

Alpha Bank, Eurobank and KKR reach agreement to support Greek companies

Management of credit and equity exposures to be assigned to a platform, managed by Pillarstone

EBRD is considering co-investing in partnership with KKR

Athens, 17 May 2016 – Alpha Bank, Eurobank and KKR Credit have reached a binding agreement today by which the banks agree to assign the management of credit and equity exposures to a selected number of Greek companies into a platform managed by Pillarstone.

Subject to final Board approval, the European Bank for Reconstruction and Development (EBRD) is considering co-investing in partnership with KKR and the banks.

The platform will provide fresh long-term capital and operational expertise to large Greek corporate borrowers helping them stabilize, recover and grow for the benefit of all stakeholders. The Greek banks will share in the upside as the businesses' performance recovers.

This is a pioneering platform, both in terms of scope and scale, and also has the flexibility to allow other lenders to participate by contributing loan portfolios or adding existing exposures to a specific company to those of the other banks.

Theodore Athanassopoulos, Executive General Manager of Alpha Bank, said: "The platform aims to provide viable Greek Corporates which encounter financial difficulties the chance to have access both to liquidity and operational expertise that will help them invest, grow, recover and create new job opportunities. As such it is an important step towards the implementation of Alpha Bank's NPE Strategy."

Constantinos Vouvounis, General Manager, Head of Troubled Assets Group of Eurobank, said: "Aligned with Eurobank's strategy towards assisting Greek corporates facing financial difficulties to recover, the platform with KKR, Pillarstone, EBRD and Alpha Bank will offer to those corporates strategic and technical expertise as well as new funding. It is crucial to act promptly in this field to create the conditions for corporates to recover and safeguard jobs, made possible by new capital and knowhow. Today's announcement is a major step in the right direction. We welcome the participation of the other Greek banks to the platform."

Johannes P. Huth, Head of KKR Europe, Africa and Middle East, said: "We have developed this innovative approach in partnership with Eurobank, Alpha Bank and EBRD, and look forward to the opportunity to make long-term capital available to Greek companies."

Noel Edison, EBRD Director for Insurance and Financial Services, said: "The successful recapitalisation of the Greek banks at the end of 2015 was an essential step towards financial stability. The next important milestones include a more effective management of underperforming exposures. The platform will provide corporates in financial difficulty with new financing and turn-around operational expertise, which are prerequisites to unlocking the inter-creditor impasse and supporting growth in the real economy."

John Davison, CEO of Pillarstone, said: “The platform, that Pillarstone manages, offers Greek companies new financial resources and operating support to enable them to deliver on their potential. It is a unique approach based on a collaborative model that benefits a wide range of stakeholders including the banks.”

The transaction is subject to the completion of certain conditions precedent.

HSBC Bank plc acted as the coordinator and structuring adviser of the transaction for Alpha Bank and along with Mediobanca for Eurobank.

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About Alpha Bank

Alpha Bank is one of the largest banking and financial groups in Greece, with international presence and over 14,000 Employees in Greece and abroad.

With a Network of over 1,000 service points in Greece and one of the highest capital adequacy ratios in Europe, the Alpha Bank Group offers a wide range of financial services, including retail, SME and corporate banking, credit cards, asset management, investment banking, private banking, insurance, brokerage, leasing and factoring.

Since its establishment in 1879, Alpha Bank consistently supports individual and business Customers contributing to the country's economy.

About Eurobank

Eurobank group is a dynamic banking group active in eight countries, with total assets of €72.9 billion and c. 17.000 employees. With a total network of over 970 branches in Greece and abroad, the Group offers a comprehensive range of financial products and services to its retail and corporate customers.

In Greece, Eurobank is one of the four pillars of the banking system. With two distinct retail branch networks, the Eurobank Network and the New TT Branch Network, business specialized centers, a dedicated private banking network and electronic service channels, the Group's philosophy focuses on high quality services to its clientele.

The Group also holds a strategic position in retail and business banking in Bulgaria, Romania and Serbia, offers distinguished Wealth Management services in Cyprus, Luxembourg and London and is also present in Ukraine.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter [@KKR_Co](https://twitter.com/KKR_Co).

About Pillarstone

Pillarstone is a platform established in 2015 by KKR Credit, with John Davison as co-investor and CEO, to partner with European banks to create value by managing their exposure to non-core and underperforming assets on their balance sheets. The platform provides long-term capital and operational expertise to help the businesses which underpin these non-performing and non-core exposures to stabilise, grow and create value. It is a unique approach based on a collaborative model that benefits a wide range of stakeholders. Pillarstone is a portfolio company of certain funds and accounts managed or advised by KKR Credit.

About EBRD

The EBRD is a multilateral development bank, committed to furthering progress towards market-oriented economies and the promotion of private and entrepreneurial initiative in more than 30 countries from Morocco to Mongolia and from Egypt to Estonia. The EBRD is owned by 65 countries, EU and EIB. *Follow us on the [web](#), [Facebook](#), [Instagram](#), [Twitter](#) and [YouTube](#).*

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