ALPHA
SERVICES AND HOLDINGS

Q1 2023 Results

Press Release

Q1 Key Financial metrics

Reported profit after income tax	€111.2mn
Normalized[1] profit after tax	€162mn
Normalized[1] Return on tangible book value (RoTBV)	11.1%
Fully-loaded Common Equity Tier 1[2] (CET1%)	12.8%
Tangible Book Value per Share	€2.49

Key takeaways

- Normalised[1] ROTE at 11.1%; operating trends expected to further enhance profitability to c9% in 2023 vs. 7.6% last year.
- Further progress towards our regulatory capital targets, with FL CET1[2] at 12.8%, up 30bps q/q post dividend accrual at 20% pay-out; 2023 capital ratios to benefit from a c60bps positive impact from planned synthetic securitizations.
- AT1 issuance in February 2023 (€400mn) optimizes capital structure and adds leverage to our balance sheet, paving the way for the resumption of dividends.
- The successful Voluntary Separation Scheme (VSS) completed in February 2023 in our Greek operations is expected to lead to a gradual departure of circa 500 Employees, with an estimated annualised benefit of circa €20mn, further solidifying our operational efficiency.
- Performing loan balances down by €0.4bn q/q to €31.1bn, affected by corporate repayments. Performing loans up 5% y/y; underpinnings for loan growth remain solid in the medium term.
- Customer deposits €0.5bn lower q/q to €50.2bn, reflecting seasonality and corporate loan repayments; AuMs +€0.4bn q/q. Time deposits at 20% of domestic deposit base, +6pp q/q. Strong liquidity profile evidenced by 76% Loan to Deposit ratio and 164% LCR, post TLTRO repayment of €4bn in Q1 2023.
- NPE ratio at 7.6%, down 20bps q/q, on consistently lower rate of inflows, benign asset quality flows and pipeline of curings. NPE stock at €3bn with 81% in secured loans, mostly retail. Cash coverage at 40%.

Summary trends

- Net Interest Income continued to rise, albeit at a slower pace (+6.4% q/q or +8.9% on a recurring base), on higher rates; deposit and funding costs increase partially mitigated loan repricing effect. NIM at 2.2%.
- Net Fee & Commission income at €87.9mn, down 9.6% q/q on lower business credit related and Asset Management fees.
- Recurring OPEX at €233.3mn, 9.5% better q/q on lower G&A expenses, following a seasonal uptick in the previous quarter as a result of higher marketing, IT and third-party expenses.
- Core PPI up by 16.2% q/q, on higher top line and improved operational efficiency.
- Cost of Risk at 75bps in Q1 with underlying impairments of €59mn and NPE servicing fees of €13mn, below 2023 guidance of c85bps, reflecting benign asset quality flows.
- Reported Profit at €111.2mn, Normalised Profit After Tax of €162mn in Q1 2023, is Reported Profit /(Loss) After Tax of €111mn excluding (a) non-recurring Operating Expenses of €38mn, mostly related to the VSS, (b) NPA transactions impact of €23mn and €11mn tax charge related to the above.

"We are set on a path to sustainable growth and shareholder value creation"

"The start of 2023 was particularly strong for Alpha Bank, as we delivered for the first quarter a normalized profitability of €162 million. This performance demonstrates our focus and commitment to continue to unlock value in a complex environment of rising interest rates, potentially for longer, where banks take different approaches to risk.

Our solid operating performance in the first quarter was underpinned by a 6.4% uplift in our net interest income, as, based on our traditional strength in commercial banking, we continued pricing our asset side with risk-adjusted discipline. On the liability side, we witnessed a moderate shift of our individual clients to time deposits but also to exploring our expanding investment product offering. Recurring operating expenses were visibly reduced while the quarter also saw the successful implementation of a Voluntary Separation Scheme, whereby circa 500 staff have signed up. The annualized €20 million of savings will allow for positive jaws to further support our pre provision income build up. Asset quality trends remained intact and our NPE ratio continued to decline to 7.6%, as we strengthen our organic NPE management efforts and we execute relentlessly on delivering our inorganic transactions; last week, we signed the sale for Project Hermes, a €0.65 billion corporate and SME NPLs portfolio. These developments allowed for our Cost of Risk to settle at 75 basis points.

Importantly, we continue to strengthen our capital base, as at the end of the first quarter, our CET1 capital was at 12.8% and our total capital ratio at 17.0%, supported by our inaugural AT1 €400 million transaction in February and by catering for the upcoming RWA relief from the under execution NPE transactions. In addition, we are on track in delivering capital enhancing synthetic securitisations, so that with all these actions, we remain firmly focused to resume dividend payments to Shareholders from the 2023 profits, subject to regulatory approval. Furthermore, the dynamics around our liquidity remain favorable, as evidenced by our above European average LCR of 164% and our decision to repay earlier €4 billion in TLTRO.

Acknowledging that apart from our central role in promoting growth for our clients and the economy, there is also a socially responsible role that we want to undertake vis-à-vis the communities we operate, Alpha Bank is at the forefront of promoting engagement with various social groups. Thus, we are spearheading the efforts to promote social housing for young couples by actively enabling the disbursement of first residence mortgages on co-financed preferential terms alongside the state, we are providing support to vulnerable mortgage holders, funding the government subsidy scheme, and we are also rewarding our performing mortgage clients by offering them a twelve-month cap in rate hikes.

Despite the volatility that continues to permeate markets, the outlook for Greece and for our Bank remains positive. The Greek economy is on track to continue outpacing the euro area average in 2023, and the benefits of increased investment into the country are beginning to come through in real terms. Greece is on the cusp of a re-rating to investment grade status that will confirm the remarkable turnaround in the nation's fortunes.

At Alpha Bank, we are deeply proud of the significant progress we have made and are firmly confident that within this environment we are set on a path to sustainable growth and shareholder value creation. Our strong delivery and achievements of the key milestones under the current plan, allow us to look forward to outlining our vision for the future of the Bank at our Investor Day in June, where we will present Alpha Bank's strategy update for 2023-2025 and update our guidance for 2023."

Key Financial Data

P&L | Group (€mn)	Q1 2023	Q1 2022	YoY (%)	Q1 2023	Q4 2022	QoQ (%)
Net Interest Income	423.6	281.1	50.7%	423.6	398.1	6.4%
Net fee & commission income	87.9	105.8	(16.9%)	87.9	97.2	(9.6%)
Income from financial operations	14.3	104.1	(86.3%)	14.3	6.4	...
Other income	9.9	16.3	(39.2%)	9.9	10.5	(5.8%)
Core banking income	511.5	386.9	32.2%	511.5	495.3	3.3%
Operating Income	**535.8**	**507.3**	**5.6%**	**535.8**	**512.3**	**4.6%**
Core Operating Income	**521.5**	**403.3**	**29.3%**	**521.5**	**505.8**	**3.1%**
Staff Costs	(96.2)	(93.1)	3.4%	(96.2)	(95.5)	0.8%
General Administrative Expenses[3]	(96.9)	(111.0)	(12.7%)	(96.9)	(122.9)	(21.2%)
Depreciation & Amortization	(40.2)	(40.3)	(0.2%)	(40.2)	(39.4)	1.9%
Recurring Operating Expenses	**(233.3)**	**(244.4)**	**(4.5%)**	**(233.3)**	**257.9**	**(9.5%)**
Excluded items[3]	(38.4)	8.8	...	(38.4)	(16.1)	...
Total Operating Expenses	**(271.8)**	**(235.5)**	**15.4%**	**(271.8)**	**(274.0)**	**(0.8%)**
Core Pre-Provision Income	**288.1**	**158.9**	**81.4%**	**288.1**	**248.0**	**16.2%**
Pre-Provision Income	**264.0**	**271.8**	**(2.9%)**	**264.0**	**238.2**	**10.8%**
Impairment Losses	(71.9)	(50.7)	41.8%	(71.9)	(89.9)	(20.1%)
Other Impairment Losses	(7.2)	6.8	...	(7.2)	(0.5)	...
Profit/ (Loss) Before Income Tax	**184.9**	**227.8**	**(18.9%)**	**184.9**	**147.9**	**25.0%**
Income Tax	(50.2)	(59.7)	(15.9%)	(50.2)	(53.3)	(5.9%)
Profit/ (Loss) after income tax	**134.6**	**168.1**	**(19.9%)**	**134.6**	**94.5**	**42.4%**
Impact from NPA transactions[4]	(23.5)	(48.6)	(51.7%)	(23.5)	(36.4)	(35.6%)
Discontinued operations and other	0.0	3.8	(100.0%)	0.0	4.5	(100.0%)
Profit/ (Loss) After Income Tax	**111.2**	**123.4**	**(9.9%)**	**111.2**	**62.6**	**77.6%**
Normalised[5] Profit After Tax	**162**	**131**	**23.6%**	**162**	**105**	**53.7%**

Balance Sheet | Group	31.03.2023	31.12.2022	30.09.2022	30.06.2022	31.03.2022	YoY (%)
Total Assets	73,704	78,013	77,406	75,782	73,406	0.4%
Net Loans	38,230	38,747	38,858	38,098	37,787	1.2%
Securities	14,651	13,474	13,096	12,395	10,957	33.7%
Deposits	50,229	50,759	50,094	48,496	46,850	7.2%
Shareholders' Equity	6,372	6,245	6,181	6,138	6,091	4.6%
Tangible Book Value	5,859	5,770	5,715	5,671	5,613	4.4%

Key Ratios | Group	Q1 2023	FY 2022	9M 2022	H1 2022	Q1 2022
Profitability					
Net Interest Margin (NIM)	2.2%	1.7%	1.6%	1.6%	1.5%
Cost to Income Ratio (Recurring)	44.7%	53.7%	54.8%	58.7%	60.6%
Capital					
FL CET1[2]	12.8%	12.5%	12.1%	11.7%	11.2%
FL Total Capital Ratio[2]	17.0%	16.8%	15.2%	14.7%	14.2%
Liquidity					
Loan to Deposit Ratio (LDR)	76%	76%	78%	79%	81%
LCR	164%	149%	161%	160%	169%
Asset Quality					
Non-Performing Loans (NPLs)	1,517	1,656	1,737	1,671	2,630
Non-Performing Exposures (NPEs)	2,980	3,116	3,214	3,233	4,893
NPL ratio (%)	3.9%	4.1%	4.3%	4.2%	6.6%
NPE ratio (%)	7.6%	7.8%	8.0%	8.2%	12.2%

Business Update

Greece is anticipated to sustain its growth premium in 2023, with real GDP growth outpacing the Euro area average at 2.5%. Fiscal support, employment gains and healthy household balance sheets should support private consumption, while net exports will be cushioned by product upscaling. Growth will thus effectively be driven by higher investments off the back of gains in competitiveness and strong upward dynamics in FDIs, underpinned by the deployment of RRF and the Public Investment Program and the narrowing distance to investment grade rating given the marked improvement in debt sustainability and sovereign risk compression.

Despite geopolitical uncertainty, delivery on the Bank's business plan targets continued at pace in Q1 with improving core profitability benefiting from an expanding top line, continued focus on cost efficiency notwithstanding inflationary pressures, a stronger balance sheet, healthy capital generation and further progress towards meeting our MREL targets.

Alpha Bank will host a virtual Investor Day on Wednesday, June 7, 2023 where Alpha's senior management will outline its growth plan alongside revised targets that will shape the future strategic direction of the Group. The significant progress made so far following the successful implementation of the transformation plan announced nearly two years ago is the springboard allowing us to continue on the path to long-term growth and shareholder value creation.

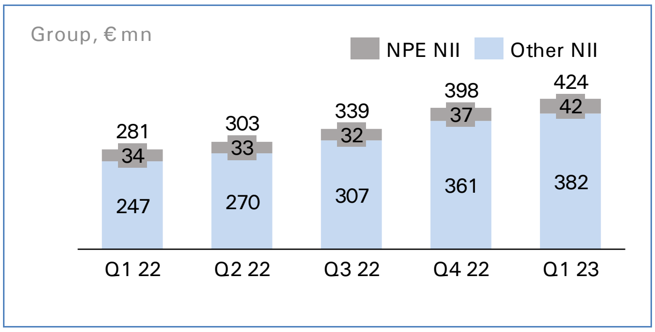
Profitability

Top line benefitting from rates; CoR at 75bps in Q1

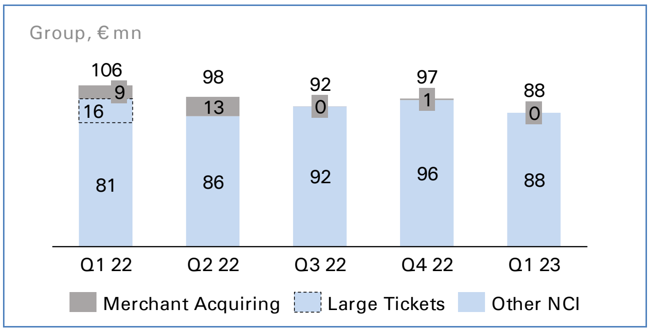
Delivery of enhanced returns sustained with better quality of earnings:

- Solid growth in net interest income (+6.4%), off the back of higher rates, with improved quality as the contribution of NPEs fell to 10% from 12% a year ago; recurring NII up by 51% y/y.
- Fees and commissions declined to €87.9mn vs. €97.2mn in the previous quarter, due to lower business credit related fees and a seasonally weaker performance in wealth management.
- Recurring operating expenses continued to trend lower despite inflationary pressures, down 9.5% q/q and 4.5% y/y, demonstrating improvements in efficiency.
- Cost of Risk excluding transactions decreased to 75bps in Q1 against guidance of 85bp for 2023, reflecting the de-risked portfolio and benign trends in asset quality flows.

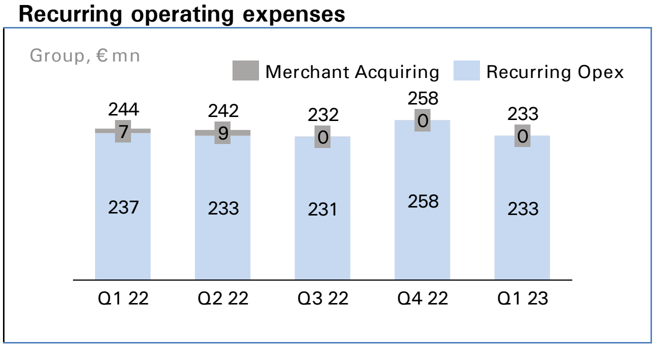
Net interest income



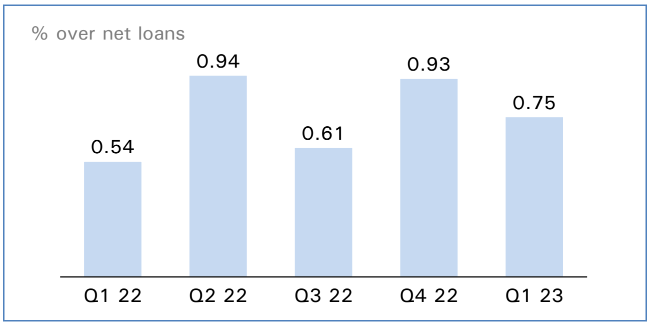
Net fee and commission income



Recurring operating expenses

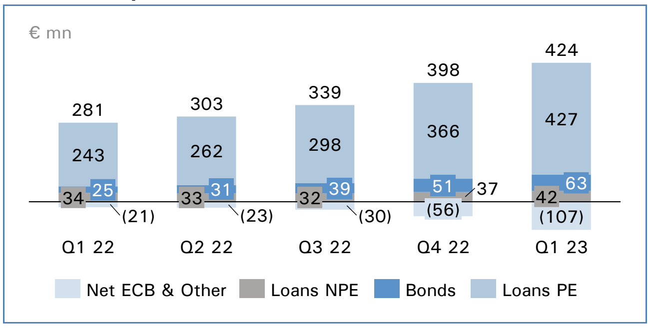


Cost of risk

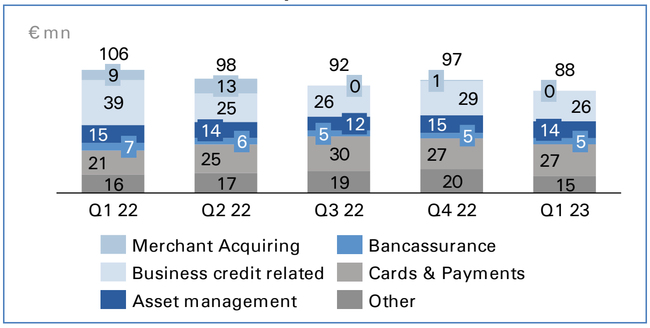


Core banking income up +3.3% q/q

NII decomposition



Net F&C Income decomposition



Top line continued to rise (+8.9% q/q), albeit at a slower pace

Net Interest Income rose by €25.5mn, or +6.4% q/q to €423.6mn. The headline performance in Q1 was negatively impacted by a €9.2mn calendar days' effect. On a recurring base, NII increased by 8.9%, driven by higher rates and increased income from securities, offsetting higher deposit costs as well as the increase in funding cost following the change in ECB modalities.

Fee income (-10% q/q) impacted by lower business credit related growth

Net fee and commission income stood at €87.9mn, down -9.6% q/q or €9.3mn, driven by lower business credit related fees alongside lower contribution from Asset Management. On a recurring basis[6], fee income was down 5.7% q/q.

Income from financial operations came in at €14.3mn, benefitting from gains in FX differences.

Other income stood in at €9.9mn in Q1 2023.

Recurring OPEX contained, despite sustained inflationary pressures

Recurring Operating expenses decreased by 9.5% q/q, or €24.5mn, to €233.3mn, due to lower G&A expenses, which had witnessed a seasonal uptick in the previous quarter as a result of higher marketing, IT and third-party expenses.

Total Operating Expenses stood at €271.8mn, down by 0.8%, driven by non-recurring costs ("excluded items") of €38.4mn vs. €16.1mn in Q4 2022, related to the cost of the Voluntary Separation Scheme (VSS) completed in February.

The VSS will lead to the gradual departure of circa 500 Employees, predominantly from the Network, with an estimated annualized benefit of circa €20mn that will be fully crystalized in 2024.

Cost of Risk reflects resilience of the NPE book

The **underlying loan impairment** charge stood at €58.6mn, down from €74.3mn in the previous quarter as a result of improved asset quality trends**. Servicing fees** amounted to €13.3mn vs. €15.7mn in the previous quarter.

Excluding the impact of transactions, **Cost of Risk** in Q1 2023 stood at 75bps over net loans (including servicing fees) vs. 93bps in the previous quarter. Cost of Risk including the impact of transactions stood at 119bps, out of which 44bps related to NPE transactions, vs. 96bps in the previous quarter.

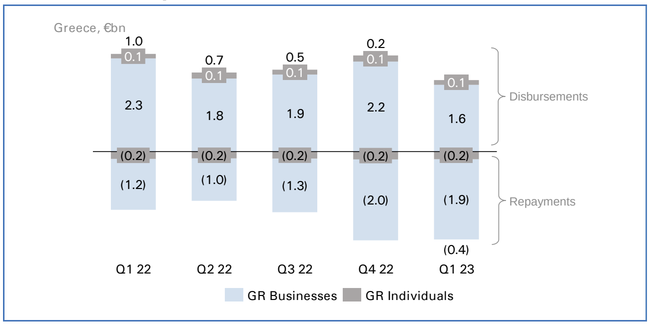
The **impact of NPA Transactions**[4] stood at €23.5mn vs. €36.4mn in Q4 2022, associated mainly with Project "Sky".

Other impairment losses in Q1 2023 amounted to €7.2mn.

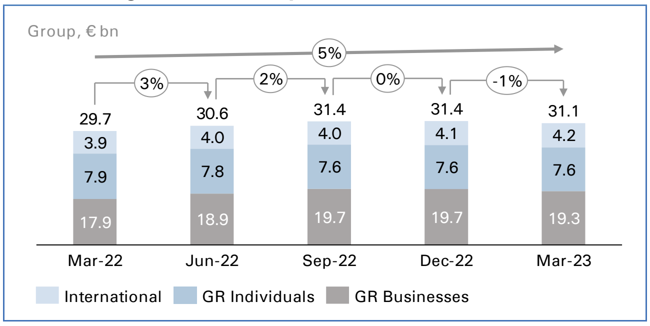
Balance Sheet Highlights

Performing loan portfolio down q/q (-1%) due to repayments

Net credit expansion



Performing loan book expansion



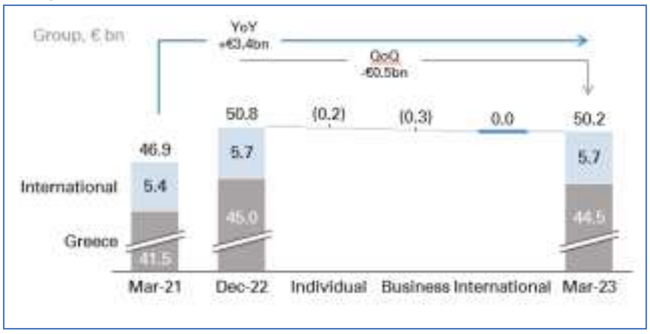
The pace of **new disbursements** slowed in Q1 to €1.7bn, allocated to key sectors including trade, manufacturing, energy, tourism and infrastructure. Note that the gross loan figure includes €5.3bn of retained senior notes associated with the Galaxy and Cosmos NPE securitizations.

The Group's **performing loan book** (excluding the Galaxy and Cosmos senior notes) contracted in Q1 to €31.1bn (-1.1% q/q), affected by the persistent level of repayments from corporates and the subdued demand for loan originations. On a yearly basis, performing loans expanded by 5% off the back of 8% growth in Greek Business loans and 8% in International, while loans to Greek Individuals were down -4%.

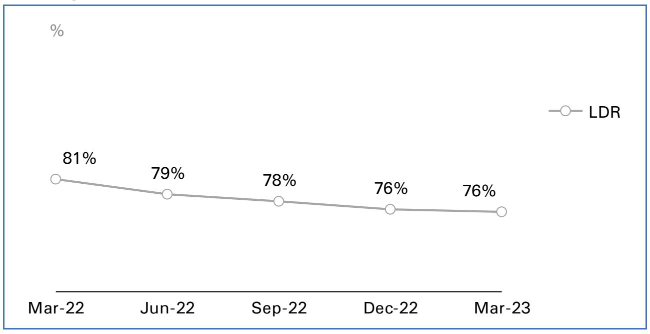
Net credit expansion in Greece turned negative in Q1 at -€0.4bn as credit origination from businesses was more than offset by the high level of business repayments.

Customer deposits down by €0.5bn q/q reflecting seasonality and loan repayments

Deposits evolution



Group LDR



The Group's deposits decreased by €0.5 bn q/q to €50.2bn in line with system outflows. This was seen in both households, due to seasonality effects, as well as on businesses off the back of the sustained level of loan repayments witnessed in Q1.

Time deposits trended up, accounting for 20% of the domestic deposit base. The cost of time deposits increased to 1.14%, including the impact of USD time deposits, vs. 0.63% in the previous quarter.

Comfortable liquidity metrics

Following the repayment of €4bn of TLTRO funding in February and March 2023, the Group's **TLTRO funding** was reduced to €9bn at the end of Q1. The Bank's blended funding cost stood at 90bps in the quarter, up from 43bps in Q4 2022, mainly attributable to the higher cost of deposits and wholesale funding.

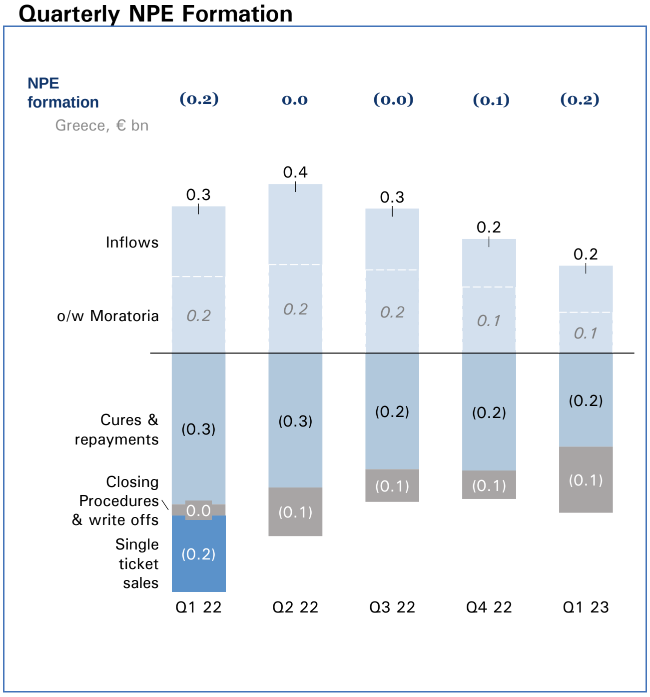
The Group's strong liquidity profile is evidenced by the net **Loan-to-Deposit** ratio of 76%, the Group's LCR increased to 164%, far exceeding regulatory thresholds despite the early TLTRO redemptions. The AT1 issuance of €400mn in Q1 2023 enhances the Group's Balance sheet strength and further diversifies its funding sources.

Asset Quality

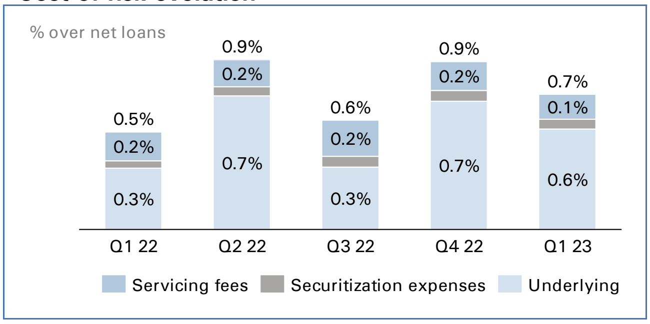
NPE ratio down by -20bps q/q to 7.6% on consistently lower rate of inflows

The **NPE stock in Greece** declined by €0.2bn q/q to €2.8bn as slightly lower organic inflows were combined with robust curing activity and repayments. As of Q1, the **NPE ratio** at a Group level declined further to 7.6%, down -20bps from Q4.

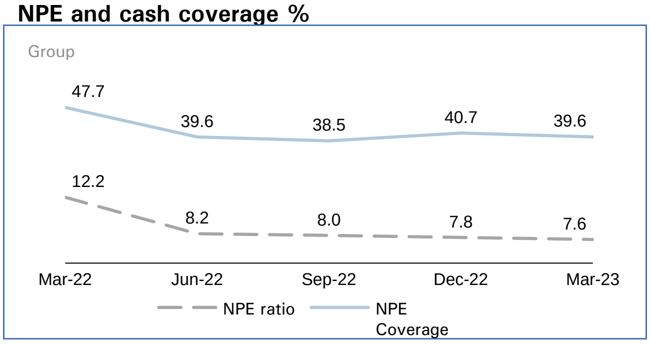
Quarterly NPE Formation



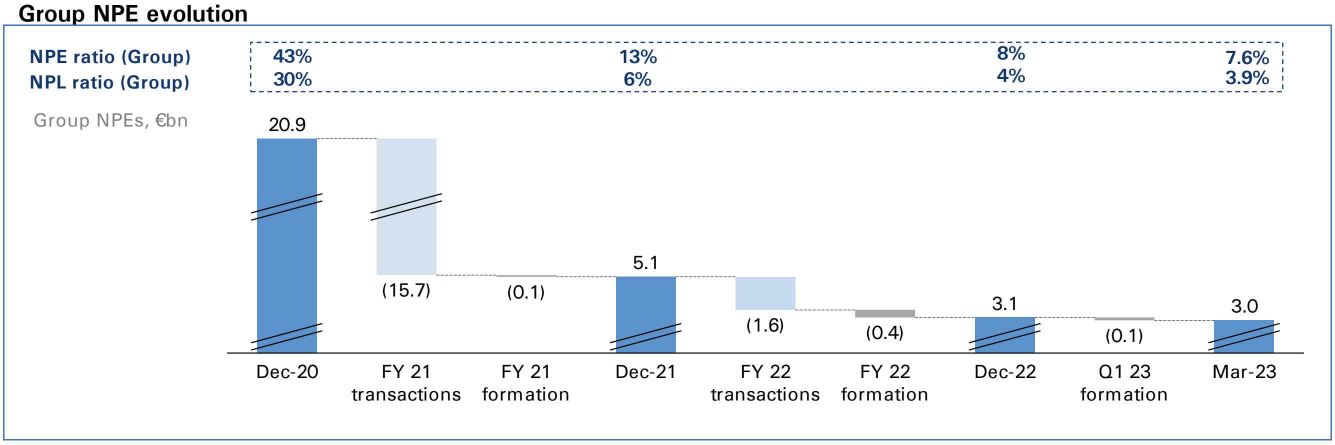
Cost of risk evolution



NPE and cash coverage %



Group NPE evolution



Group NPE Coverage reflects underlying asset mix

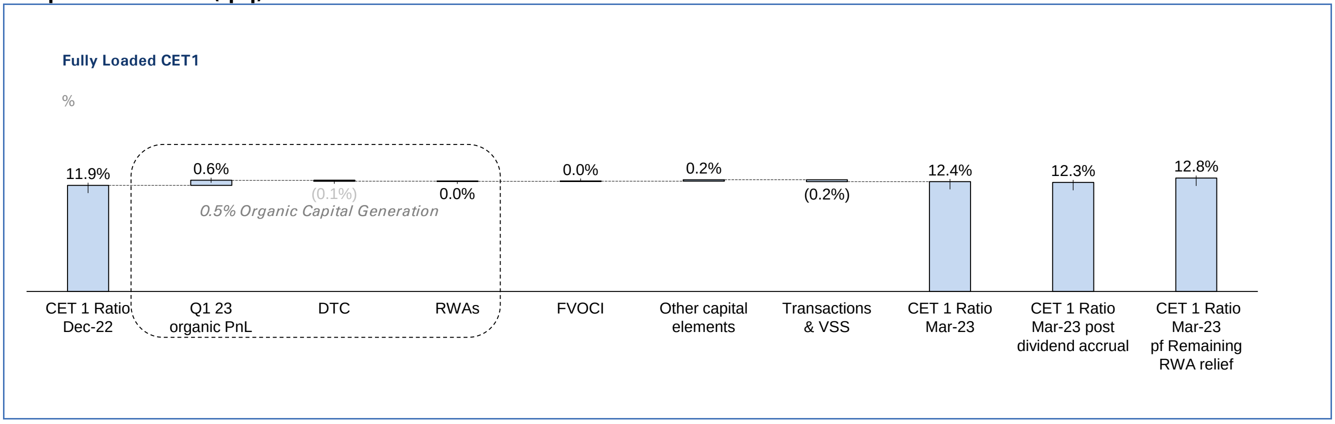
The **Group's NPE cash coverage** stood at 40% at the end of Q1, while total coverage including collateral reached 109%. The **Group NPL coverage ratio** reached 78%, while total coverage including collateral reached 141%.

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 €3bn stock of NPEs for the Group, more than half are mortgages (52.1% of stock), with a significant portion of Forborne exposures less than 90dpd (45% stock or €1.3bn).

Capital

Healthy capital generation continues; FL CET 1 at 12.8%[2]

Capital evolution (q/q)



The Group's **Fully Loaded CET 1 Capital** base stood at €4.2bn, resulting in a Fully Loaded CET 1 ratio of 12.4%, or 12.3% post dividend accrual, up by 33bps q/q. The move was primarily attributable to a 46bps positive contribution from organic capital generation, a 1bps positive FVTOCI impact, and 16bps positive impact from other capital elements, partially offset by a 21bps negative impact from Q1 NPE transactions and the VSS. Accounting for the remaining RWA relief stemming from the Bank's NPE and capital generating transactions, the Group's FL CET 1 Ratio stands higher at 12.8%, with a further benefit of c60bps from planned synthetic securitizations envisaged for 2023.

The respective **Fully Loaded Total Capital Ratio** stands higher 16.4% in March 2023, following the €400m AT1 issuance completed in February or 17.0%, when factoring the aforementioned RWA relief from transactions.

International operations

The international operations posted a net profit of €27mn, up from €13mn in the preceding quarter and €1mn in Q1 2022. Net interest income was up by 13% in Q1, with net fee and commission income increasing by 1%. Recurring operating expenses grew by 1% q/q off the back of further investments and inflationary pressures. Impairments witnessed reversals during the quarter, amounting to €2m for the quarter. Net loans grew by 2% to €4.2bn, driven by operations in Romania while deposits were flat at €5.7bn.

Athens, May 8, 2023

Alternative Performance Measures ("APMs")

Reference number	Terms	Definitions	Relevance of the metric	Abbreviation
1	Accumulated Provisions and FV adjustments	Sum of Provision for impairment losses for loans and advances to customers, the Provision for impairment losses for the total amount of off balance sheet items exposed to credit risk as disclosed in the Consolidated Financial Statements of the reported period, and the Fair Value Adjustments (10).	Standard banking terminology	LLR
2	Core Banking Income	Sum of Net interest income and Net fee and commission income as derived from the Consolidated Financial Statements of the reported period.	Profitability metric	
3	Core deposits	Sum of "Current accounts", "Savings accounts" and "Cheques payable", as derived from the Consolidated Financial Statements of the reported period, taking into account the impact from any potential restatement.	Standard banking terminology	Core depos
4	Core Operating Income	Operating Income (35) less Income from financial operations (18) less management adjustments on operating income for the corresponding period.	Profitability metric	
5	Core Pre-Provision Income	Core Operating Income (4) for the period less Recurring Operating Expenses (45) for the period.	Profitability metric	Core PPI
6	Cost of Risk	Impairment losses (14) for the period divided by the average Net Loans of the relevant period. Average balances is defined as the arithmetic average of balance at the end of the period and at the end of the previous period.	Asset quality metric	(Underlying) CoR
7	Cost/Assets	Recurring Operating Expenses (45) for the period (annualized) divided by Total Assets (18).	Efficiency metric	
8	Deposits	The figure equals Due to customers as derived from the Consolidated Balance Sheet of the reported period.	Standard banking terminology	
9	Extraordinary costs	Management adjustments on operating expenses, that do not relate to other PnL items.		
10	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.
11	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.	Regulatory metric of capital strength	FL CET 1 ratio
12	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 (1) 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	
13	Impact from NPA transactions	Management adjustments to income and expense items as a result of NPE/NPA exposures transactions.	Asset quality metric	
14	Impairment losses	Impairment losses on loans (16) excluding impairment losses on transactions (17).	Asset quality metric	
15	Impairment losses of which Underlying	Impairment losses (14) excluding Loans servicing fees as disclosed in the Consolidated Financial Statements of the reported period.	Asset quality metric	
16	Impairment losses on loans	Impairment losses and provisions to cover credit risk on Loans and advances to customers and related expenses as derived from the Consolidated Financial Statements of the reported period, taking into account the impact from any potential restatement, less management adjustments on impairment losses on loans for the corresponding period. Management adjustments on impairment losses on loans include events that do not occur with a certain frequency, and events that are directly affected by the current market conditions and/or present significant variation between the reporting periods.	Standard banking terminology	LLP
17	Impairment losses on transactions	Represent the impact of incorporating sale scenario in the estimation of expected credit losses.	Asset quality metric	
18	"Income from financial operations" or "Trading Income"	Sum of Gains less losses on derecognition of financial assets measured at amortized cost and Gains less losses on financial transactions, as derived from the Consolidated Income Statement of the reported period, less management adjustments on trading income for the corresponding period. Management adjustments on trading income include events that do not occur with a certain frequency, and events that are directly affected by the current market conditions and/or present significant variation between the reporting periods.	Standard banking terminology	
19	Income tax	The figure equals Income tax as disclosed in the Consolidated Financial Statements of the reported period, less management adjustments on income tax for the corresponding period. Management adjustments on income tax include events that do not occur with a certain frequency, and events that are directly affected by the current market conditions and/or present significant variation between the reporting periods.	Standard banking terminology	
20	Leverage Ratio	This metric is calculated as Tier 1 divided by Total Assets (52).	Standard banking terminology	
21	Loan to Deposit ratio	Net Loans (23) divided by Deposits (8) at the end of the reported period.	Liquidity metric	LDR or L/D ratio
22	Net Interest Margin	Net interest income for the period (annualized) divided by the average Total Assets (52) of the relevant period. Average balance is defined as the arithmetic average of balance at the end of the period and at the end of the previous relevant period.	Profitability metric	NIM
23	Net Loans	Loans and advances to customers as derived from the Consolidated Balance Sheet of the reported period.	Standard banking terminology	
24	Non Performing Exposure Coverage	Accumulated Provisions and FV adjustments (1) plus CET 1 deductions used to cover calendar provisioning shortfall divided by NPEs (27) at the end of the reference period.	Asset quality metric	NPE (cash) coverage
25	Non Performing Exposure ratio	NPEs (27) divided by Gross Loans (12) at the end of the reference period.	Asset quality metric	NPE ratio
26	Non Performing Exposure Total Coverage	Accumulated Provisions and FV adjustments (1) plus the value of the NPE collateral, plus CET 1 deductions used to cover calendar provisioning shortfall divided by NPEs (27) at the end of the reported period.	Asset quality metric	NPE Total coverage
27	Non Performing Exposures	Non-performing exposures (27) 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	NPEs
28	Non Performing Exposures Collateral Coverage	Value of the NPE collateral divided by NPEs (27) at the end of the reference period.	Asset quality metric	NPE collateral Coverage
29	Non Performing Loan Collateral Coverage	Value of collateral received for Non Performing Loans (27) divided by NPLs (33) at the end of the reference period.	Asset quality metric	NPL collateral Coverage
30	Non Performing Loan Coverage	Accumulated Provisions and FV adjustments (1) plus CET 1 deductions used to cover calendar provisioning shortfall divided by NPLs (33) at the end of the reference period.	Asset quality metric	NPL (cash) Coverage

31	Non Performing Loan ratio	NPLs (33) divided by Gross Loans (12) at the end of the reference period.	Asset quality metric	NPL ratio
32	Non Performing Loan Total Coverage	Accumulated Provisions and FV adjustments (1) plus the value of the NPL collateral, plus CET 1 deductions used to cover calendar provisioning shortfall divided by NPLs (Non Performing Loans) at the end of the reference period.	Asset quality metric	NPL Total Coverage
33	Non Performing Loans	Non Performing Loans (33) are Gross loans (12) that are more than 90 days past-due.	Asset quality metric	NPLs
34	Normalised Net Profit after (income) 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.	Profitability metric	Normalised Net PAT
35	Operating Income	Sum of Net interest income, Net fee and commission income, Gains less losses on derecognition of financial assets measured at amortized cost, Gains less losses on financial transactions, Other income, 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.	Standard banking terminology	
36	Other (operating) income	Sum of Dividend income, Other income, and Share of profit/(loss) of associates and joint ventures as derived for the Consolidated Income Statements of the reported period, taking into account the impact from any potential restatement.	Standard banking terminology	
37	Other impairment losses	Impairment losses and provisions to cover credit risk on other financial instruments as derived for the Consolidated Financial Statements of the reported period.	Standard banking terminology	
38	PPI/Average Assets	Pre-Provision Income for the period (39) (annualized) divided by Average Total Assets (52) of the relevant period. Average balance is defined as the arithmetic average of balance at the end of the period and at the end of the previous relevant period.	Profitability metric	
39	Pre-Provision Income	Operating Income (35) for the period less Total Operating Expenses (53) for the period.	Profitability metric	PPI
40	Profit/ (Loss) before income tax	Operating Income (35) for the period less Total Operating Expenses (53) plus Impairment losses on loans (16), plus Other impairments.	Profitability metric	
41	Profit/ (Loss) after income tax from continuing operations	Profit/ (Loss) before income tax (40) for the period less Income tax (19) for the period	Profitability metric	
42	Profit/ (Loss) after income tax from discontinued operations	The figure equals Net profit/(loss) for the period after income tax, from Discontinued operations as disclosed in Consolidated Income Statement of the reported period, less management adjustments. Management adjustments on operating expenses include events that do not occur with a certain frequency, and events that are directly affected by the current market conditions and/or present significant variation between the reporting periods.	Profitability metric	
43	Profit/ (Loss) attributable to shareholders	Profit/ (Loss) after income tax from continuing operations (41) for the period, less Impact from NPA transactions (13), plus Profit/ (Loss) after income tax from discontinued operations (42), plus Non-controlling interests as disclosed in Consolidated Income Statement of the reported period.	Profitability metric	
44	Cost to Income ratio	Recurring Operating Expenses (45) for the period divided by Core Operating Income (4) for the period.	Efficiency metric	C/I ratio
45	Recurring Operating Expenses	Total Operating Expenses (53) less management adjustments on operating expenses. Management adjustments on operating expenses include events that do not occur with a certain frequency, and events that are directly affected by the current market conditions and/or present significant variation between the reporting periods.	Efficiency metric	Recurring OPEX
46	Return on Equity	Net profit/(loss) attributable to: Equity holders of the Bank (annualized), as disclosed in Consolidated Income Statement divided by the Average balance of Equity attributable to holders of the Company, as disclosed in the Consolidated Balance sheet at the reported date, taking into account the impact from any potential restatement. Average balance is defined as the arithmetic average of the balance at the end of the period and at the end of the previous relevant period.	Profitability metric	RoE
47	"Return on Tangible Book Value" or "Return on Tangible Equity"	Net profit/(loss) attributable to: Equity holders of the Bank (annualized), as disclosed in Consolidated Income Statement divided by the Average balance of Tangible Book Value (50). Average balance is defined as the arithmetic average of the balance at the end of the period and at the end of the previous relevant period.	Profitability metric	RoTBV or RoTE
48	RWA Density	Risk Weighted Assets divided by Total Assets (52) of the relevant period.	Standard banking terminology	
49	Securities	Sum of Investment securities and Trading securities, as defined in the consolidated Balance Sheet of the reported period.	Standard banking terminology	
50	Tangible Book Value or Tangible Equity	Total Equity excluding the sum of Goodwill and other intangible assets, Non-controlling interests, Additional Tier 1 capital, and Hybrid securities. All terms disclosed in the Consolidated Balance sheet at the reported date, taking into account the impact from any potential restatement.	Standard banking terminology	TBV or TE
51	Tangible Book Value per share	Tangible Book Value (50) divided by the outstanding number of shares.	Valuation metric	TBV/share
52	Total Assets	Total Assets (52) as derived from the Consolidated Balance Sheet of the reported period, taking into account the impact from any potential restatement.	Standard banking terminology	TA
53	Total Operating Expenses	Sum of Staff costs, Voluntary exit scheme program expenses, General administrative expenses, Depreciation and amortization, Other expenses as derived from the Consolidated Income Statement of the reported period taking into account the impact from any potential restatement.	Standard banking terminology	Total OPEX

P&L | Group (€mn)	Bridge between Fin. Statements & APMs			Bridge between APMs & Normalized profit		
Q1 2023	Accounting	Delta	APMs	APMs	Delta	Normalized
Net Interest Income	424		424	424		424
Net fee & commission income	88		88	88		88
Income from financial operations	14	0	14	14		14
Other income	10	0	10	10	(0)	10
Operating Income	**535**		**536**	**536**		**535**
Staff costs	(131)	35	(96)	(96)		(96)
General Administrative Expenses	(82)	(15)	(97)	(97)		(97)
Depreciation & Amortization	(40)		(40)	(40)		(40)
Recurring Operating Expenses			**(233)**	**(233)**		**(233)**
Excluded items		(38)	(38)	(38)	38	0
Total Operating Expenses	**(253)**		**(272)**	**(272)**		**(233)**
Core Pre-Provision Income			**288**	**288**		**288**
Pre-Provision Income			**264**	**264**		**302**
Impairment Losses on Loans	**(114)**	**42**	**(72)**	**(72)**		**(72)**
o/w Underlying			*(59)*	*(59)*		*(59)*
o/w servicing fees			*(13)*	*(13)*		*(13)*
o/w Covid			*0*	*0*		*0*
Other Impairment Losses	(7)		(7)	(7)		(7)
Share of Profit/(Loss) of associates and JVs	0	(0)		0	0	0
Profit/ (Loss) Before Income Tax	**161**		**185**	**185**		**223**
Income Tax	(50)	(0)	(50)	(50)	(11)	(61)
Profit/ (Loss) after income tax	**111**		**135**	**135**		**162**
Impact from NPA transactions		(23)	(23)	(23)	23	0
Discontinued operations and other	0	0	0	0	0	0
Profit/ (Loss) after income tax	**111**	0	**111**	**111**	**51**	**162**

[1] Normalised Profit After Tax of €162mn in Q1 2023, is Reported Profit /(Loss) After Tax of €111mn excluding (a) non-recurring Operating Expenses of €38mn, mostly related to the VSS, (b) NPA transactions impact of €23mn and €11mn tax charge related to the above.
[2] Factoring the RWA relief from the following transactions "Sky", Skyline", "Solar", "Hermes" and "Leasing".
[3] In Q1 2023, Excluded items of €38.4mn mainly related to cost of 2023 VSS and reversal of previous program of €35.0mn, extraordinary income from non anticipated operational risk events of €1.2mn, expense due to non anticipated operational legal disputes of €2.4mn, €0.3mn income related to Transformation Programme Costs, €0.1mn one-off Employees' financial assistance.
[4] In Q1 2023, impact from NPA transactions includes €24.6mn impairment of Sky, €2mn impairment of Skyline, €0.8mn impairment of Hermes, €0.8mn impairment of Solar, €0.1mn impairment of Leasing, , as well as €0.4m tax gain related to the above.
[5] Detailed reference on normalised profits is available at the APMs section.
[6] Excluding the impact of Merchant Acquiring.

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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

FGS Global
Edward Simpkins
Tel. +44 207 251 380

Disclaimer

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