# FINANCIAL INFORMATION OF ALPHA BANK A.E. AND THE GROUP

For the period from January 1, 2013 to September 30, 2013

(In accordance with decision 4/507/28.4.2009 of the Board of Directors of the Capital Market Commission)

(Amounts in thousands of Euro)

The financial information derived from the financial statements provide a general presentation of the financial position and results of Alpha Bank A.E. and the Group.

Therefore, we recommend to the reader, before performing any investment decision or transaction with the Bank, to visit the web site of the Bank www.alpha.gr, where both the interim financial statements prepared in accordance with International Financial Reporting Standards and the auditor's review report if required, are available.

The interim financial statements as at 30.9.2013 were approved by the Board of Directors on November 28, 2013.

### **BALANCE SHEET**

ASSETS

Provisions

EQUITY

Reserves Retained earnings

Hybrid securities Total Equity (b)

Non-controlling interests

#### Alpha Bank Consolidated 30.9.2013 31.12.2012 30.9.2013 31.12.2012 Cash and balances with Central Banks Due from banks Securities held for trading 1.812.557 1.437.248 1.176.583 770.193 2,707,245 3,382,690 20,132 736,693 6,623,503 14,119 740,614 5,237,384 9,797 797,536 Derivative financial assets 781,247 Loans and advances to customers Investment securities - Available for sale 52,596,192 40,578,845 44,867,064 32,796,574 4,590,785 6,037,298 4,165,462 6,171,283 1,535,572 1,082,215 Held to maturity 1,400,999 1,032,675 - Loans and receivables Investments in subsidiaries, associates and joint ventures 4,030,636 4,030,636 2,139,230 2,150,455 48,395 Investments in associates and joint ventures 74,610 Investment property Property, plant and equipment Goodwill and other intangible assets 574,304 493,498 31.821 31.683 1,157,805 227,035 2,058,240 987,385 141,757 782,381 596,994 93,429 1,786,612 2,009,931 Deferred tax assets 1,806,151 1,379,854 73,377,442 Other assets 1,014,735 58,246,614 <u>1,276,831</u> 67,738,418 <u>915,685</u> 53,773,359 Non-current assets held for sale 6,607 73,384,049 6,804 58,253,418 67,738,418 53,773,359 Total Assets C LIABILITIES Due to banks Derivative financial liabilities 19,840,214 1,288,482 25,215,163 1,518,881 20,171,621 25,825,551 1,529,730 23,191,009 ,286,677 Due to customers 36,814,742 (including debt securities in issue) Debt securities in issue held by institutional investors and other borrowed funds 42,021,427 28,464,349 684,814 732,259 1,278,841 2,317,252 Liabilities for current income tax and other taxes 32,899 34,149 42,529 412,020 17,470 22,774 372,468 Deferred tax liabilities Employee defined benefit obligations Other liabilities 100,005 1,256,853 52,182 929,748 96,138 1,188,643 48,719 866,049 267,393 65,526,236 138,787 57,505,918 131,383 60,985,515 30,173 **54,203,725** Total Liabilities (a) 1,100,281 2,757,653 1,100,281 2,757,653 4,216,872 4,216,872 Share Capita Share premium 4,212,062 4,212,062

565,163 (1,195,500) 7,798,597

23,816 35,400

7,857,813

73,384,049

268,315 (3,538,207) 588,042

11,904

147,554

747,500

58,253,418

488,796 (2,164,827) 6,752,903

6,752,903

67,738,418

213,097 (4,501,397) (430,366)

(430,366) 53,773,359

## **STATEMENT OF CASH FLOWS**

	Consol	idated	Alpha Bank From 1 January to		
	From 1 Ja	nuary to			
	30.9.2013	30.9.2012	30.9.2013	30.9.2012	
Net cash flows from continuing operating activities Net cash flows from discontinued operating activities	(4,330,262) (2,479)	1,768,487 3,290	(4,170,288)	1,943,769	
Net cash flows from operating activities (a)	(4,332,741)	1,771,777	(4,170,288)	1,943,769	
Net cash flows from continuing investing activities Net cash flows from discontinued investing activities	2,835,329 (415)	(1,020,332) (8,450)	2,858,933	(676,676)	
Net cash flows from investing activities (b)	2,834,914	(1,028,782)	2,858,933	(676,676)	
Net cash flows from continuing financing activities Net cash flows from discontinued financing activities	536,012	(530,833)	330,121	(785,328)	
Net cash flows from financing activities (c)	536,012	(530,833)	330,121	(785,328)	
Net increase/(decrease) in cash and cash equivalents of the period (a)+(b)+(c)	(961,815)	212,162	(981,234)	481,765	
Effect of exchange rate fluctuations on cash and cash equivalents	(3,977)	(161)	910	1,315	
Total cash flows for the period	(965,792)	212,001	(980,324)	483,080	
Cash and cash equivalents at the beginning of the period	2,110,093	1,206,072	2,013,148	1,772,157	
Cash and cash equivalents at the end of the period	1,144,301	1,418,073	1,032,824	2,255,237	

### STATEMENT OF CHANGES IN EQUITY

	From 1 Ja	nuary to	From 1 January to		
	30.9.2013	30.9.2012	30.9.2013	30.9.2012	
Equity at the beginning of the period (1.1.2013 and 1.1.2012 respectively)	747,500	1,966,248	(430,366)	592,944	
Effect of the retrospective application of amendments in accounting standards, after income tax		(31,363)		(32,044)	
Restated Balance 1.1.2012	747,500	1,934,885	(430,366)	560,900	
Total comprehensive income for the period, after income tax	2,739,600	(919,302)	2,761,269	(916,580)	
Share capital increase through issuance of common shares to the HFSF	4,021,000		4,021,000		
Share capital increase through cash	550,000		550,000		
Share capital increase related expenses, after income tax	(163,582)		(163,582)		
Change of ownership interests in subsidiaries	11,604	(286)			
(Purchases), (Redemptions)/Sales of hybrid securities	(63,067)	(151,382)			
Other	14,758	(459)	14,582	(150)	
Equity at the end of the period (30.9.2013 and 30.9.2012 respectively)	7,857,813	863,456	6,752,903	(355,830)	

Consolidated

Alpha Bank

### STATEMENT OF TOTAL COMPREHENSIVE INCOME

Equity attributable to Equity owners of the Bank

Total Liabilities and Equity (a)+(b)

	Consolidated			Alpha Bank				
	From 1 January to From 1 July to			From 1 January to From 1 July to				
	30.9.2013	30.9.2012	30.9.2013	30.9.2012	30.9.2013	30.9.2012	30.9.2013	30.9.2012
Interest and similar income Interest expense and similar charges Net interest income	2,628,097 (1,458,165) 1,169,932	2,525,942 (1,423,620) 1,102,322	892,858 (452,222) 440,636	801,166 (471,244) 329,922	1,951,198 (1,153,188) 798,010	2,157,722 (1,320,867) 836,855	756,701 (413,962) 342,739	677,126 (435,477) 241,649
Fee and commission income Commission expense Net fee and commission income	311,355 (47,714) 263,641	234,169 (36,776) 197,393	110,284 (14,952) 95,332	81,280 (16,812) 64,468	223,395 (39,677) 183,718	184,329 (29,616) 154,713	92,857 (13,181) 79,676	65,121 (14,436) 50,685
Dividend income Gains less losses on financial transactions Other income	1,025 254,921 55,470	594 (289,133) 44,594	129 5,212 14,321	52 (12,815) 20,283	642 190,354 17,729	486 (518,961) 7,451	18 121,950 2,299	6 (65,760) <u>1,698</u>
Total income	<u>311,416</u> <b>1,744,989</b>	(243,945) <b>1,055,770</b>	<u> </u>	<u>7,520</u> <b>401,910</b>	208,725 1,190,453	(511,024) <b>480,544</b>	<u>124,267</u> <b>546,682</b>	(64,056) <b>228,278</b>
Staff costs	(519,521)	(369,104)	(175,899)	(117,498)	(310,448)	(271,587)	(140,176)	(85,561)
General administrative expenses Depreciation and amortization expenses	(392,759) (68,149)	(326,574) (65,878)	(133,546) (22,919)	(111,781) (22,180)	(278,101) (32,779)	(254,908) (44,441)	(108,869) (14,797)	(85,097) (14,452)
Other expenses Total expenses	(3,583) (984,012)	<u>(4,440)</u> (765,996)	(4,322) (336,686)	(1,027) (252,486)	(4,348) (625,676)	(2,104) (573,040)	(4,266) (268,108)	(1,090) (186,200)
Impairment losses and provisions to cover credit risk Negative goodwill from the acquisition of Emporiki Bank A.E.	(1,474,062) 2,630,787	(1,169,099)	(490,003)	(449,267)	(1,268,759) 2,574,085	(960,657)	(435,565)	(367,768)
Share of profit/(loss) of associates and joint ventures	(11,626)	(7,071)	<u>(1,029</u> ) (491,032)	(1,941) (451,208)	1.305.326	(960,657)	(435,565)	(367,768)
Profit/(Loss) before income tax	1,906,076	(886,396)	(272,088)	(301,784)	1,870,103	(1,053,153)	(156,991) 20,594	(325,690)
Income tax Profit/(Loss) after income tax from continuing operations	<u>622,672</u> <b>2,528,748</b>	(711,167)	<u>43,372</u> (228,716)	52,641 (249,143)	<u>613,566</u> <b>2,483,669</b>	<u>203,703</u> (849,450)	<u> </u>	<u>63,378</u> (262,312)
Profit/(Loss) after income tax from discontinued operations Profit/(Loss) after income tax (a)	<u>(57,117)</u> <b>2,471,631</b>	<u>2,621</u> (708,546)	(32,228) (260,944)	<u>903</u> (248,240)	2,483,669	(849,450)	(136,397)	(262,312)
Profit/(Loss) attributable to:	2,471,031	(700,540)	(200,544)	(246,240)		(043,430)	(130,337)	(202,312)
Equity owners of the Bank - from continuing operations	2,528,649	(711,241)	(228,729)	(249,187)	2,483,669	(849,450)	(136,397)	(262,312)
- from discontinued operations	<u>(57,117)</u> <b>2,471,532</b>	<u>2,621</u> (708,620)	(32,228) (260,957)	<u>903</u> (248,284)	2,483,669	(849,450)	(136,397)	(262,312)
Non-controlling interests	99				2,463,009	(849,450)	(130,397)	(202,512)
- from continuing operations Other comprehensive income recognized directly in Equity:	99	74	13	44				
Items that may be reclassified subsequently to profit or loss Change in available for sale securities' reserve	155,245	(108,095)	86,458	172,061	226,245	25,554	131,400	229,730
Change in cash flow hedge reserve Exchange differences on translation and hedging of net investments in foreign operations	134,816 (3,342)	(123,342) (24,474)	30,286 (117)	(10,069) (1,698)	126,610	(109,483)	29,130	(8,794)
Change in share of other comprehensive income from associates and joint ventures Income tax	(67,894)	500 47,478	(29,307)	(32,200)	(77,156)	16,796	(42,578)	(44,105)
Items that may be reclassified subsequently to profit or loss from continuing operations, after income tax	219,050	(207,933)	87,320	128,094	275,699	(67,130)	117,952	176,831
Items that may be reclassified subsequently to profit or loss from discontinued operations	<u>47,037</u> <b>266,087</b>	(2,823) (210,756)	<u>32,865</u> <b>120,185</b>	(6,472) <b>121,622</b>	275,699	(67,130)	117,952	176,831
Items not reclassified to profit or loss from continuing operations Change in actuarial gains/(losses) of difined benefit obligations								
Effect due to the change of tax rate	<u> </u>				<u> </u>			
Total of other comprehensive income recognized directly in Equity, after income tax (b) Total comprehensive income for the period, after income tax (a)+(b) Total comprehensive income for the period attributable to:	267,969 2,739,600	(210,756) (919,302)	120,185 (140,759)	121,622 (126,618)	277,600 2,761,269	(67,130) (916,580)	117,952 (18,445)	176,831 (85,481)
Equity owners of the Bank - from continuing operations	2,749,578	(919,471)	(141,406)	(121,229)	2,761,269	(916,580)	(18,445)	(85,481)
- from discontinued operations	(10,080)	(202)	637	(5,569)				
Non-controlling interests	2,739,498	(919,673)	(140,769)	(126,798)	2,761,269	(916,580)	(18,445)	(85,481)
- from continuing operations Earnings/(Losses) per share:	102	371	10	180				
Basic and diluted (€ per share) Basic and diluted from continuing operations (€ per share)	0.4756 0.4866	(0.7338) (0.7365)	(0.0239) (0.0209)	(0.2571) (0.2581)	0.4779	(0.8797)	(0.0125)	(0.2716)
Basic and diluted from discontinued operations (€ per share)	(0.0110)	0.0027	(0.0030)	0.0009				

#### ADDITIONAL DATA AND INFORMATION

1. Companies included in the Consolidated Financial Statements, the Group's participation in them as at 4. There are neither pending legal cases or issues in progress, nor decisions of legal or arbitrary authorities, which may have a material impact on the financial position or operation of the Group and the Bank. The Group and the Bank have raised a provision for them which a ts to Euro 32 Euro 29.8 mil. respectively, as well as other provisions amounting to Euro 235.1 mil. and Euro 101.6 mil. respectively.

decided not to pay the Greek State of the respective return for the year 2012 on its preference shares under article 1 paragraph 3 of Law 3723/2008 as well as not to distribute dividends to the co

- 30.9.2013, as well as the applied consolidation method, are presented in note 16 of the Interim Con-solidated Financial Statements as at 30.9.2013. Companies not included in the Interim Consolidated solidated Financial Statements as at 30.9.2013. Compa Financial Statements, are also listed in this note.
- During the period from 1.10.2012 until 30.9.2013 the following changes took place in the companies which are fully consolidated and included in the Interim Consolidated Financial Statements:
- which are fully consolidated and included in the Interim Consolidated Financial Statements:
   New companies: On 22.10.2012, the Bank's subsidiary, Alpha Group Investments Ltd, acquired the total number of shares of the companies Futuronsal Ltd, Helkinvest Ltd., Mantolarus Holdings Ltd, Kepovest Ltd, Ravinzel Holdings Ltd, all registered in Cyprus, which on 24.10.2012 were renamed to AGI-RRE Apollo Ltd, AGI-BRE Participations 2 Ltd, AGI-RE Ares Ltd, AGI-BRE Participations 2 Ltd, and AGI-BRE Ares Ltd, AGI-BRE Participations 2 Ltd, active SAGI-BRE Ares Ltd, AGI-BRE Participations 2 Ltd, astablished the Bulgarian-registered companies AGI-BRE Ares Ltd, AGI-BRE Participations 2 Ltd, astablished the Bulgarian-registered companies AGI-BRE Participations 3 Ltd. and AGI-BRE Participations 2 L2 2012 the subsidiaries AGI-BRE Participations 3 Ltd. and AGI-BRE Participations 2 L2 2012 Lte subsidiaries AGI-BRE Participations 3 Ltd. and AGI-BRE Participations 4 Ltd., established the companies AGI-BRE Participations 3 Ltd. and AGI-BRE Participations 4 Ltd., D. crespectively, both registered in Bulgaria. On 21.1.2013, the Bank's subsidiary Alpha Group Investments Ltd, acquired the total number of shares of the companies Samorelia Ltd, Anfihisi Ltd, Marantelo Ltd, which are registered in Cyprus and which were subsequently renamed to AGI-RRE Venus Ltd, AGI-RRE Artemis Ltd and AGI-BRE Participations 5 Ltd. On 1.2.2013, the acquisition of the total number of shares of Emporisi Bank A.E. was completed.
   Transfers within the Group: On 21.1.2.2012, the Bank's subsidiary Alpha Group Investments Ltd., sold
- acquisition of the total number of shares of Emporiki Bank A.E. was completed.
  Transfers within the Group: On 21.12.2012, the Bank's subsidiary Alpha Group Investments Ltd., sold to other Group companies blocks of shares of the companies Ionian Hotel Enterprises A.E. and Alpha Astika Akinita A.E. On 31.12.2012, the Bank's subsidiary Alpha Group Investments Ltd., acquired from the subsidiary Alpha Bank Cyprus Ltd., shares of Alpha Insurance Ltd.
  Liquidations/Sales: On 15.10.2012, the Bank's subsidiary, Alpha Group Investments Ltd., sold the total number of shares of the Greek-registered company Alpha Investment Property Lamias A.E. On 1.7.2013 the Bank's subsidiary Ale Holdings Jersey Ltd proceeded with the sale of all its shares of Alpha Asset Finance C.I. ttd. On 29.7.2013 the liquidation of the Bank's subsidiary JBL Holding Jersey Ltd was completed. On 19.9.13 the sale of the total number of shares of the Bank's subsidiary JBL Holding Jersey Ltd was completed.
- 3. The unaudited fiscal years of Alpha Bank and the Group companies are listed in notes 15b and 14b of the Interim Financial Statements as at 30.9.2013 of the Group and the Bank respectively.

- The Bank and the Group companies did not hold any treasury shares as at 30.9.2013.
- 6. The total number of the employees of the Group as at 30.9.2013 was 17,119 (30.9.2012: 13,755) and of the Bank was 11,345 (30.9.2012: 7,618).
- The results arising from the related party transactions during the period 1.1.2013 until 30.9.2013 are as follows: 7.
- With members of the Board of Directors and other key management personnel: a) of the Group: income Euro 1,042 thousands, expenses Euro 4,986 thousands b) of the Bank: income Euro 1,042 thousands, expenses Euro 4,873 thousands.
- With other related parties: a) of the Group: income Euro 12,741 thousands, expenses Euro 17,901 thousands b) of the Bank: income Euro 47,803 thousands, expenses Euro 93,827 thousands.
   c) Other comprehensive income (expenses) recognized directly in Equity Euro 153 mil.

2. Construction of the receivables and liabilities arising from the above transactions are as follows:

- With members of the Board of Directors and other key management personnel: a) of the Group: re-ceivables Euro 79,132 thousands, liabilities Euro 75,770 thousands, letters of guarantee Euro 6,258 thousands b) of the Bank: receivables Euro 78,940 thousands, liabilities Euro 68,478 thousands, letters of guarantee Euro 6,258 thousands.
- With other related parties: **a)** of the Group: receivables Euro 499,602 thousands, liabilities Euro 101,914 thousands **b)** of the Bank: receivables Euro 5,947,950 thousands, liabilities Euro 2,052,173 thousands, letters of guarantee and other guarantees Euro 545,006 thousands.
- The income and expense items recognized directly in Equity are analyzed in the "Statement of total comprehensive income", as presented above.
- Due to the fact that the Bank presented losses for the year 2012 and, therefore the article 44a of 9. Codified Law 2190/1920 applied, the Bank's Ordinary General Meeting of Shareholders on 29.6.2013

shareholders of the Bank for the year 2012.

- Interiorder Soft the Bank you for the year 2012.
  10. On 1.2.2013, pursuant to the acquisition agreement with Credit Agricole S.A. on the sale of Emporiki Bank from Credit Agricole S.A. to Alpha Bank AE, and after the approvals of the Greek and Cypriot Central Banks and anti-trust authorities, the transfer of the entire share capital of Emporiki Bank to Alpha Bank by Credit Agricole was completed. Additionally, on the same day Credit Agricole was subscribed for €150 mil. of convertible bonds redeemable in Alpha Bank shares.
- 11. On 28.6.2013 the legal part of the acquisition, through absorption, of Emporiki Bank by Alpha Bank A F was finalized
- 12. On 6.6.2013 the share capital increase of Alpha Bank was realized, in accordance with the decision of the Lot 6.5.2015 the table capital increase of Alpina balls was realized, in clock with the decision of the Second Extraordinary General Meeting of Shareholders on 16.4.2013 and the Law 3864/2010. A total amount of  $\in$  4.571 bil. was raised, which resulted to a final share capital increase of  $\in$  3.1171 bil.  $\in$  375 mil. the remaining part  $\in$  2.742 bil. was covered by the HFSF (Hellenic Financial Stability Fund) through remittance of European Financial Stability Fund securities owned by HFSF. Details are included in note 13 of the Interim Financial Statements as at 30.9.2013 of both the Group and the Bank.
- 13. The comparative period of the Financial Statements of the Bank and the Group were restated due to the retrospective application of amendments in accounting standards, whereas for the Group this was also due to the characterization of JSC Astra Bank's results as discontinued. This restatement had an impact on profit/(loss) after income tax and non-controlling interests, on total comprehensive income tax, as well as on equity attributable to Equity owners of the Bank. Details are included in notes 22 and 24 of the Interim Financial Statements as at 30.9.2013 of the Group and in note 22 of the Bank respective. the Bank respectively.
- 14. Profits and losses of discontinued operations of the Group are stated in detail in note 22 of the Interim Financial Statements of the Group as at 30.9.2013.
  15. The accounting policies, applied by the Group and the Bank for the completion of the Interim Financial Statements as at 30.9.2013, are consistent with those stated in the Financial Statements as at 30.9.2014. 31.12.2012, which are available on the website of the Bank, after taking into consideration the amend-ments stated in note 1 of the Interim Financial Statements as at 30.9.2013 of the Group and the Bank respectively

### Athens, November 28, 2013

THE CHAIRMAN OF THE GENERAL MANAGER THE ACCOUNTING THE MANAGING DIRECTOR THE BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER AND TAX MANAGER YANNIS S. COSTOPOULOS DEMETRIOS P. MANTZOUNIS VASSILIOS E. PSALTIS MARIANNA D. ANTONIOU I.D. No. X 661480 I.D. No. I 166670 I.D. No. AI 666591 I.D. No. X 694507