

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

For the year from January 1, 2015 to December 31, 2015  
(Published in accordance with Codified Law 2190/20, article 135 concerning businesses that prepare annual financial statements, consolidated or not, in accordance with I.F.R.S.)  
(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 any investment decision or transaction is performed with the Bank, to visit the web site of the Bank www.alpha.gr, where the financial statements, as well as the auditor's report are available.

## INFORMATION OF ALPHA BANK:

Registered office:  
G.C.R. Number:  
(former S.A. Registration Number:)

40 Stadiou Street- 102 52, ATHENS  
223701000  
6066/06/B/86/05)

Supervising authority:

Bank of Greece  
Ministry of Economy, Development and Tourism

Date of approval of the Financial Statements by the Board of Directors  
(from which the financial information were derived):  
Certified Auditors:

March 3, 2016  
Nikolaos E. Vouniseas (A.M. SOEL 18701)  
Ioannis A. Achilas (A.M. SOEL 12831)  
KPMG Certified Auditors A.E. (A.M. SOEL 114)  
Unqualified opinion - Emphasis of matter  
www.alpha.gr

Audit Firm:  
Type of Auditors' Report:  
Website address:

## MEMBERS OF THE BOARD OF DIRECTORS:

CHAIRMAN (Non - Executive Member) Vasileios T. Rapanos	EXECUTIVE DIRECTORS AND GENERAL MANAGERS (Executive Members) Spyros N. Filaretos (COO) Artemis Ch. Theodoridis George C. Aronis	NON-EXECUTIVE MEMBERS Efthimios O. Vidalis Ioanna E. Papadopoulou	NON-EXECUTIVE INDEPENDENT MEMBERS Pavlos A. Apostolides Evangelos J. Kaloussis Ioannis K. Lyras Ibrahim S. Dabdoub Shahzad A. Shahbaz	NON-EXECUTIVE MEMBER (in accordance with Law 3723/2008) Marika S. Ioannou-Frangakis (replacing Sarantis-Evangelos G. Lolos from 17.3.2015) NON-EXECUTIVE MEMBER (in accordance with Law 3864/2010) Panagiota S. Iplixian
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## BALANCE SHEET

	Consolidated		Alpha Bank	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
<b>ASSETS</b>				
Cash and balances with Central Banks	1,730,327	2,019,017	698,730	1,265,442
Due from banks	1,976,273	2,771,739	3,406,859	4,714,551
Securities held for trading	2,779	4,189	1,888	1,729
Derivative financial assets	793,015	1,148,476	794,471	1,153,944
Loans and advances to customers	46,186,116	49,556,985	41,558,014	43,475,910
Investment securities				
- Available for sale	5,794,484	5,688,286	4,890,891	4,638,825
- Held to maturity	79,709	310,818	2,823	93,817
- Loans and receivables	4,289,482	4,299,101	4,289,482	4,299,101
Investments in subsidiaries, associates and joint ventures			2,087,386	2,072,689
Investments in associates and joint ventures	45,771	46,383		
Investment property	623,662	567,212	28,813	31,939
Property, plant and equipment	860,901	1,083,348	691,847	729,585
Goodwill and other intangible assets	342,251	299,821	331,424	261,351
Deferred tax assets	4,398,176	3,689,446	4,372,486	3,604,079
Other assets	1,510,225	1,365,066	1,421,770	1,289,764
	68,633,171	72,881,490	64,545,281	67,632,726
Non-current assets held for sale	663,063	53,971	447,601	1,831
<b>Total Assets</b>	<b>69,296,234</b>	<b>72,935,461</b>	<b>64,992,882</b>	<b>67,634,557</b>
<b>LIABILITIES</b>				
Due to banks	25,115,363	17,300,114	25,170,637	17,558,462
Derivative financial liabilities	1,550,529	1,948,541	1,556,555	1,946,401
Due to customers (including debt securities in issue)	31,434,266	42,900,633	27,733,679	37,817,447
Debt securities in issue held by institutional investors and other borrowed funds	400,729	1,523,521	406,231	2,021,165
Liabilities for current income tax and other taxes	38,192	61,794	21,108	47,819
Deferred tax liabilities	20,852	25,502		
Employee defined benefit obligations	108,550	105,353	105,816	94,683
Other liabilities	910,622	1,091,747	831,557	993,887
Provisions	296,014	212,712	410,446	333,520
	59,875,117	65,169,917	56,236,029	60,813,384
Liabilities related to non-current assets held for sale	366,781	58,994	338,820	
<b>Total Liabilities (a)</b>	<b>60,241,898</b>	<b>65,228,911</b>	<b>56,574,849</b>	<b>60,813,384</b>
<b>EQUITY</b>				
Share Capital	461,064	3,830,718	461,064	3,830,718
Share premium	10,790,870	4,858,216	10,790,870	4,858,216
Reserves	301,223	105,712	153,631	53,351
Amounts recognized directly in Equity, related to Assets held for Sale	8,834	(25)		
Retained earnings	(2,546,885)	(1,142,801)	(2,987,532)	(1,921,112)
Equity attributable to Equity owners of the Bank	9,015,106	7,651,820	8,418,033	6,821,173
Non-controlling interests	23,998	23,266		
Hybrid securities	15,232	31,464		
<b>Total Equity (b)</b>	<b>9,054,336</b>	<b>7,706,550</b>	<b>8,418,033</b>	<b>6,821,173</b>
<b>Total Liabilities and Equity (a)+(b)</b>	<b>69,296,234</b>	<b>72,935,461</b>	<b>64,992,882</b>	<b>67,634,557</b>

## STATEMENT OF CASH FLOWS

	Consolidated		Alpha Bank	
	From 1 January to 31.12.2015	31.12.2014	From 1 January to 31.12.2015	31.12.2014
Net cash flows from continuing operating activities	(1,320,644)	(1,317,796)	(1,695,169)	(1,688,344)
Net cash flows from discontinued operating activities	13,365	(4,052)	15,340	(1,412)
<b>Net cash flows from operating activities (a)</b>	<b>(1,307,279)</b>	<b>(1,321,848)</b>	<b>(1,679,829)</b>	<b>(1,689,756)</b>
Net cash flows from continuing investing activities	(44,970)	516,019	(142,253)	1,117,998
Net cash flows from discontinued investing activities	9,949	(125)	(460)	897
<b>Net cash flows from investing activities (b)</b>	<b>(35,021)</b>	<b>515,894</b>	<b>(142,713)</b>	<b>1,118,895</b>
Net cash flows from continuing financing activities	1,479,523	1,021,950	1,362,631	1,043,043
<b>Net cash flows from financing activities (c)</b>	<b>1,479,523</b>	<b>1,021,950</b>	<b>1,362,631</b>	<b>1,043,043</b>
<b>Net increase/(decrease) in cash and cash equivalents of the period(a)+(b)+(c)</b>	<b>137,223</b>	<b>215,996</b>	<b>(459,911)</b>	<b>472,182</b>
Effect of exchange rate fluctuations on cash and cash equivalents	(3,334)	5,081	2,130	1,848
<b>Total cash flows for the period</b>	<b>133,889</b>	<b>221,077</b>	<b>(457,781)</b>	<b>474,030</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,194,244</b>	<b>973,167</b>	<b>1,223,029</b>	<b>748,999</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,328,133</b>	<b>1,194,244</b>	<b>765,248</b>	<b>1,223,029</b>

## STATEMENT OF CHANGES IN EQUITY

	Consolidated		Alpha Bank	
	From 1 January to 31.12.2015	31.12.2014	From 1 January to 31.12.2015	31.12.2014
<b>Equity at the beginning of the period (1.1.2015 and 1.1.2014 respectively)</b>	<b>7,706,550</b>	<b>8,367,735</b>	<b>6,821,173</b>	<b>7,147,306</b>
Total comprehensive income for the period, after income tax	(1,166,544)	(884,895)	(928,895)	(550,369)
Share capital increase through private placement in cash	1,552,169	1,200,000	1,552,169	1,200,000
Share capital increase through capitalization of financial receivables	1,010,831		1,010,831	
Redemption of preference shares		(940,000)		(940,000)
Share capital increase related expenses, after income tax	(43,506)	(35,764)	(43,506)	(35,764)
Change of ownership interests in subsidiaries		(333)		
Effect due to change of the income tax rate at share capital increase expenses	6,261		6,261	
(Purchases), (Redemptions)/Sales of hybrid securities, after income tax	(11,425)	(236)		
Other		43		
<b>Equity at the end of the period (31.12.2015 and 31.12.2014 respectively)</b>	<b>9,054,336</b>	<b>7,706,550</b>	<b>8,418,033</b>	<b>6,821,173</b>

## STATEMENT OF TOTAL COMPREHENSIVE INCOME

	Consolidated		Alpha Bank	
	From 1 January to 31.12.2015	31.12.2014	From 1 January to 31.12.2015	31.12.2014
Interest and similar income	3,014,436	3,247,017	2,647,094	2,756,481
Interest expense and similar charges	(1,082,721)	(1,327,591)	(1,037,928)	(1,231,606)
Net interest income	1,931,715	1,919,426	1,609,166	1,524,875
Fee and commission income	383,410	391,322	315,702	318,217
Commission expense	(68,684)	(57,108)	(59,348)	(46,434)
Net fee and commission income	314,726	334,214	256,354	271,783
Dividend income	3,308	1,552	35,465	52,023
Gains less losses on financial transactions	(45,047)	40,361	(91,280)	15,504
Other income	63,202	64,442	16,868	17,725
	21,463	106,355	(38,947)	85,252
<b>Total income</b>	<b>2,267,904</b>	<b>2,359,995</b>	<b>1,826,573</b>	<b>1,881,910</b>
Staff costs	(533,114)	(649,621)	(401,781)	(518,226)
Cost/Provision of Voluntary Separation Scheme	(64,300)	(200,800)	(64,300)	(200,800)
General administrative expenses	(560,219)	(540,029)	(443,556)	(424,558)
Depreciation and amortization expenses	(105,001)	(94,341)	(71,336)	(59,554)
Other expenses	(42,069)	(69,055)	(7,057)	(16,757)
<b>Total expenses</b>	<b>(1,304,703)</b>	<b>(1,553,846)</b>	<b>(988,030)</b>	<b>(1,219,895)</b>
Impairment losses and provisions to cover credit risk	(3,019,806)	(1,847,037)	(2,699,237)	(1,386,598)
Negative goodwill from acquisitions		40,287	48,237	
Share of profit/(loss) of associates and joint ventures	(9,821)	(10,759)		
	(3,029,627)	(1,817,509)	(2,651,000)	(1,386,598)
<b>Profit/(Loss) before income tax</b>	<b>(2,066,426)</b>	<b>(1,011,360)</b>	<b>(1,812,457)</b>	<b>(724,583)</b>
Income tax	806,758	696,439	823,105	677,122
<b>Profit/(Loss) after income tax from continuing operations</b>	<b>(1,259,668)</b>	<b>(314,921)</b>	<b>(989,352)</b>	<b>(47,461)</b>
Profit/(Loss) after income tax from discontinued operations	(11,786)	(14,787)	(42,924)	(11,068)
<b>Profit/(Loss) after income tax (a)</b>	<b>(1,271,454)</b>	<b>(329,708)</b>	<b>(1,032,276)</b>	<b>(58,529)</b>
<b>Profit/(Loss) attributable to:</b>				
<b>Equity owners of the Bank</b>				
- from continuing operations	(1,259,928)	(315,022)	(989,352)	(47,461)
- from discontinued operations	(11,786)	(14,787)	(42,924)	(11,068)
	<b>(1,371,714)</b>	<b>(329,809)</b>	<b>(1,032,276)</b>	<b>(58,529)</b>
Non-controlling interests	260	101		
<b>Other comprehensive income recognized directly in Equity:</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Change in available for sale securities' reserve	217,034	(481,006)	67,378	(400,381)
Change in cash flow hedge reserve	52,313	(224,342)	52,408	(227,861)
Exchange differences on translation and hedging of net investments in foreign subsidiaries	1,072	(2,875)		
Change in share of other comprehensive income from associates and joint ventures	(547)	(1,318)		
Income tax	(68,051)	182,822	(19,506)	164,034
<b>Items that may be reclassified subsequently to profit or loss from continuing operations, after income tax</b>	<b>201,821</b>	<b>(526,719)</b>	<b>100,280</b>	<b>(464,208)</b>
Items that may be reclassified subsequently to profit or loss from discontinued operations, after income tax	47	(34)		
	<b>201,868</b>	<b>(526,753)</b>	<b>100,280</b>	<b>(464,208)</b>
<b>Items not reclassified to profit or loss from continuing operations</b>				
Change in actuarial gains/(losses) of defined benefit obligations	941	(38,364)	1,025	(37,341)
Income tax	2,101	9,930	2,076	9,709
	<b>3,042</b>	<b>(28,434)</b>	<b>3,101</b>	<b>(27,632)</b>
<b>Total of other comprehensive income recognized directly in Equity, after income tax (b)</b>	<b>204,910</b>	<b>(555,187)</b>	<b>103,381</b>	<b>(491,840)</b>
<b>Total comprehensive income for the period, after income tax (a)+(b)</b>	<b>(1,166,544)</b>	<b>(884,895)</b>	<b>(928,895)</b>	<b>(550,369)</b>
<b>Total comprehensive income for the period attributable to:</b>				
<b>Equity owners of the Bank</b>				
- from continuing operations	(1,055,033)	(870,141)	(885,971)	(539,301)
- from discontinued operations	(111,786)	(14,787)	(42,924)	(11,068)
	<b>(1,166,819)</b>	<b>(884,928)</b>	<b>(928,895)</b>	<b>(550,369)</b>
Non-controlling interests				
- from continuing operations	275	33		
<b>Earnings/(Losses) per share:</b>				
Basic and diluted (€ per share)	(3.5602)	(1.3370)	(2.6792)	(0.2373)
Basic and diluted from continuing operations (€ per share)	(3.2701)	(1.2770)	(2.5678)	(0.1924)
Basic and diluted from discontinued operations (€ per share)	(0.2901)	(0.0599)	(0.1114)	(0.0449)

## ADDITIONAL DATA AND INFORMATION

- Companies included in the Consolidated Financial Statements, the Group's participation in them as at 31.12.2015, as well as the applied consolidation method, are presented in note 38 of the Consolidated Financial Statements as at 31.12.2015. Companies, not included in the Consolidated Financial Statements, are also listed in this note.
- During the period from 1.1.2015 until 31.12.2015 the following changes took place in the Consolidated Financial Statements:
  - concerning companies which are fully consolidated:
    - New Companies: On 3.2.2015, the Group's subsidiary, AGI-SRE Ariadni Ltd acquired the total number of shares of AGI-SRE Ariadni DOO, registered in Serbia. On 16.4.2015 the subsidiary of the Bank, Alpha Group Investments Ltd founded the company Alpha Investment Property Kefalariou A.E. On 30.4.2015, the Group's subsidiary, AGI-RRE Participations 1 Ltd acquired 99.996% of the shares of Asmita Gardens Srl, registered in Romania. On 7.5.2015 the Group subsidiary, AGI-RRE Poseidon Ltd acquired 2.97% of minority shareholder of Romfelt Real Estate S.A. and therefore the Group holds 98.86%. On 23.9.2015 the subsidiary of the Bank, Alpha Group Investments Ltd, founded the company Alpha Bank Debt Notification Services A.E. On 8.10.2015 the Group's subsidiaries AGI RRE Artemis Ltd and Alpha Group Investments Ltd acquired 100% of the shares of Ashtram Residents Srl. On 30.10.2015 the subsidiary company of the Group, AGI-BRE Participations 5 Ltd founded the company AGI-BRE Participations 5 FOOD, registered in Bulgaria. On 10.11.2015 the Bank's subsidiary, Alpha Group Investments Ltd founded the company Alpha Investment Property Nea Enithrea A.E. On 08.12.2015, the Group's subsidiaries, AGI-RRE Arsinoo Ltd and AGI-RRE Cleopatra Ltd acquired 100% of the shares of Cubic Center Development S.A. based in Romania. On 24.12.2015, the Bank's subsidiary, Alpha Group Investments Ltd acquired 100% of the shares of Anaplasi Plagias A.E.
    - Liquidations/Sales: On 16.1.2015, the sale of the total number of shares of the subsidiary Alpha Insurance Ltd in Cyprus was completed. On 29.7.2015 the subsidiary of the Bank, Emporiki Development and Real Estate Management S.A. sold all the shares held in the company «Marina Zea SA». On 30.9.2015 the process of liquidation of the subsidiary company of the Bank, Commercial Media Advertising EPE was completed.
    - Changes/Renames: On 6.2.2015, the Group's subsidiary, AGI-Cypr Arsinoo Ltd was renamed to AGI-RRE Arsinoo Ltd. On 27.3.2015 the merger of Alpha Bank Cyprus Ltd and Emporiki Bank Cyprus Ltd was completed, through absorption of the second
- from the first
- concerning companies consolidated under the equity method:
  - Liquidations/Sales: On 23.1.2015 the Bank proceeded in the sale of the total number of shares of the joint venture Cardlink.
- On 2.6.2015, the merger of the Bank with its subsidiary, since 30.9.2014, Diners Club SA was approved, through absorption of the second from the first, pursuant to the Decision No 59073/2.6.2015 of the Company's and General Commerce Division of the Ministry of Economy, Infrastructure, Shipping and Tourism, with registration No 367376/2.6.2015 in the General Commercial Register.
- The unaudited tax years of the Bank and the Group companies are listed in notes 37b and 36b of the Financial Statements as at 31.12.2015 of the Group and the Bank respectively.
- There are neither pending legal cases nor 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 amounts to Euro 29 mil. and Euro 26.8 mil. respectively. Additionally, the Group and the Bank have raised a provision for the Voluntary Separation Scheme (note 7 and 31 of the Financial Statements as at 31.12.2015 of the Group and the Bank respectively) amounting to Euro 64.3 mil. as well as other provisions amounting to Euro 202.7 mil. and Euro 319.3 mil. respectively.
- The Bank and the Group companies did not hold any treasury shares as at 31.12.2015.
- The total number of employees of the Group as at 31.12.2015