%.

From a segmental perspective, at the end of December 2017, business, mortgages and consumer NPL ratio for the Group stood at 34.6%, 34.9% and 36.7%, while their cash coverage stood at 75%, 52% and 77%, respectively.

CoR declined to 169bps over gross loans in Q4 2017 vs. CoR of 203bps in Q3 2017

In Q4 2017, **impairments** amounted to Euro 243.7 million, vs. Euro 298.3 million in Q3 2017. As a result, our **CoR** stood at 169bps over gross loans in Q4 2017 vs. 203bps last quarter, bringing the CoR for 2017 to 172bps.

At the end of December 2017, our accumulated provisions for the Group amounted to Euro 13.3 billion, while the ratio of loan loss reserves over gross loans stood at 23.5%.

NPE coverage post IFRS 9 transition rises to c.50%

Taking into account the estimated impact of IFRS 9, the accumulated provisions for the Group will increase by 8.1%, with data as of 31.12.2017, to Euro 14.4 billion, leading to an increase of the NPE coverage for the Group by 5pp to c.50%.

Gross loans of the Group amounted to Euro 56.6 billion as of the end of December 2017, down by Euro 1.9 billion q-o-q, as a result of deleveraging and the sale of Non-performing loan portfolios in Greece and Romania. Loan balances in Greece stood at Euro 48.5 billion down by Euro 1.5 billion q-o-q, while in SEE, loans amounted to Euro 7.8 billion, down by Euro 0.4 billion q-o-q.

Deposit inflows in Q4 2017 of Euro 0.9 billion in Greece with market share gain in households' deposits

In Q4 2017, our **Group deposit base** recorded inflows of Euro 1 billion. In Greece, deposit balances increased by Euro 0.9 billion or 3% q-o-q to Euro 29.3 billion, mainly attributed to households, resulting in gain in the respective market share. Deposits in SEE reached Euro 4.7 billion at the end of December 2017, with inflows of Euro 155,1 million or 3.4% q-o-q, mainly as a result of inflows from time deposits in our Romanian operations.

The **Loan to Deposit Ratio** for the Group**,** at the end of December 2017, declined further to 124% from 129% at the end of Q3 2017 and respectively for Greece to 128% from 132%.

Successful issuance of Euro 500 million covered bond with 2.75% yield to maturity

On January 25, 2018, Alpha Bank successfully issued a Euro 500 million Reg S, Soft Bullet covered bond, with a 5-year tenor and 2.75% yield to maturity as part of its Euro 8 billion direct issuance Covered Bond Programme I. The transaction attracted strong investor interest with the Order Book almost 5 times over-subscribed and the vast majority of the issuance being covered by international institutional investors (93%). The transaction contributes significantly to the implementation of the Bank's business goal for funding diversification and it accelerates its disengagement from the Emergency Liquidity Assistance.

Conclusion of the disposal of a Retail Unsecured NPLs Portfolio of Euro 3.7 billion total outstanding principal

On March 13, 2018, the Bank announced the signing of a binding agreement for the disposal of a Portfolio of Retail Unsecured Non-Performing Loans of a total outstanding aggregate balance of Euro 3.7 billion. The consideration of the transaction was agreed at Euro 90 million and is expected to have a positive impact for the Bank in terms of financial results, capital and liquidity. The transaction is expected to be concluded within the first quarter of 2018.

Operations in SEE

In **SEE**, our Core Operating Income for 2017 stood at Euro 267.5 million, down by 8.5% y-o-y, adversely affected by the lower Net Interest Income mainly as a result of deleveraging. Our operating costs in 2017 amounted to Euro 187.9 million vs. Euro 182.1 million last year, without taking into account the VSS of Cyprus booked in Q1 2016. As a result, our Core Pre-Provision Income amounted to Euro 79.6 million, down by 27.7% y-o-y. In 2017, our SEE operations posted losses of Euro 91.1 million before tax, negatively affected by the still elevated level of provisions of Euro 181.1 million (down by 33.8% y-o-y), implying a CoR of 223bps. Total Branches in SEE stood at 186 at the end of December 2017 vs. 187 a year ago.

In **Cyprus**, the loan portfolio in Q4 2017 amounted to Euro 4.9 billion (-6.9% y-o-y), while deposit balances increased by Euro 297 million y-o-y (+15.3% y-o-y) to Euro 2.2 billion. In **Romania**, loans balances decreased by Euro 220 million y-o-y to Euro 2.6 billion, while deposits increased by Euro 273 million y-o-y (+15.8% y-o-y) to Euro 2 billion. In **Albania**, loans stood at Euro 327 million, (-11% y-o-y) and deposits increased to Euro 468 million (+6.9% y-o-y).The **Loan to Deposit Ratio** in SEE operations has significantly improved to 118% at the end of December 2017 from 145% the previous year.

Athens, March 20, 2018

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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: a) Exposures that are classified as non-performing due to the extension of forbearance measures b**)** Exposures that were non-performing prior to the extension of forbearance measures 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: a) Exposures which are more than 90 days past-due 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.

Significant recent milestones in the long and successful course of the Group are:

- The successful recapitalisation of the Bank by Euro 2,563 million on 24.11.2015, with significant oversubscription of the required private sector participation and with the result that the vast majority of Alpha Bank's shareholder base is composed now of private shareholders.
- The completion of Citibank's Greek Retail Banking Operations Acquisition, on 30.9.2014.
- The redemption of the total amount of the Hellenic Republic's Preference Shares of Euro 940 million, on 17.4.2014, first among the Greek systemic banks.
- The successful completion of Euro 1.2 Billion Capital Increase of the Bank, on 31.3.2014.
- The completion of the legal merger by absorption of Emporiki Bank, on 28.6.2013.

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