



ALPHA BANK

Announcement [9.5.2013]

**Share Capital Increase of the ALPHA BANK A.E. through Payment in Cash with Preemption and Oversubscription Rights for part of the Share Capital Increase
Ex-Rights Date and Trading Period for the Preemption Rights**

Ex-Rights Date: **13.5.2013**

Trading Period for the Preemption Rights: **17.5.2013 – 27.5.2013**

Exercise Period for the Preemption and Oversubscription Rights: **17.5.2013 – 31.5.2013**

Advisor to the Issue: Alpha Finance

The Second Iterative Extraordinary General Meeting of the Shareholders (the “*General Meeting*”) of ALPHA BANK A.E. (the “*Bank*”) decided on 16.4.2013 and accordingly the Board of Directors of the Bank on 30.4.2013 specified, in accordance with the Law 3864/2010 and the pertinent legislation (the “*Recapitalization Framework*”), the terms of the share capital increase of the Bank (the “*Share Capital Increase*”), as follows:

(i) through payment in cash of up to Euro 550 million, through the issuance of up to 1,250,000,000 new, ordinary, dematerialised, registered, voting shares of the Bank of par value Euro 0.30 each and at a subscription price of Euro 0.44 each; and

(ii) through contribution in kind of notes owned by the Hellenic Financial Stability Fund (“HFSF”) and issued by the European Financial Stability Fund and the issuance of new, ordinary, dematerialised, registered, voting shares of the Bank of par value Euro 0.30 each and at a subscription price of Euro 0.44 each, for the remaining amount, for covering the total capital needs of the Bank.

In total, 10,388,636,364 new, ordinary, registered shares of par value Euro 0.30 at a subscription price of Euro 0.44 each (the “*New Shares*”) shall be issued and total funds equal to Euro 4,571 million shall be raised. Following the Share Capital Increase and when fully subscribed, the share capital of the Bank shall amount to Euro 4,216,871,803.60 and shall be divided into 10,922,906,012 ordinary, registered, voting, dematerialised shares of par value of Euro 0.30 each and 200,000,000 preference, registered, without voting rights, redeemable, shares in physical form, of par value Euro 4.70 each. Accordingly, articles 5.1 and 5.2 of the articles of association of the Bank will be amended.

The difference between the subscription price and the par value of the New Shares, amounting to a total of Euro 1,454,409,090.96 shall be credited, in accordance with the law and the articles of association of the Bank, to the account "Reserve from the issuance of shares above par".

1. With respect to the part of the Share Capital Increase effected through payment in cash, an amount of up to Euro 550 million (including the difference corresponding to the above par amount) shall be raised (the "Total Share Capital Increase in Cash") through the issuance of up to 1,250,000,000 New Shares, to be distributed as follows:
 - A. For an amount of up to Euro 457.1 million (including the difference corresponding to the above par amount) with preemption rights in favor of the existing shareholders at a ratio of 1.944456 New Shares to one (1) old share, namely, up to 1,038,863,636 New Shares in total at a subscription price of Euro 0.44 per New Share (the "Rights Issue").

Those, who will timely, duly and fully exercise their preemption rights, shall also have the right to express interest for oversubscription for any unsubscribed New Shares, which correspond to the non-exercised preemption rights, at the subscription price, provided that they will fully exercise all of their preemption rights until the expiration date for the exercise of such rights, provided that: (x) each oversubscription may equal to up to two times the number of New Shares acquired through the exercise of preemption rights and (xi) if the total number of such unsubscribed New Shares is not sufficient to fully satisfy the demand of investors who have exercised the oversubscription, these investors will be satisfied *pro rata* on the basis of the number of the unsubscribed New Shares that they have requested and until the demand is fully satisfied, rounded to the closest integer (the "Oversubscription").

If, following the above, there are still unsubscribed New Shares, these shall be allocated on the basis, and under the terms, of the subscription agreement by the Board of Directors, at the subscription price through private placement to persons specified by the Subscribers (as defined below) and, in their absence, directly to the Subscribers.

- B. For an amount of up to Euro 92.9 million (including the difference corresponding to the above par amount) through the distribution by the Board of Directors of the Bank of up to 211,136,364 New Shares in total at a subscription price of Euro 0.44 each at its discretion, to qualified investors and / or other persons, with limitation of the preemption rights (the "Private Investor Shares").

If, following the above, New Shares for such private placement remain unsubscribed, these shall be distributed by the Board of Directors, on the basis, and under the terms, of the underwriting agreement, at the subscription price through a private placement, in consultation with the Subscribers, namely to qualified investors and / or other persons, without however the requirement for the Subscribers to subscribe any unsubscribed Private Investor Shares.

Notwithstanding the above, the terms provided for in chapter 6.1.5 "*The terms of the Share Capital Increase*" of the approved by the Hellenic Capital Market Commission, Prospectus, shall apply.

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2. It is noted that the Rights Issue is fully underwritten by the following international financial institutions, subject to certain customary conditions: JP Morgan Securities plc, Citigroup Global Markets Limited, HSBC Bank plc, and Credit Agricole Corporate and Investment Bank (the “Subscribers”).
3. The private investors, who will subscribe New Shares under the Total Share Capital Increase in Cash, will receive, according to the terms and conditions of the Recapitalization Framework, the warrants provided by art. 3 of Cabinet Act no. 38/2012 (the “*Warrants*”). The number of New Shares per Warrant will be defined by a fraction of (A) / (B) where (A) is the total number of New Shares that will be subscribed by the HFSF given its participation in the Share Capital Increase and (B) is the total number of New Shares that will be subscribed by private investors given their participation in the Share Capital Increase (see art. 3 para. 4 of Cabinet Act no. 38/9.11.2012).
4. The net proceeds of the Share Capital Increase, (after deducting issuance costs) shall be used to further strengthen the Bank’s capital adequacy ratios.
5. The deadline for the exercise of the preemption rights (the “*Preemption Rights*”) is set as an exclusive period of fifteen (15) calendar days, beginning on 17.5.2013 and expiring (following the completion of the working hours) on 31.5.2013 (the “*Exercise Period*”), to be noted that the deadline for exercising oversubscription rights will expire at the end of the Exercise Period.
6. The exercise of the Preemption Rights or/and the oversubscription rights shall take place, simultaneously and in parallel, throughout Greece at the branches of the Bank or Emporiki Bank of Greece S.A. (the “*EBG*”) against payment of the required funds.
7. The ex-rights date is set on 13.5.2013 (the “*Ex-Rights Date*”). From that date onwards, the Bank’s ordinary voting shares shall be traded on the Athens Exchange (the “*ATHEX*”) without the right to participate in the Rights Issue and their initial trading price in the ATHEX will be determined, in accordance with the ATHEX Regulation, as in for force.
8. The holders of the Preemption Rights of the New Shares (the “*Beneficiaries*”) shall be:
 - (A) Initially, the holders of the Bank’s ordinary voting shares, who shall be registered in the Dematerialized Securities System (DSS) on 15.5.2013, in accordance with article 5 par. 2 of the ATHEX Regulation, i.e. on the second business day (record date) after the Ex-Rights Date and on the assumption that these persons will (continue to) hold or otherwise obtain the Preemption Rights at the time of their exercise; and
 - (B) Those who have obtained Preemption Rights during their Trading Period (as defined below) on the ATHEX and continue to hold such rights.

It is noted that (i) the commencement of the Trading Period of the Preemption Rights in the electronic trading system of the ATHEX will coincide with the commencement of the Exercise Period, (ii) the Preemption Rights will be credited in the accounts of each beneficiary in the DSS on the

first day of the Trading Period, (iii) the Preemption Rights will be freely transferable during the Exercise Period and up to four (4) business days before their expiration date, namely until the end of the trading session of 27.5.2013 (the "Trading Period"), and iv) any Preemption Rights not duly exercised on time (namely until 31.5.2013) will automatically lapse.

In particular, the Preemption Rights may be exercised during business days and hours in the Bank branches or EBG branches in Greece, either through operators of the securities accounts (brokerage firm or custodian) or in person in the Bank branches or EBG branches (for the beneficiaries, who do not wish to exercise their rights through operators). Beneficiaries, who wish to exercise their rights through operators, shall request the exercise of their rights from their operators.

For the exercise of the Preemption Rights directly through the Bank, the Beneficiaries will produce the relevant certificate from HELEX regarding the blocking of the Preemption Rights, and shall simultaneously pay the total subscription price for the requested New Shares fully and in cash, upon the exercise of the Preemption Rights.

In particular, the following process must apply for the exercise of the Preemption Rights through the branches of the Bank, i.e. the Beneficiaries must:

- I. Provide their identification card, their VAT number, a printout of their account data in the DSS as well as a relevant certificate of HELEX on the blocking of the Preemption Rights for their exercise (which may be obtained from the operator of their account or from HELEX, if the shares are recorded in the Special Account of the DSS).
- II. Disclose upon exercise of the Preemption Rights, the number of their Investor Share in the DSS, the Number of their Securities Account in the DSS and the authorized operator of their securities account, where they wish the New Shares to be recorded.
- III. Deposit the full price of the New Shares corresponding to the exercised Preemption Rights into a special bank account that shall be opened for the purpose of the Rights Issue. The payment may take place either through cash deposit into the aforementioned bank account or by debiting such amount to an account that the exercising Beneficiary keeps with the Bank and crediting it by the Bank or EBG to the special account opened for the purpose of the Rights Issue. In addition, it will be possible to block an amount equal to the total consideration of the New Shares corresponding to the exercised Preemption Rights in a deposit account that the Beneficiary maintains with the Bank. In that event, such deposit account shall be debited with the corresponding amount and the on the last day of the exercise of the Preemption Rights. Accordingly, the special account special account opened for the purpose of the Rights Issue so credited. No fractional New Shares will be issued; for that reason it is recommended that Beneficiaries acquire a number of shares that upon exercise of the Preemption Rights correspond to an integral number of New Shares.

If according to the data of the DSS or the subscriber, more than one subscription by the same individuals or legal entities is identified, then all these subscriptions will be treated as a single subscription.

Following exercise of the Preemption Rights, subscribers will be supplied with a relevant receipt, which is neither a provisional share title nor tradable.

9. Those, who will timely, duly and fully exercise their Preemption Rights, in accordance with the aforementioned subparagraphs 8(A) and 8(B), shall also have oversubscription rights on the understanding that the oversubscription rights are not transferable and tradable in the ATHEX or any other organized market, and their exercise will coincide with the exercise the Preemption Rights, against simultaneous payment of the price of the New Shares subscribed for in cash and in full by debiting the account, in accordance to paragraph 8 above.
10. Private sector investors subscribing for New Shares through the Rights Issue and / or Private Investor Shares shall have their subscription funds returned (interest free) from the Bank, in case the Bank does not succeed in raising a minimum of €257.1 million from private sector investors through the Rights Issue, the Oversubscription, the Private Investor Shares offering, and/or through the arrangements with the Subscribers, unless they have explicitly elected during the exercise of their rights for their subscription to remain valid in the event the Bank does not attain the above private sector contribution.
11. In compliance with the General Meeting resolutions the subscription price of the New Shares may be higher than the traded price of the Bank's share at the Ex-Rights Date in accordance with the ATHEX Regulation.
12. The New Shares: (i) shall be listed and traded in the securities market of the ATHEX and (ii) shall have the right to receive dividends from any profits to be distributed for the fiscal year 2013 and thereafter, subject to the provisions of the law and in particular Law 3723/2008 for as long as the Bank is subject to its provisions.
13. The Prospectus, as approved by the Board of Directors of the Hellenic Capital Markets Commission on 2.5.2013, is available to investors in electronic form on the websites of: (i) the Athens Stock Exchange (www.ase.gr), (ii) the Hellenic Capital Markets Commission (www.hcmc.gr) and (iii) the Bank (www.alpha.gr) in the section "Investor Relations / Capital Increase 2013" from 9.5.2013, as well as in printed form, free of charge, in the Branches of the Bank and of the EBG in Greece.
14. The date that the New Shares shall start trading in the ATHEX, after the completion of the Share Capital Increase, will be duly announced.

For further information, Shareholders may contact the Shareholder Section of the Bank (tel. +30 210 326 0000).

Athens, May 9, 2013

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This release is only addressed to and is only directed at persons in member states of the European Economic Area (the "EEA") who are "qualified investors" within the meaning of Article 2.1(e) of the Prospectus Directive (Directive 2003/71/EC), as amended by Directive 2010/73/EU together with any applicable implementing measures in any member state of the EEA. In addition, in the United Kingdom, this release is directed solely at persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) are high net worth entities and other persons to whom it may lawfully be communicated falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). This release is addressed only to, and directed only at, relevant persons and qualified investors and must not be acted on or relied on (i) in the United Kingdom, by persons who are not relevant persons or (ii) in any member state of the EEA other than the United Kingdom, by qualified investors. Any investment or investment activity to which this release relates is available only to, and will be engaged in only with, in the United Kingdom, relevant persons, and in any member state of the EEA other than the United Kingdom, qualified investors.

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