

Press Release

Alpha Services and Holdings announces 2021 Stress Test results

- Alpha Services and Holdings successfully concluded the 2021 EU-wide Stress Test.
- The Stress Test was conducted based on a static balance sheet approach under a baseline and an adverse macro scenario with a 3-year forecasting horizon (2020-2023). No hurdle rate or capital thresholds were applied for this exercise but was designed to be used as an important input in the Supervisory Evaluation Process (SREP).
- The starting point of the exercise was December 31st, 2020, when the Bank had a CET1 transitional ratio of 17.1%, a CET1 fully loaded ratio of 14.6% as well as a Leverage ratio (transitional) of 12.5% and a Leverage ratio (fully loaded) of 10.7%.
- Under the baseline scenario, the capital generation for the 3-year period was 2.8% absorbing 2.4% IFRS 9 phase-in, resulting in 2023, CET1 transitional ratio of 17.4%. The 2023 CET1 fully loaded ratio reached 17.3% while the 2023 Leverage ratio (fully loaded) came to 13.0%.
- Under the adverse scenario, the 2023 CET1 transitional ratio stood at 8.4%, largely driven by the negative impact of Credit Risk. The 2023 CET1 fully loaded ratio came to 8.3% while the 2023 Leverage ratio (fully loaded) resulted in 6.1%. The capital depletion for the 3-year period in the adverse scenario was 8.7%, of which 2.4% is due to IFRS 9 impact and 6.3% as a result of the Stress Test parameters. In 2022, the Bank registered its lowest point in CET1 fully loaded with 8.1%.
- The Stress Test methodology does not take into account capital strengthening (i.e. Tier II issuance, Share Capital Increase) and balance sheet de-risking (i.e. Galaxy transaction), events post December 31st, 2020. Pro-forma¹ with the Share Capital Increase for the baseline scenario, the 2023 CET1 fully loaded ratio reached 19.1%, while the 2023 Leverage ratio (fully loaded) came to 14.4%. Under the adverse scenario, the 2023 CET1 fully loaded ratio stood at 10.2%, while the 2023 Leverage ratio (fully loaded) came to 7.6%.

	Stress Test Results			
	31.12.2020	31.12.2020 - 31.12.2023	31.12.2023	31.12.2023
	Starting Point	IFRS 9 impact	Baseline	Adverse
CET1 (in Euro million)	7,730		7,915	3,753
RWAs ² (in Euro million)	45,347		45,403	44,733
CET1 transitional (%)	17.1%	2.4%	17.4%	8.4%
CET1 fully loaded (%)	14.6%		17.3%	8.3%
Leverage Ratio (fully loaded)	10.7%		13.0%	6.1%

1 | The pro-forma calculations were conducted by the Bank and have not been quality assured by the ECB as part of the Stress Test exercise.

2 | Risk Weighted Assets (RWAs).

Stress Test Results

(pro-forma¹ Bank estimations of Stress Test Results with Share Capital Increase of July 2021)

	31.12.2020	31.12.2020 - 31.12.2023	31.12.2023	31.12.2023
	Starting Point	IFRS 9 impact	Baseline	Adverse
CET1 (in Euro million)	7,730		8,740	4,636
RWAs ² (in Euro million)	45,347		45,590	45,048
CET1 transitional (%)	17.1%	2.4%	19.2%	10.3%
CET1 fully loaded (%)	14.6%		19.1%	10.2%
Leverage Ratio (fully loaded)	10.7%		14.4%	7.6%

Athens, July 30, 2021

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2 | Risk Weighted Assets (RWAs).