ALPHA
SERVICES AND HOLDINGS

Q3 2022 Results

Press Release

Alpha Bank reports profit of €92.7mn in Q3 2022

Q3 Key Financial metrics

Reported profit after income tax	€92.7mn
Normalized[1] profit after tax	€117mn
Return on tangible book value (RoTBV)	7.9%
Fully-loaded Common Equity Tier 1[2] (CET1%)	12.1%
Tangible Book Value per Share	€2.44

Key takeaways

- Performing loans up +2% q/q to €31.4bn (+9% y/y) due to €0.5bn Greek business loans net credit expansion; FY target already delivered in the first nine months of 2022, reaffirming Alpha Bank's leadership to Greek businesses.
- Group Deposits +€1.6bn q/q funding loan expansion.
- NPE ratio down 20bps q/q to 8%, off the back of loan book expansion. Clients' payment behavior remains relatively resilient despite inflationary pressures and rising energy prices.
- Core PPI up +43.7% q/q, driven by strong Core Income increase (+16% q/q) and improving costs, supporting the outlook for 2022. Q3 core revenues run rate +11% higher than Q1 2022.
- Recurring net interest income up +17% q/q on loan and bond volume growth, starting to benefit from higher rates; further upside from balance sheet dynamics and macro developments, even on conservative assumptions.
- Merchant Acquiring deconsolidation in Q3 with minimal P&L impact shows further progress towards business development and transformation towards a leaner and more efficient operating model.
- Further progress towards our regulatory capital targets, with FL CET1[2] at 12.1%, +47bp q/q; 2023 capital ratios to benefit from a +65bps positive impact from planned synthetic securitizations.
- Senior Preferred issuance in October (€400mn 3NC2, 7% coupon) under challenging market conditions with cost commensurate to increase in yields; MREL ratio proforma for the issuance stands at 19.5%.

Income Statement Highlights

- Net Interest Income up by +12% q/q to €339mn (or +17% q/q on a recurring basis), benefiting from growth in loans and securities, as well as an initial positive impact from higher rates.
- Net Fee & Commission income at €92.9mn, down -6.2% q/q on Merchant Acquiring deconsolidation. Robust recuring performance, up +5.7% q/q due to growth in cards & payments and business credit fees.
- Recurring OPEX at €232.5mn, 4.3% better q/q on Merchant Acquiring deconsolidation. Total OPEX -8.6% better q/q on nonrecurring items (€4.7mn gain in Q3 vs. €6.1mn cost in Q2 2022).
- Cost of Risk at 61bps on underlying impairments of €39mn, consistent with flat net NPE flows in Q3, and of NPE servicing fees of €19mn; CoR for the nine months at 70bps.
- Reported Profit at €92.7mn. Normalised at €117mn excluding (a) trading income of €69mn, (b) non-recurring Operating Expenses of €5mn, (c) tax of €24mn relating to the above (d) NPA transactions impact of €77mn, and (e) gains from discontinued operations and other of €4mn.

"Alpha Bank has maintained strong momentum into the third quarter of the year, delivering a resilient set of results"

"Alpha Bank has maintained strong momentum into the third quarter of the year, delivering a resilient set of results, demonstrating strong progress against our strategic plan, Project Tomorrow. Despite the uncertainty permeating the global economy, our transformation is well under way, our capital position remains strong, our asset quality has improved, and we are now more profitable thanks to the decisive actions we have timely taken.

In the first nine months of the year, we reached a net income of €335 million. This strong performance allows us to upgrade our outlook for profitability for 2022 to 7%. Net interest income increased by 12% quarter-on-quarter, to a large extent driven by loan growth, as we cemented our position as the leading lender to Greek businesses. Our performing loan book now stands at €30.7 billion, having already achieved our full year target for business loans.

With our €400 million Senior Preferred bond issuance in October, we confirmed our continued access to the capital markets and demonstrated our ability to execute against our strategy, even in times of volatility. Through this issuance, we improved the funding profile of the Bank and evidenced our resourcefulness by attaining an attractive rate in a challenging market environment.

While geopolitical headwinds are clouding the macroeconomic picture at a global level, the Greek economy has performed strongly and is better placed to weather external shocks. The Greek GDP is forecasted to grow at 2% in 2023, well above the EU average, underlining the newfound resilience of the Greek economy.

The outlook for Alpha Bank is equally positive and we are approaching this period of uncertainty from a position of real strength. The incoming EU RRF funds and the continued, significant influx of investment into Greece suggest that loan growth should continue. Thus, I am confident to reiterate that we are on track to meet our long-term ambitions laid out in the Project Tomorrow strategic plan."

Vassilios Psaltis, CEO

Key Financial Data

P&L | Group (€mn)	9M 2022	9M 2021	YoY (%)	Q3 2022	Q2 2022	QoQ (%)
Net Interest Income	925.0	1,078.1	(14.2%)	339.0	302.7	12.0%
Net fee & commission income[3]	298.2	292.9	1.8%	92.9	99.0	(6.2%)
Income from financial operations	178.0	117.9	51.0%	64.9	10.0	...
Other income	81.1	27.3	...	49.3	14.4	...
Operating Income	**1,482.3**	**1,516.2**	**(2.2%)**	**546.2**	**426.0**	**28.2%**
Core Operating Income	**1,304.3**	**1,398.3**	**(6.7%)**	**481.2**	**416.1**	**15.7%**
Staff Costs	(281.5)	(303.6)	(7.3%)	(93.1)	(95.2)	(2.2%)
General Administrative Expenses[3]	(320.1)	(325.6)	(1.7%)	(101.5)	(108.9)	(6.8%)
Depreciation & Amortization	(117.1)	(116.7)	0.3%	(37.9)	(38.9)	(2.6%)
Recurring Operating Expenses	**(718.7)**	**(745.9)**	**(3.7%)**	**(232.5)**	**(243.0)**	**(4.3%)**
Excluded items[4]	5.4	(163.8)	...	4.7	(6.1)	...
Total Operating Expenses	**(713.2)**	**(909.7)**	**(21.6%)**	**(227.8)**	**(249.1)**	**(8.6%)**
Core Pre-Provision Income	**585.6**	**652.4**	**(10.2%)**	**248.7**	**173.1**	**43.7%**
Pre-Provision Income	769.1	606.5	26.8%	318.4	176.9	80.0%
Impairment Losses	(198.0)	(248.4)	(20.3%)	(58.3)	(89.2)	(34.7%)
Other Impairment Losses	2.8	(17.3)	...	(3.0)	(1.0)	...
Profit/ (Loss) Before Income Tax	**573.9**	**340.8**	**68.4%**	**257.2**	**86.6**	...
Income Tax	(170.9)	(77.5)	...	(90.8)	(19.8)	...
Profit/ (Loss) after income tax	**403.0**	**263.3**	**53.0%**	**166.4**	**66.8**	...
Impact from NPA transactions[5]	(292.2)	(2,759.0)	(89.4%)	(77.3)	(166.6)	(53.6%)
Profit/ (Loss) after income tax from discontinued operations and other	224.6	(2.3)	...	3.7	217.1	(98.3%)
Profit/ (Loss) After Income Tax	**335.4**	**(2,498.0)**	...	**92.7**	**117.3**	**(21.0%)**
Normalised[6] Profit After Tax	**324**	**297**	**9.1%**	**117**	**73**	**60.2%**

Balance Sheet | Group	30.09.2022	30.06.2022	31.03.2022	31.12.2021	30.09.2021	YoY (%)
Total Assets	77,406	75,782	73,406	73,356	73,059	6.0%
Net Loans	38,858	38,098	37,787	36,860	35,970	8.0%
Securities	13,096	12,395	10,957	10,645	10,933	19.8%
Deposits	50,094	48,496	46,850	46,970	46,522	7.7%
Shareholders' Equity	6,181	6,138	6,091	6,036	6,536	(5.3%)
Tangible Book Value	5,715	5,671	5,613	5,558	6,073	(5.8%)

Key Ratios | Group	9M 2022	H1 2022	Q1 2022	FY 2021	9M 2021
Profitability					
Net Interest Margin (NIM)	1.6%	1.6%	1.5%	1.9%	2.0%
Cost to Income Ratio (Recurring)	55.1%	59.1%	59.8%	55.9%	53.3%
Capital					
CET1[2]	13.5%	12.4%	12.2%	13.2%	13.9%
Total Capital Ratio[2]	16.5%	15.1%	15.0%	16.1%	16.5%
Total Capital FL[2]	15.2%	13.9%	13.8%	13.8%	14.4%
Liquidity					
Loan to Deposit Ratio (LDR)	78%	79%	81%	78%	77%
LCR	167%	160%	169%	196%	194%
Asset Quality					
Non-Performing Loans (NPLs)	1,737	1,671	2,630	2,412	5,459
Non-Performing Exposures (NPEs)	3,214	3,233	4,893	5,120	8,435
NPL ratio (%)	4.3%	4.2%	6.6%	6.2%	12.9%
NPE ratio (%)	8.0%	8.2%	12.2%	13.1%	19.9%

Business Update

Greece continues to cement its growth premium, with real GDP growth year-to-date above the Euro area average. Real GDP growth is expected to decelerate to 2.1% in 2023 from 5.3% in 2022, with fiscal support and healthy household balance sheets sustaining consumption, net exports cushioned by product upscaling and growth effectively driven by higher investments on the back of gains in competitiveness and RRF support leading to further inflows of FDI.

Despite this challenging environment, progress on business plan actions continues, with further growth in loans (+3% in Greece and +2% in International q/q), diversification of revenue stream via growth in fees, capturing of cost savings, benign asset quality flows, healthy levels of capital generation and further progress towards meeting our MREL targets.

The medium-term aspirations for creating value for our Shareholders in terms of profitability, tangible book value growth, regulatory capital and Shareholder remuneration remain intact.

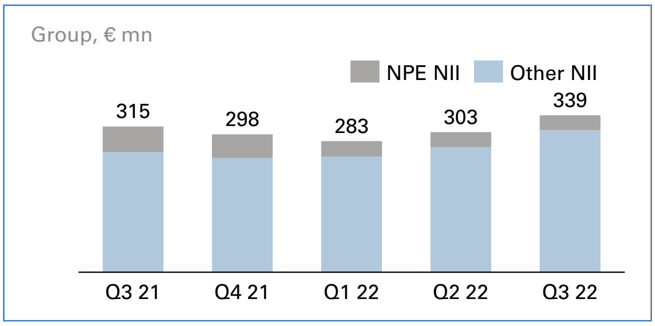
Profitability

Top line benefitting from rates, with CoR in line with guidance

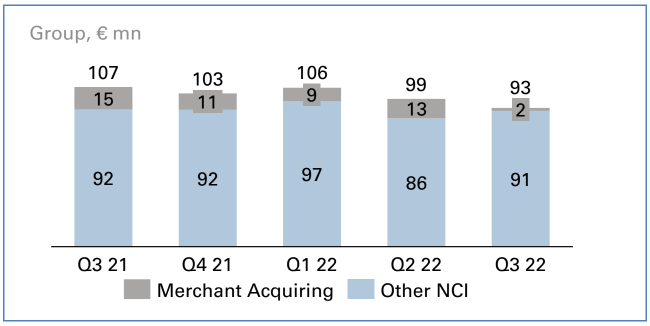
The quality of earnings continued to steadily improve in the quarter:

- Solid improvement in net interest income with improved quality as the contribution of NPEs fell to 10% from 18% a year ago and is expected to reach 6% in the coming quarters.
- Fees and commissions witnessed a resilient performance at €93mn in Q3, driven by cards & payments alongside robust loan origination fees, further diversifying the Bank's revenue stream.
- Recurring operating expenses continue to trend lower, demonstrating the improvement in efficiency.
- Cost of risk at 70bps for the nine months of 2022, excluding transactions reflecting benign asset quality flows.

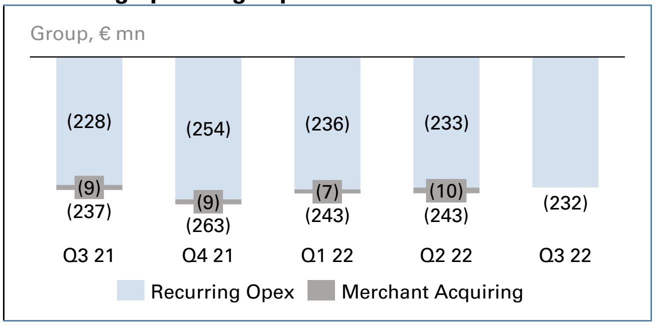
Net interest income



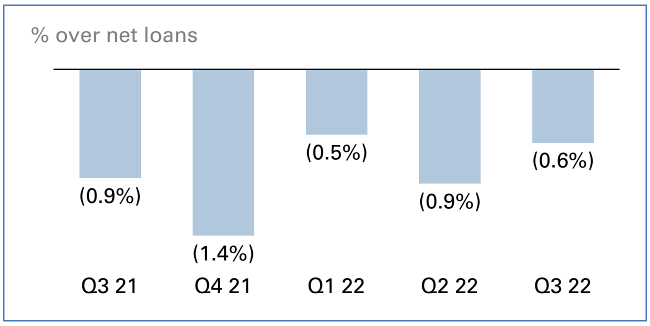
Net fee and commission income



Recurring operating expenses

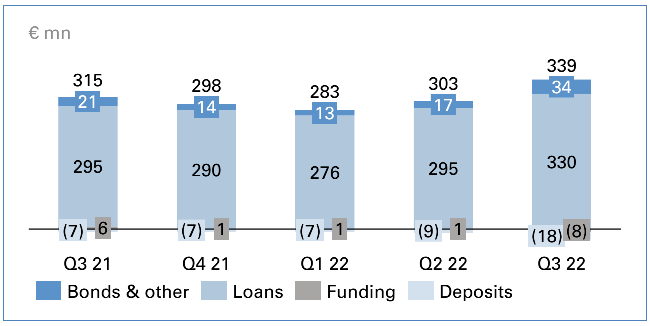


Cost of risk

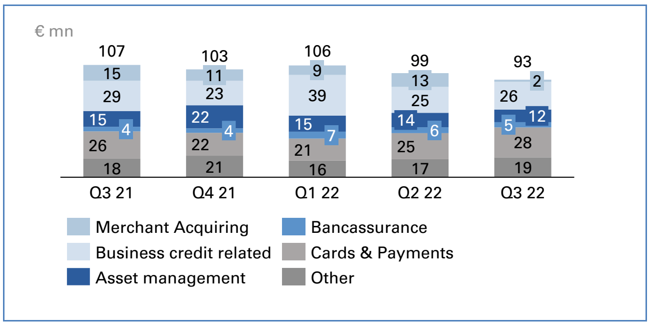


Core Operating Income up +15.7% q/q

NII decomposition



Net F&C Income decomposition



Impressive recovery of recurring NII (+17.1% q/q) on loan growth and securities

Net Interest Income increased by €36.3mn or +12% q/q to €339mn. The headline performance was impacted by a €15.2mn reduction in NII due to the termination of the 50bps TLTRO preferential rate in June, a €1.4mn negative impact on NII from lower average net loan balances on the back of transaction impairments booked in Q2, and €3.4mn positive seasonality impact.
On a recurring basis, NII increased by +17.1% q/q on the back of growth in loan and bond balances as well as a positive impact from higher interest rates.

Fees up +6% in Q3 excluding Merchant Acquiring deconsolidation

Net fee and commission income declined by -6.2% q/q or €6.1mn to €92.9mn, reflecting the deconsolidation of the Merchant Acquiring business. On a recurring basis[7], fee income was up +5.7% q/q, on the back of growth in cards & payments alongside robust loan origination.

Income from financial operations came in at €64.9mn, compared to €10mn in Q2 2022, benefiting from €69.1m of gains from the valuation of derivatives.

Other income stood at €49.3mn driven by a €25mn reversal of insurance provisions for Liability Adequacy Test as a result of the increased yield of the asset portfolio vs the guaranteed interest rates.

OPEX line benefitting from transactions

Recurring Operating expenses flat q/q at €232.5mn, with a slight decrease in Staff Costs (-€2mn) and lower Depreciation (-€1m) offset by an increase in General Expenses (+€2mn).

Total Operating Expenses amounted to €227.8mn vs. €249.1mn in the previous quarter (-8.6% q/q) driven by nonrecurring items (€4.7mn gain in Q3 compared to €6.1mn cost in Q2 2022) and the deconsolidation of the Merchant Acquiring business. Further benefits from already locked-in quarterly cost savings from transactions of circa €11mn per quarter will materialize post their conclusion. Pro-forma for locked-in savings and excluding the resolution fund fees contributions, the group C/I ratio stood at mid 40% in Q3, demonstrating the progress towards a leaner and more efficient model.

Cost of Risk reflects resilience of the NPE book

The **underlying loan impairment** charge stood at €39mn, down from €75.2mn in the previous quarter reflecting benign asset quality flows observed in Q3. **Servicing fees** paid to Cepal amounted to €19.5mn, from €14.1mn in the previous quarter.

Excluding the impact of transactions, **Cost of Risk** stood at 61bps over net loans (including servicing fees) vs. 94bps in the previous quarter. In 9M 2022, CoR reached 70bps. Cost of Risk including the impact of transactions stood at 86bps vs. 293bps in the previous quarter, out of which 25bps related to NPE transactions.

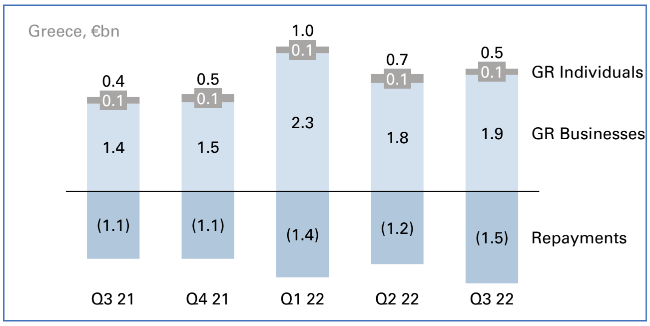
The **impact of NPA Transactions**[4] stood at €77.3mn vs. €166.6mn in Q2 2022, associated mostly with Projects "Sky" and "Skyline".

Other impairment losses in Q3 2022 amounted to -€3.0mn.

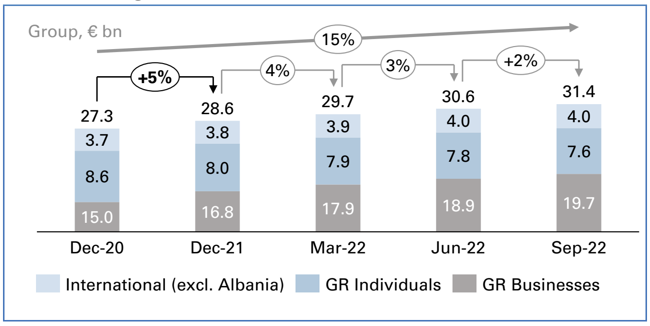
Balance Sheet Highlights

Performing loan portfolio continues to expand (+2% q/q) driven by credit to corporates

Net credit expansion



Performing loan book expansion



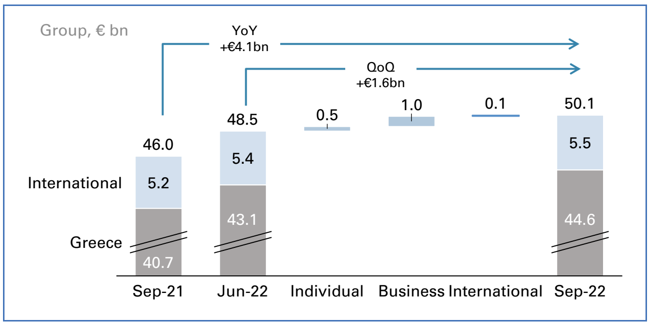
New disbursements in Greece at €1.9bn in the quarter, allocated to key sectors including trade, manufacturing, energy, tourism and infrastructure. Note that the gross loan figure includes €5.5bn of retained senior notes associated with the Galaxy and Cosmos NPE securitizations.

The Group's **performing loan book** (excluding the Galaxy and Cosmos senior notes) increased by +2% or €0.8bn q/q to €31.4bn, reflecting higher business loans additions despite a slight uptick in net repayments on the retail book.

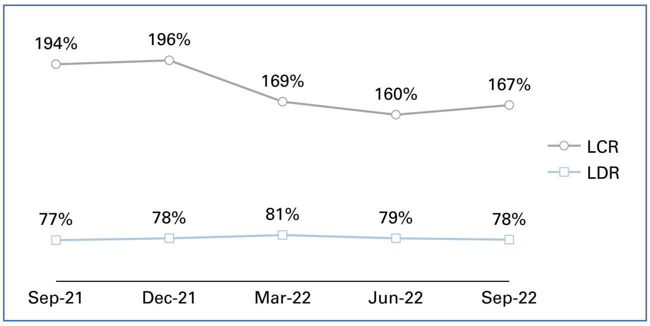
Net credit expansion in Greece stood at €0.5bn, addressing credit demand mainly from businesses, with net credit expansion for Business loans at €2.2bn for the first nine months of 2022.

Customer deposits +€1.6bn higher q/q driven by Businesses

Deposits evolution



Group LCR & LDR



The Group's deposit base increased by €1.6 bn q/q to €50.1bn, reflecting higher core deposits from businesses and households, funding growth in the loan book. Core deposits currently represent 86% of total deposits (81% in Q3 2021).

Comfortable liquidity metrics

Eurosystem funding remained at €13bn, unchanged q/q, reflecting the full utilization of the TLTRO III borrowing allowance. The Bank's blended funding cost turned to positive territory in the quarter, at 11bps, mainly attributed to higher cost of deposits.

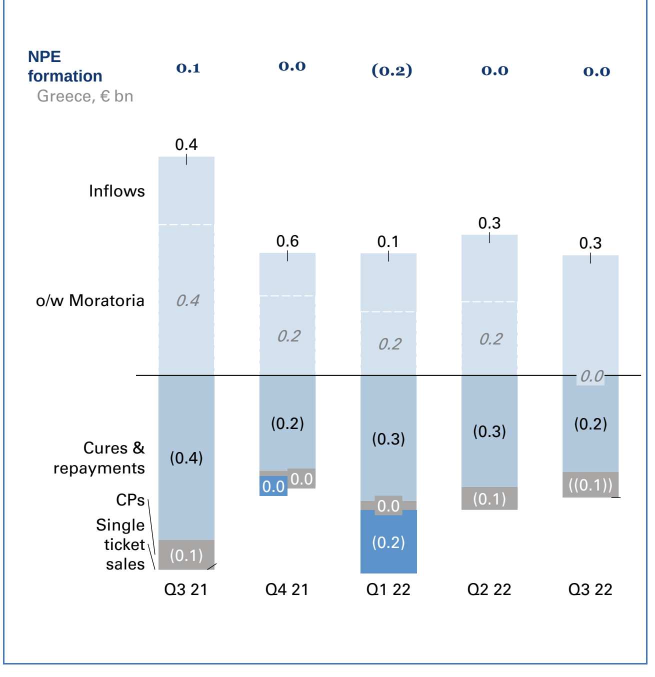
The strong liquidity profile is also evidenced by the net **Loan-to-Deposit** ratio, which stands at 78%, while the Group's Liquidity Coverage Ratio (LCR) stands at 167%, far exceeding regulatory thresholds.

Asset Quality

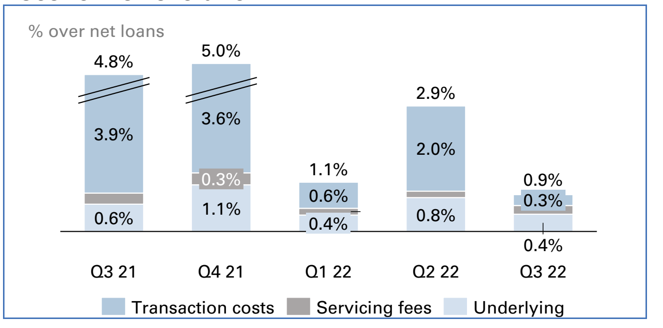
NPE ratio down -20bps q/q to 8%, Asset Quality environment still benign

Our **NPE stock in Greece** remained effectively flat at €3.2bn, as slightly lower organic inflows were offset by still robust curing activity and repayments. As of Q3, the **NPE ratio** at a Group level declined further to 8.0%, down -20bps from Q2. Despite persistent inflation and higher energy costs, clients' payment behaviour remains relatively resilient.

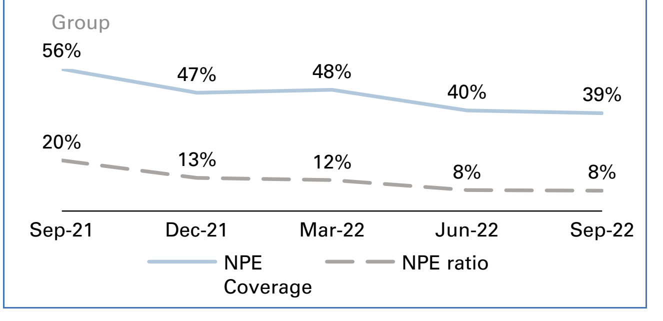
Quarterly NPE Formation



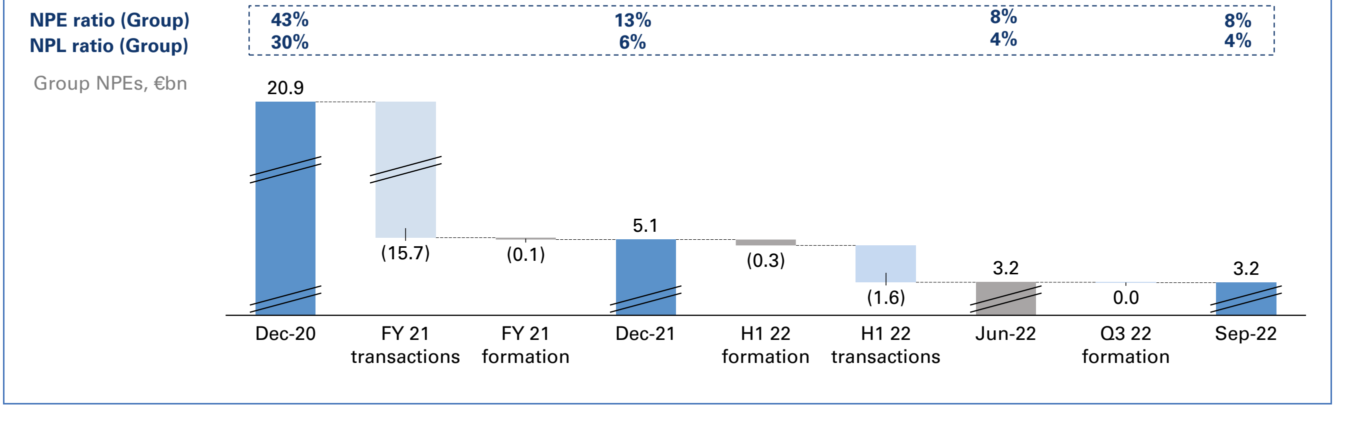
Cost of risk evolution



NPE and cash coverage %



Group NPE evolution



Group NPE Coverage reflects underlying asset mix

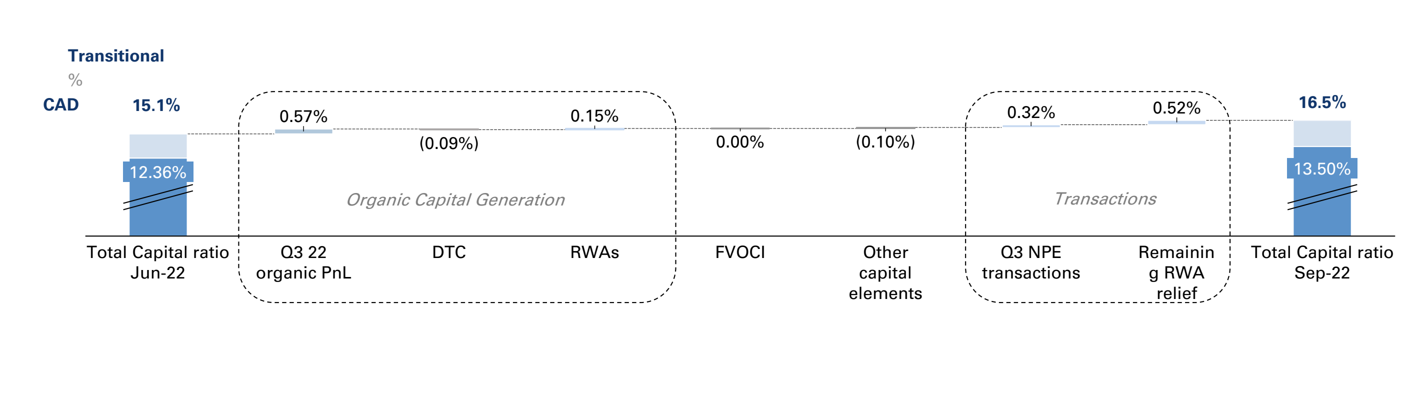
The **Group's NPE cash coverage** stood at 39% at the end of Q3. The **Group NPL coverage ratio** reached 71%, while total coverage including collateral reached 130%.

The coverage ratio reflects the underlying asset mix, with a high bias towards retail secured exposures and a large portion consisting of paying customers. Out of the €3.2bn stock of NPEs for the Group, almost half are mortgages (49% of stock), with a significant portion of Forborne exposures less than 90dpd (42% stock or €1.3bn).

Capital

Solid capital with Total Capital ratio up by 130bps to 16.5%[2]

Capital evolution (q/q)



The Group's **Total Capital** base stood at €5.5bn, resulting in a **Total Capital Ratio** of 16.0%, up by 86bps q/q. The move was primarily attributable to a 57bps positive contribution from organic profitability, a 32bps positive impact from Q3 transactions and a 15bps positive impact from a decrease in RWAs due to lower market risk, partially offset by a negative impact of 9bps from DTC amortization and by 10bps negative impact from other capital elements. Accounting for the remaining RWA relief stemming from the Bank's NPE and capital generating transactions, the Group's Total Capital Ratio stands higher at 16.5%, with a further benefit of c65bps from planned synthetic securitizations envisaged for 2023.

The respective **Fully Loaded Total Capital Ratio** stood at 14.7% in September 2022 or 15.2%, when factoring-in the aforementioned RWA relief from transactions.

Operations in SEE

In **SEE, Pre-Provision Income** stood at €40.7mn, up by 13.7% y/y, reflecting higher NII and Commission income lines as well as an increase in trading income. In 9M 2022, our SEE operations strengthened the positive trend, registering profit of €37.1mn before tax resulting from the significant de-escalation of the high impairment charges of previous years, following the NPE clean-up in Cyprus.

Athens, November 8, 2022

Alternative Performance Measures ("APMs")

Terms	Definitions	Relevance of the metric	Reference number	Abbreviation
Accumulated Provisionsand FV adjustments	The item corresponds to (i) "the total amount of provision for credit risk that the Group has recognised and derive from contracts with customers", as disclosed in the Consolidated Financial Statements of the reported period and (ii) the Fair Value Adjustments.	Standard banking terminology	1	LLR
"Impairment losses on loans"	The figure equals Impairment losses and provisions to cover credit risk on loans and advances to customers and related expenses excluding impairment losses and provisions to cover credit risk on other financial instruments as derived from the Consolidated Financial Statements of the reported period.	Standard banking terminology	10	LLP
"Impairment losses"	"Impairment losses on loans" excluding impairment losses on transactions. Impairment losses on transactions stood at €25mn in Q3, €189mn for Q2 22 and €57mn for Q1 22.	Standard banking terminology		
"Impairment losses" of which underlying	"Impairment losses" excluding "loans servicing fees" as disclosed in the Consolidated Financial Statements of the reported period.	Standard banking terminology		
"Income from financialoperations" or "Trading Income"	The figure is calculated as "Gains less losses on derecognition of financial assets measured at amortised cost" plus "Gains less losses on financial transactions", as derived from the Consolidated Income Statement of the reported period, excluding gains/losses from derecognition of sales portfolios, securitisations or sales of other operations. This amounted in Q3 to €1mn related mainly to Project "Sky", "Prometheus" and shipping, €292mn related to projects "Prometheus", "Orbit" and "Neptune" for Q2 22 and €2mn related to Project "Orbit" for Q1 22.	Standard banking terminology	3	
Core Operating Income	Operating Income less Income from financial operations for the corresponding period.	Profitability metric	5=4-3	
Core Pre-Provision Income	Core Operating Income for the period less Recurring Operating Expenses for the period.	Profitability metric	5-7	Core PPI
Cost of Risk	Impairment losses on loans for the period divided by the average Net Loans of the relevant period. Average balances are defined as the arithmetic average of balance at the end of the period and at the end of the previous period.	Asset quality metric	10/9 (avg)	CoR
Deposits	The figure equals "Due to Customers" as derived from the Consolidated Balance Sheet of the reported period.	Standard banking terminology	8	
Excluded items or "non-recurring Operating Expenses" or "Extraordinary Costs"	Excluded items of €4.7mn mainly related to HR government subsidy (income) for maternity leaves of €1mn, extraordinary income from non anticipated operational risk events of €10.3mn, expense due to non anticipated operational legal disputes of €4.7mn and €1.8mn expense related to Transformation Programme Costs.	Standard banking terminology		
Fair Value adjustments	The item corresponds to the accumulated Fair Value adjustments for non-performing exposures measured at Fair Value Through P&L (FVTPL).	Standard banking terminology		FV adj.
Fully-Loaded Common Equity Tier 1 ratio	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)	Regulatory metric of capital strength		FL CET 1 ratio
Gross Loans	The item corresponds to "Loans and advances to customers", as reported in the Consolidated Balance Sheet of the reported period, gross of the "Accumulated Provisions and FV adjustments", excluding the accumulated provision for impairment losses on off balance sheet items, as disclosed in the Consolidated Financial Statements of the reported period.	Standard banking terminology	2	
Loan to Deposit ratio	Net Loans divided by Deposits at the end of the reported period.	Liquidity metric	9/8	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. Average balances are defined as the arithmetic average of balance at the end of the period and at the end of the previous period.	Profitability metric		NIM
Net Loans	The figure equals "Loans and advances to customers" as derived from the Consolidated Balance Sheet of the reported period.	Standard banking terminology	9	
Non Performing Exposures Collateral Coverage	Value of the NPE collateral divided by NPEs at the end of the reference period.	Asset quality metric	13	NPE collateral Coverage
Non Performing Exposure Coverage	Accumulated Provisions and FV adjustments divided by NPEs at the end of the reference period.	Asset quality metric	14=1/12	NPE (cash) coverage
Non Performing Exposure ratio	NPEs divided by Gross Loans at the end of the reference period.	Asset quality metric	12/2	NPE ratio
Non Performing Exposure Total Coverage	Accumulated Provisions and FV adjustment plus the value of the NPE collateral divided by NPEs at the end of the reported period. NPE Total coverage equals the sum of NPE coverage and NPE collateral coverage.	Asset quality metric	13+14	NPE Total coverage
Non Performing Exposures	Non-performing exposures are defined according to "EBA ITS on forbearance and Non Performing Exposures" as exposures that satisfy either or both of the following criteria: a) material 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.	Asset quality metric	12	NPEs
Non Performing Loan Collateral Coverage	Value of collateral received for Non Performing Loans divided by NPLs at the end of the reference period.	Asset quality metric	16	NPL collateral Coverage
Non Performing Loan Coverage	Accumulated Provisions and FV adjustments divided by NPLs at the end of the reference period.	Asset quality metric	17=1/15	NPL (cash) Coverage
Non Performing Loan ratio	NPLs divided by Gross Loans at the end of the reference period.	Asset quality metric	15/2	NPL ratio
Non Performing Loan Total Coverage	Accumulated Provisions and FV adjustments plus the value of the NPL collateral divided by NPLs at the end of the reference period. NPL Total coverage equals the sum of NPL coverage and NPL collateral coverage.	Asset quality metric	16+17	NPL Total Coverage

Non-Performing Loans	Non-Performing Loans are Gross loans that are more than 90 days past-due.	Asset quality metric	15	NPLs
Normalized Profit AfterIncome Tax	Normalised profits between financial year 2022 and 2021 are not comparable due to initiation of a new normalized profits procedure effective since 1.1.2022 which does not exclude specific accounts such as the trading gains account and is based on specific principles and criteria. Main Income and expense items that are excluded for purposes of the normalized profit calculation are listed below: **1. Transformation related:** a. Transformation Costs and related Expenses b. Expenses and Gains/Losses due to Non-Core Assets' Divestiture c. Expenses/Gains/Losses as a result of NPE/NPA exposures transactions' **2. Other non-recurring related:** a. Expenses/Losses due to non anticipated operational risk b. Expenses/Losses due to non anticipated legal disputes c. Expenses/Gains/Losses due to short-term effect of non-anticipated and extraordinary events with significant economic impact d. Non-recurring HR/Social Security related benefits/expenses e. Impairment expenses related to owned used [and inventory] real estate assets f. Initial (one off) impact from the adoption of new or amended IFRS g. Tax related one-off expenses and gains/losses **3. Income Taxes Applied on the Aforementioned Transactions.** Normalised Profit After Tax in Q3 2022, is Reported Profit /(Loss) After Tax of €92.7mn excluding (a) trading income of €69mn, (b) non-recurring Operating Expenses of €5mn, (c) tax of €24mn relating to the above (d) NPA transactions impact of €77mn, and (e) gains from discontinued operations and other of €4mn.	Profitability metric		Normalised ProfitAfter Tax
Operating Income	The figure is calculated as "Total Income" plus "Share of profit/(loss) of associates and joint ventures" as derived from the Consolidated Income Statement of the reported period, taking into account the impact from any potential restatement as described in Note 32 of the Consolidated Financial Statements.	Standard banking terminology	4	
Other impairment losses	The figure equals "Impairment losses on other financial instruments" as derived for the Consolidated Financial Statements of the reported period.	Standard banking terminology		
Other Income	This item corresponds to the sum of "Dividend income", "Other income" and "Share of profit/(loss) of associates and joint ventures", as defined in the Consolidated Balance Sheet of the reported period.	Standard banking terminology		
Pre-Provision Income	Operating Income for the period less Total Operating Expenses for the period	Profitability metric	4-6	PPI
Recurring Cost to Income ratio	Recurring Operating Expenses for the period divided by Core Operating Income for the period.	Efficiency metric	7/5	C/I ratio
Recurring Operating Expenses	Total Operating Expenses less management adjustments on operating expenses.	Efficiency metric	7	Recurring OPEX
Securities	This item corresponds to the sum of "Investment securities" and "Trading securities", as defined in the Consolidated Balance Sheet of the reported period.	Standard banking terminology		
Shareholders' Equity	This item corresponds to "Equity attributable to equity owners of the Bank", as defined in the Consolidated Balance Sheet of the reported period.	Standard banking terminology		
Tangible Book Value (or Tangible Equity)	TBV (or TE) is the sum of "Total Equity" less "Goodwill and other intangible assets", less "Non-controlling interests" and less "hybrid securities", as defined in the Consolidated Balance sheet at the reported period.	Standard banking terminology		TBV or TE
Tangible Book Value (or Tangible Equity) per share	Tangible Book Value (or Tangible Equity) divided by the outstanding number of shares.	Valuation metric		TBV/share
Total Assets	The figure equals "Total Assets" as derived from the Consolidated Balance Sheet of the reported period taking into account the impact from any potential restatement, as described in Note 32 of the Consolidated Financial Statements.	Standard banking terminology	11	TA
Total Operating Expenses	The figure equals "Total expenses before impairment losses and provisions to cover credit risk" as derived from the Consolidated Income Statement of the reported period taking into account the impact from any potential restatement, as described in Note 32 of the Consolidated Financial Statements.	Standard banking terminology	6	Total OPEX

P&L | Group (€mn)	Bridge between Fin. Statements & APMs			Bridge between APMs & Normalized profit		
Q3 2022	Accounting	Delta	APMs	APMs	Delta	Normalized
Net Interest Income	339		339	339		339
Net fee & commission income	93		93	93		93
Income from financial operations	64	1	65	65	(69)	(4)
Other income	46	4	49	49	(4)	46
Operating Income	**541**		**546**	**546**		**473**
Staff costs	(92)	(1)	(93)	(93)		(93)
General Administrative Expenses	(131)	29	(101)	(101)		(101)
Depreciation & Amortization	(38)		(38)	(38)		(38)
Recurring Operating Expenses			**(232)**	**(232)**		**(232)**
Excluded items		5	5	5	(5)	0
Total Operating Expenses	**(261)**		**(228)**	**(228)**		**(232)**
Core Pre-Provision Income			**249**	**249**		**245**
Pre-Provision Income			**318**	**318**		**241**
Impairment Losses on Loans	**(83)**	**25**	**(58)**	**(58)**		**(58)**
o/w Underlying			(39)	(39)		(39)
o/w servicing fees			(19)	(19)		(19)
o/w Covid			0	0		0
Other Impairment Losses	(3)		(3)	(3)		(3)
Share of Profit/(Loss) of associates and JVs	4	(4)		0	4	4
Profit/ (Loss) Before Income Tax	**199**		**257**	**257**		**183**
Income Tax	(116)	25	(91)	(91)	24	(66)
Profit/ (Loss) after income tax	**82**		**166**	**166**		**117**
Impact from NPA transactions		(77)	(77)	(77)	77	0
Discontinued operations and other	10	(7)	4	4	(4)	0
Profit/ (Loss) after income tax	**93**	**0**	**93**	**93**	**24**	**117**

[1] Normalised Profit After Tax in Q3 2022, is Reported Profit /(Loss) After Tax of €92.7mn excluding (a) trading income of €69mn, (b) non-recurring Operating Expenses of €5mn, (c) tax of €24mn relating to the above (d) NPA transactions impact of €77mn, and (e) gains from discontinued operations and other of €4mn.

[2] Factoring the RWA relief from the following transactions "Sky", Skyline", "Solar", "Hermes", "Light" and "Leasing".

[3] Within the Q3 2022, the Group in order to achieve a better presentation of the commissions related to the processing of card transactions and cards personalization, reclassified these commissions, from "General administrative expenses" to "Commission expenses" in the Income Statement.

[4] In Q3 2022, Excluded items of €4.7mn mainly related to HR government subsidy (income) for maternity leaves of €1mn, extraordinary income from non anticipated operational risk events of €10.3mn, expense due to non anticipated operational legal disputes of €4.7mn and €1.8mn expense related to Transformation Programme Costs.

[5] In Q3 2022, impact from NPA transactions includes €25mn impairment losses on transactions, €25mn impairment related to Skyline, €7mn impairments related to "Sky", €1mn impairments related to "Stratrek", €2mn trading losses from "Asprouda" and €4mn trading gains from "Sky" as well as €22mn tax charge related to the above.

[6] Detailed reference on normalised profits is available at the APMs section.

[7] Adjusting for the deconsolidation of the Merchant Acquiring business of €11.1mn in Q2 2022, Q2 2022 Net Fees and Commission income stood at €87.9mn.

About Alpha Services and Holdings

Alpha Services and Holdings S.A. (under the distinctive title Alpha Services and Holdings) is a financial holdings company, listed on the Athens Stock Exchange, and the parent company of the banking institution “ALPHA BANK S.A.”.

Subsequent to the corporate transformation that took place in April 2021, the banking operations were hived-down to a new wholly owned banking subsidiary (Alpha Bank S.A.).

Alpha Bank S.A. is 100% subsidiary of Alpha Services and Holdings S.A. and one of the leading Groups of the financial sector in Greece which was founded in 1879 by J.F. Costopoulos. The Bank 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.

https://www.alphaholdings.gr/en/investor-relations

Enquiries

Alpha Services and Holdings
Iason Kepaptsoglou
Manager, Investor Relations Division
E-mail: ir@alphaholdings.gr
Tel: +30 210 326 2271, +30 210 326 2274

Finsbury Glover Hering
Edward Simpkins
Tel. +44 207 251 380

Disclaimer

This Press Release has been prepared and issued by Alpha Services and Holdings S.A. and its 100% subsidiary, Alpha Bank S.A., solely for informational purposes. It is hereby noted that on 16.4.2021, the demerger of the credit institution under the former name “Alpha Bank S.A.” (which has been already renamed “Alpha Services and Holdings S.A.”) was completed by way of hive-down of the banking business sector with the incorporation of a new company- credit institution under the name “Alpha Bank S.A.”. References to “Alpha Bank” shall be construed to be references to Alpha Services and Holdings S.A., except to the extent otherwise specified or the context otherwise required, i.e. references to the entity acting as a credit institution shall be deemed to refer to (i) the former Alpha Bank (already renamed Alpha Services and Holding S.A.) prior to 16.04.2021 and to (ii) the new “Alpha Bank S.A.” on and after 16.04.2021.

For the purposes of this disclaimer, this presentation shall mean and include materials, including and together with any oral commentary or presentation and any question and answer session. By attending a meeting at which the presentation is made, or otherwise viewing or accessing the presentation, whether live or recorded, you will be deemed to have agreed to the following restrictions and acknowledged that you understand the legal and regulatory sanctions attached to the misuse, disclosure or improper circulation of the presentation or any information contained herein. By reading this presentation, you agree to be bound by the following limitations:

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 Services and Holdings (or any member of its Group as to the accuracy, fairness, completeness, reliability or sufficiency of the information contained in this presentation and nothing in this presentation shall be deemed to constitute such a representation or warranty. The information contained in this presentation may contain and/or be based on information that has been derived from publicly available sources that have not been independently verified. Alpha Services and Holdings is not under any obligation to update, revise or supplement this presentation or any additional information or to remedy any inaccuracies in or omissions from thispresentation.

This Press Release does not constitute an offer, invitation or recommendation to subscribe for or otherwise acquire securities. Also, it is not intended to be relied upon as advice to investors or potential investors and does not take into account the objectives, financial situation or needs of any particular investor. You are solely responsible for forming own opinion and conclusion.

Certain statements in this presentation may be deemed to be “forward-looking”. You should not place undue reliance on such forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they reflect current expectations and assumptions as to future events and circumstances that may not prove accurate. Forward-looking statements are not guarantees of future performance, and the actual results, performance,
achievements or industry results of Alpha Services and Holdings and/or Alpha Bank’s operations, results of operations, financial position and the development of the markets and the industry in which they operate or are likely to operate may differ materially from those described in, or suggested by, the forward- looking statements contained in this presentation. In addition, even if the
operations, results of operations, financial position and the development of the markets and the industry in which Alpha Services and Holdings and Alpha Bank operate is consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, competition, changes in banking regulation and currency fluctuations.
Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this document reflect Alpha Services and Holdings’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to Alpha Services and Holdings and/or Alpha Bank’s financial position, operations, results of operations, growth, strategy and expectations. Any forward-looking statement speaks only as of the date on which it is made. New factors will emerge in the future, and it is not possible for Alpha Services and Holdings to predict which factors they will be. In addition, Alpha Services and Holdings cannot assess the impact of each factor on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those described in any forward-looking statements. Alpha Services and Holdings disclaims any obligation to update any forward-looking statements contained herein, except as required pursuant to applicable law.