



ALPHA BANK

Benefits of the Traditional Model in a Challenging Market Environment

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KBW
European Financials Conference
London

September 16th, 2008

Building a Strong Franchise in a Fast Growing Region



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Overview

- Founded in 1879 by the Costopoulos family which today controls 11% of the Bank
- Consistency in management ensuring firm implementation of Alpha Bank's strategy
- A leading franchise in Greece
 - ✓ 3rd largest branch network with 415 branches
 - ✓ €36.3bn of customer loans, equivalent to 15% market share
 - ✓ €31.0bn of customer deposits, equivalent to 12.7% market share
- Rapidly growing presence across SEE
 - ✓ €9.7bn of customer loans, up 74.0% y-o-y, translating into a 8% market share
 - ✓ Out of 447 branches only 323 have reached mature equivalent sales capacity
 - ✓ Significant presence in Romania and Cyprus
- Current market capitalisation of €6.5bn

Geographical Footprint

	Greece		
	H1 '06	H1 '08	CAGR
Branches	384	415	4%
Loans (€bn)	26.8	36.3	16%
Deposits ¹ (€bn)	24.4	31.0	13%
Operating Income (€m)	818.6	974.3	9%



	SEE			Contribution to Group	
	1H '06	1H '08	CAGR	1H '06	1H '08
Branches	209	447	46%	35%	52%
Loans (€bn)	3.3	9.7	71%	11%	20%
Deposits (€bn)	3.2	5.9	36%	11%	16%
Operating Income (€m)	120	230	38%	13%	19%

Note: Financial information as of 30th June 2008. Market capitalisation as of 11 September 2008
¹ any reference to 'Time Deposits' includes also Alpha Bank retail-targeted bonds, unless stated otherwise



Key Themes

Funding

- European banks have become more reliant on wholesale funding (loan/deposit ratio of 145%¹ in 2007 vs. 139%¹ in 2005)
- Loss of investor's confidence in the markets has led to constrained liquidity in interbank markets (spreads² have increased by approximately 60bps since July 2007)
- As a result, wholesale funding costs have significantly increased (120 – 130bps funding for a 5-yr senior unsecured issue of a A- rated bank vs. pre-volatility level of 20-25bps)³

Asset Quality

- Risk provisioning still close to historic lows but expected to deteriorate (42bps in 2006 vs. 55bps in 2008E), coupled with decline in Euro area GDP growth expectations since early 2008 (1.6% today vs. 2.6% a year ago)
- Continued uncertainty about legacy assets – with investors expecting further structured credit write-downs across major EU banks (total expected write-downs still to come of US\$55bn⁴)

Capitalisation

- EU banks more highly geared than US commercial banks (equity / assets ratio of 5.5% in Europe vs. 10.1% in the US)
- Deleveraging process of banks has started, primarily in the form of capital raisings given that options to dispose of on balance sheet assets are currently limited
- Ongoing discussions with respect to adequate capitalisation levels, but no clear answer yet; focus, though, shifting to a wider variety of capitalisation ratios

Source: Bloomberg, ECB, Merrill Lynch Research

(1) Excluding Germany, based on ML estimates for covered European retail banks

(2) Spread between 3M euro generic government bond yield and 3M interbank interest rate

(3) Indicative spread as issue levels are more name related and significant discrepancies can occur among similar rated entities.

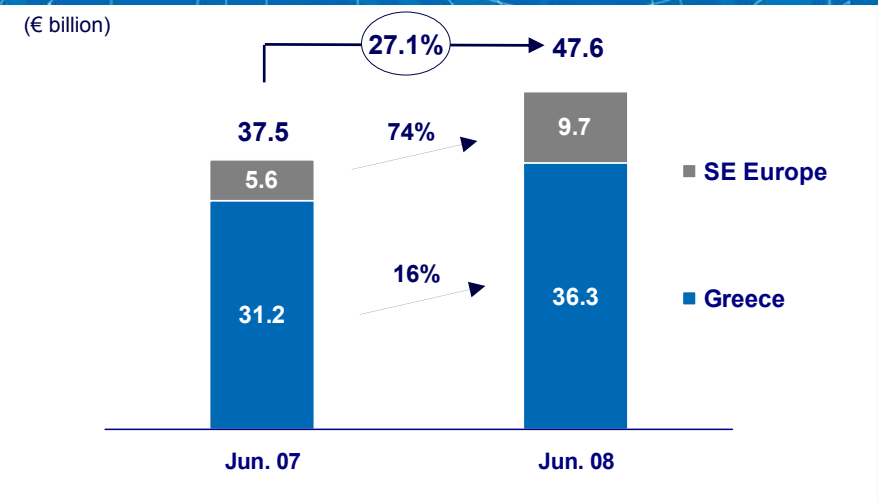
(4) Source: Merrill Lynch research

Our Franchise Is Well Positioned to Capture Growth

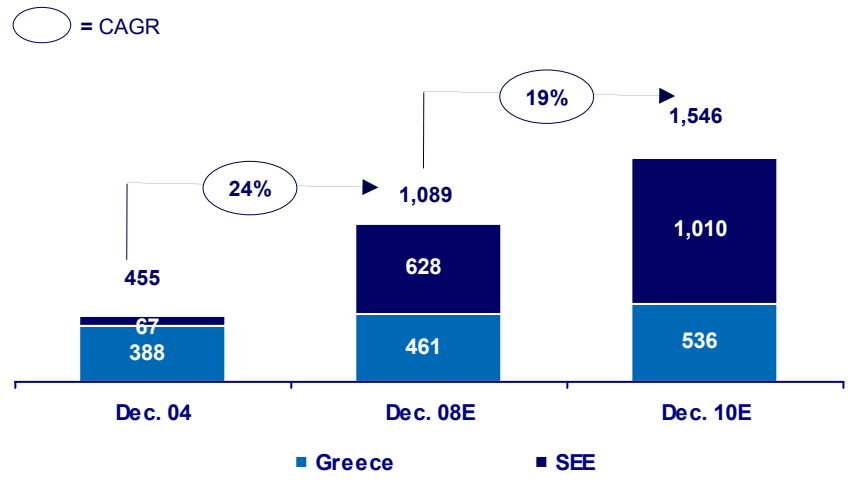


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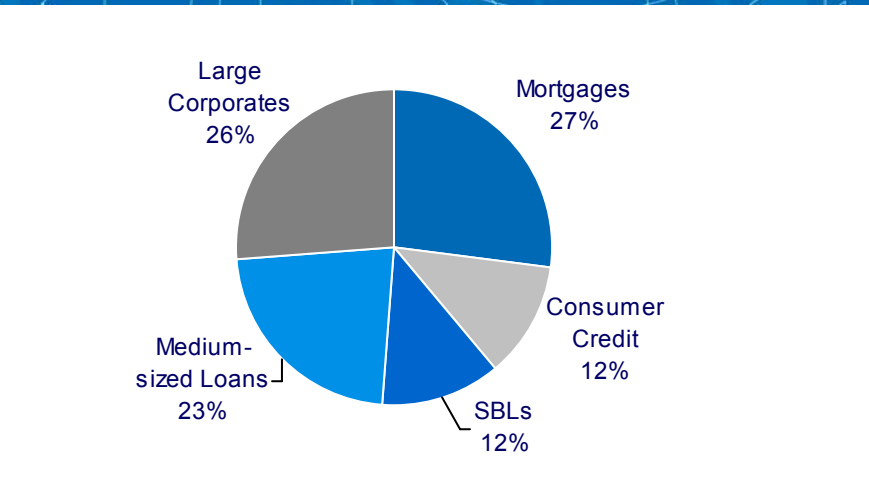
Group Loans



Branches Growth



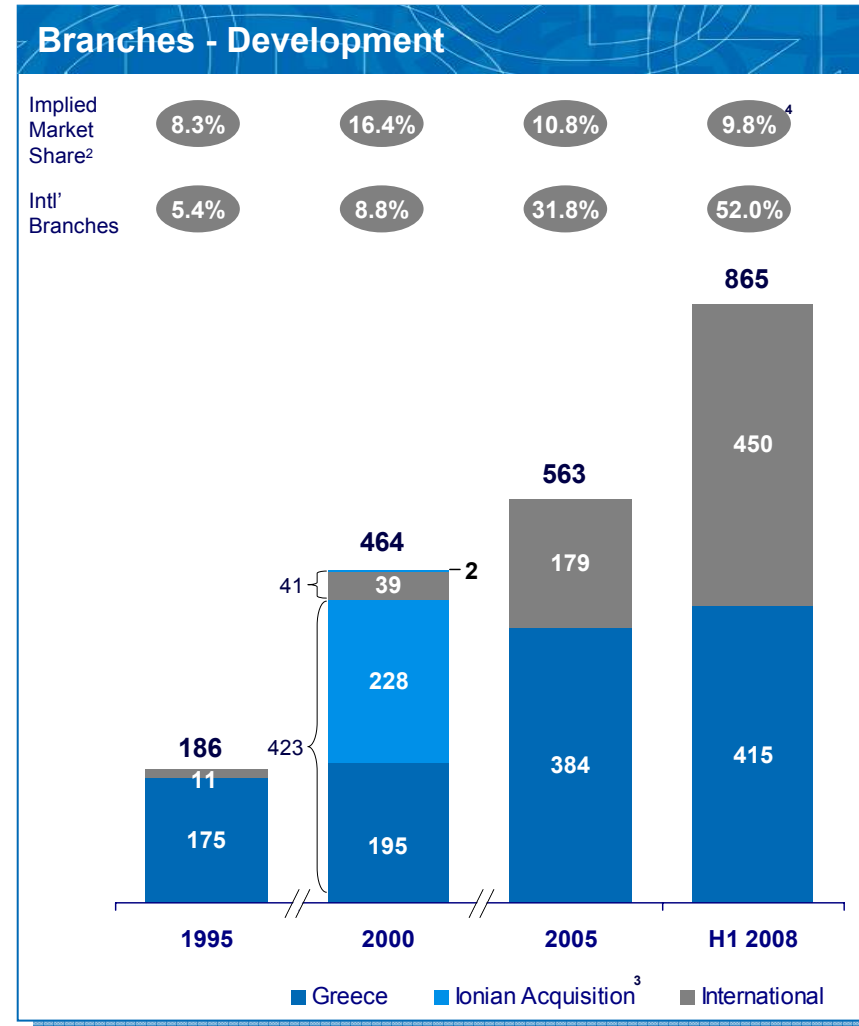
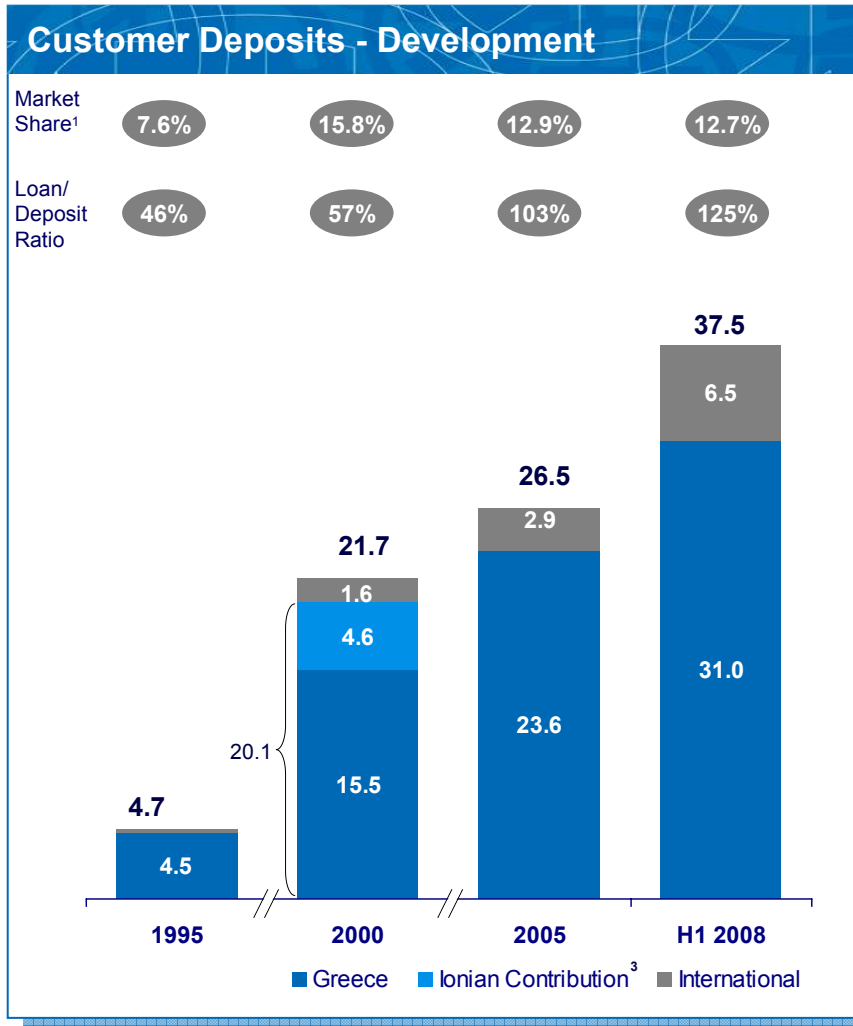
Group Loans Breakdown



Comments

- Strong growth in loans as the SEE potential starts to be realised
- Rapidly increasing branch network to further capture growth, both on the assets and the liabilities side
- Book composition underpins our risk balanced approach

Deposit Gathering a Key Priority for Alpha Bank for a Long Time



(1) Market share volatility between 2000 – 2005 primarily due to declining balances of Repos in the Greek market
 (2) Only Greece, i.e. excluding Cyprus and SEE
 (3) Contribution of Ionia Bank acquisition in 1998; deposit and branches figures as at the acquisition year
 (4) Data as at Dec. 2007, Hellenic Bankers Association

Deposits Are an Important Component of Alpha Bank's Funding Mix

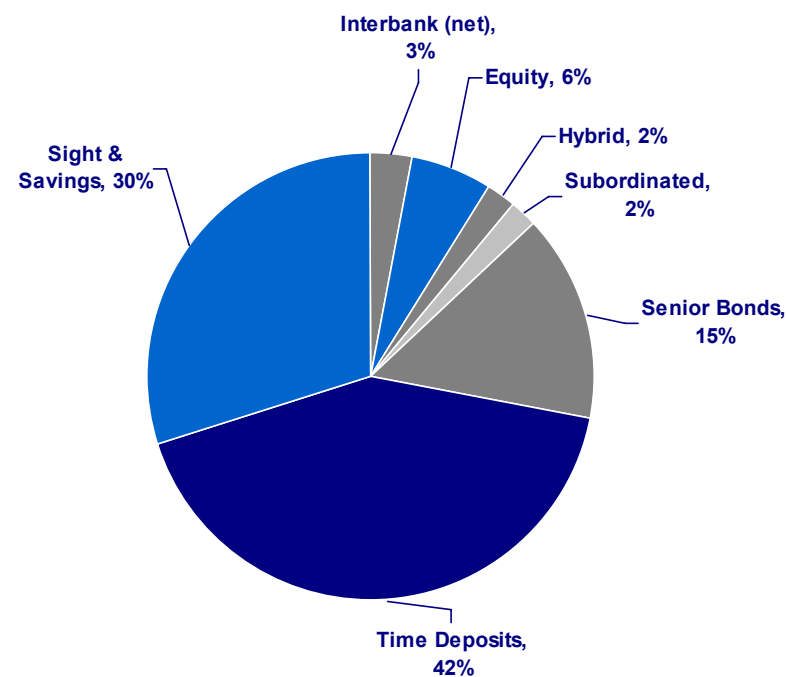


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Comments

- Proven deposit gathering track record in Greece and SEE at a very early stage
 - ✓ Extensive branch network in the region
 - ✓ More than 600 new branches in 2007-2010
- Diversified funding mix
 - ✓ First Greek bank to establish an EMTN in 1999
 - ✓ No securitisations so far; totally unlevered balance sheet
- Additional wholesale sources
 - ✓ ECP programme
 - ✓ Covered bonds
 - ✓ US MTN programme

H1 2008 Funding Base¹

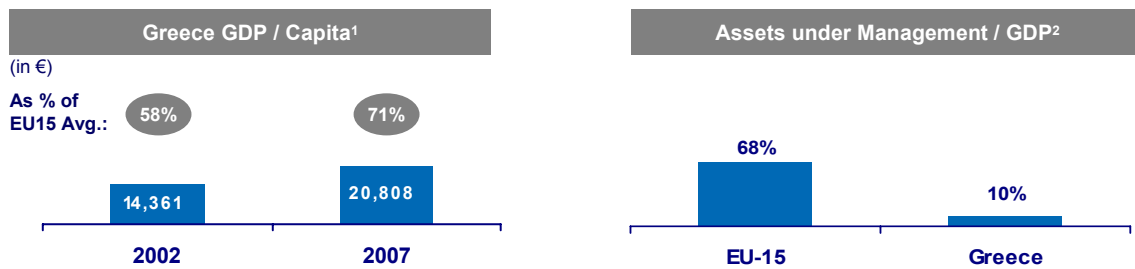


(1) Excludes other liabilities

Deposit Mix is the Result of Alpha Bank's Focus on Three Key Trends

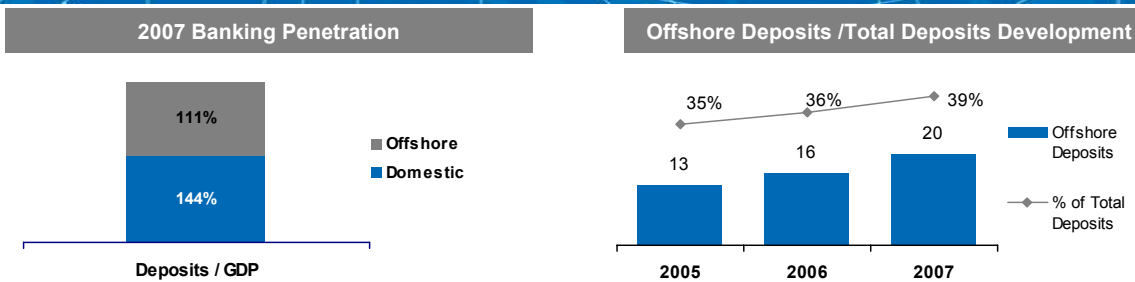


Greece – Significant untapped Asset Gathering potential



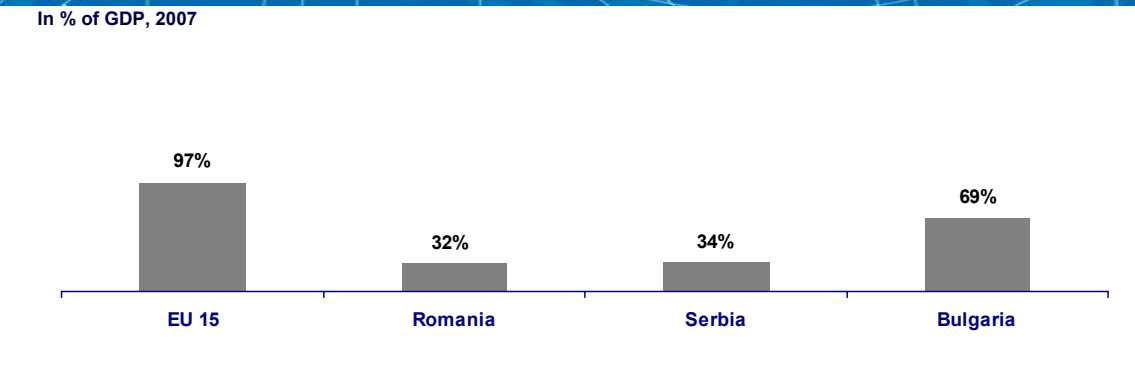
€31 bn deposits secure market leading position

Cyprus – Offshore Banking offers prospects greater than area



€3.5 bn of deposits translate to a 9% market share

SEE – Relatively low Deposit Penetration¹



€2.5 bn deposits in the Balkans at early maturity stage

(1) Source: Economist Intelligence Unit
(2) As of 2006, European Fund and Asset Management Association

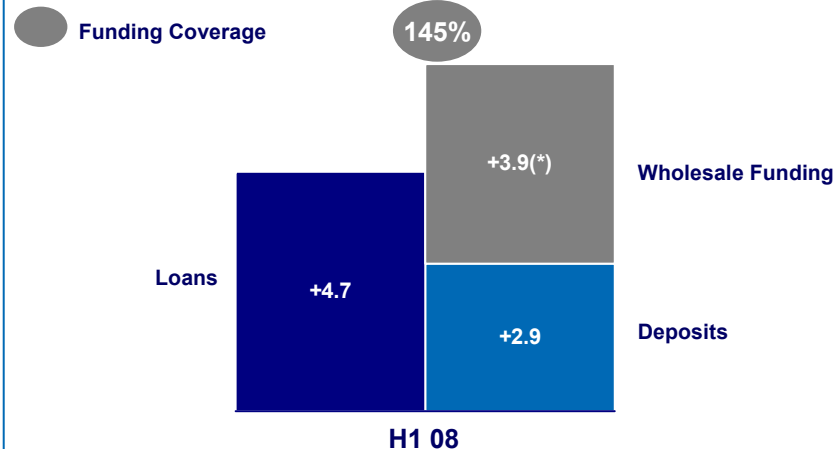
On Track to Execute our Funding Plan



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Funding Balance

(€ billion)

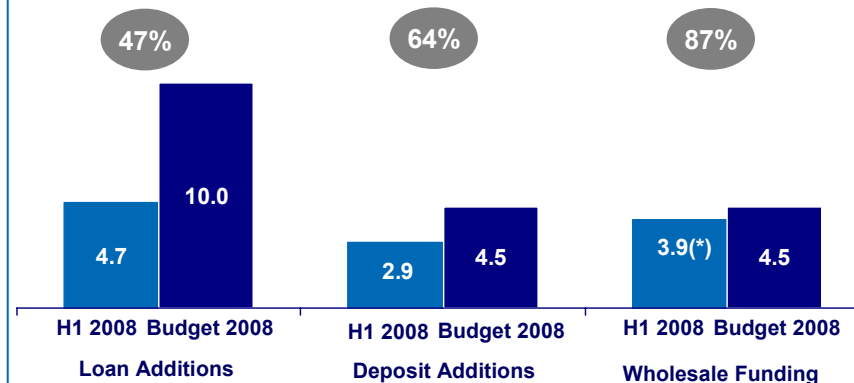


(*) Including € 2 bn under Covered Bonds Programme

Delivering on the Funding Plan

(€ billion)

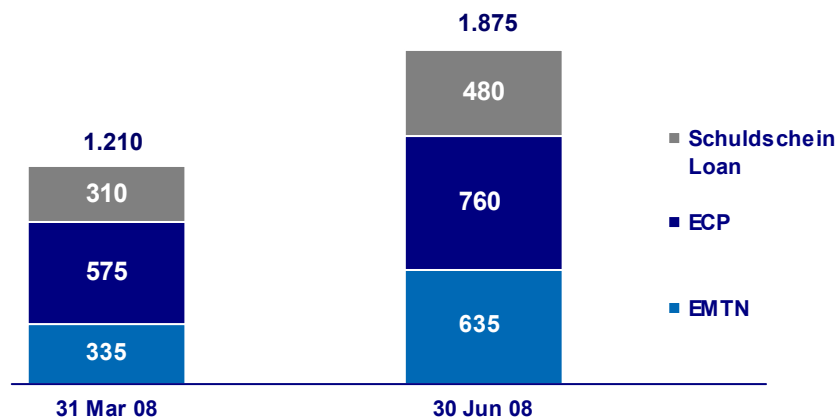
% of budget achieved



(*) Including € 2 bn under Covered Bonds Programme

New Wholesale Funding and Incremental Cost

(€ million)



Comments:

- ✓ Balanced approach allows for mobilising all retail and wholesale funding options
- ✓ 87% of 2008 Funding Plan achieved year to date
- ✓ \$ 7.5 bn USMTN programme in place
- ✓ € 8.0 bn covered bond programme established in July 08 with € 2bn inaugural issue

Credit Risk Firmly under Control

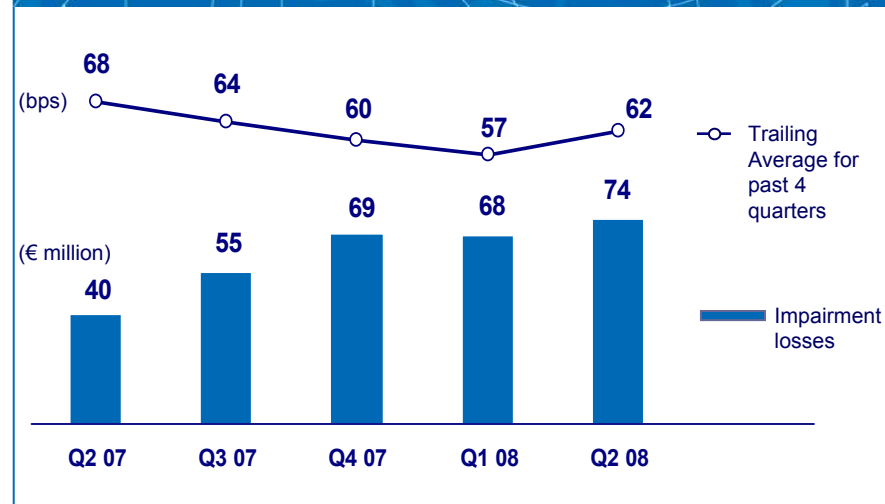


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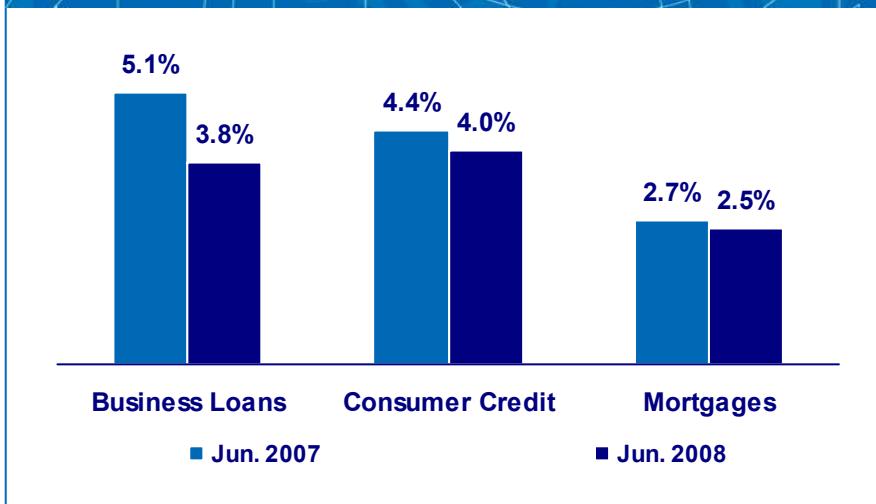
Group Loans in Arrears (IFRS 7: past due > 90 days)



Group impairment losses (% of avg. loans)

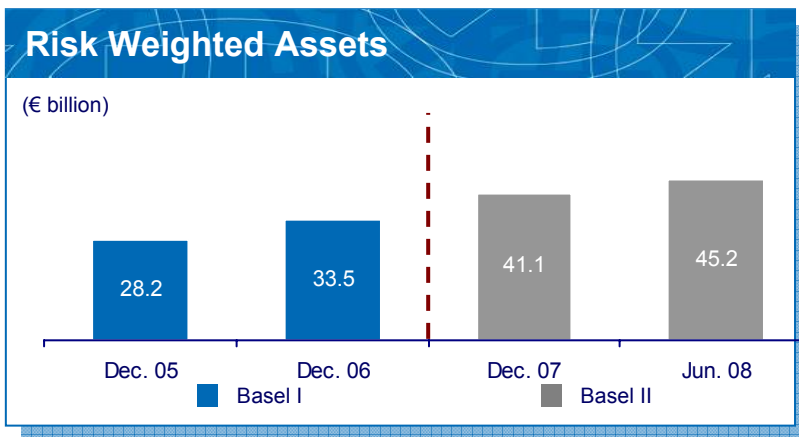
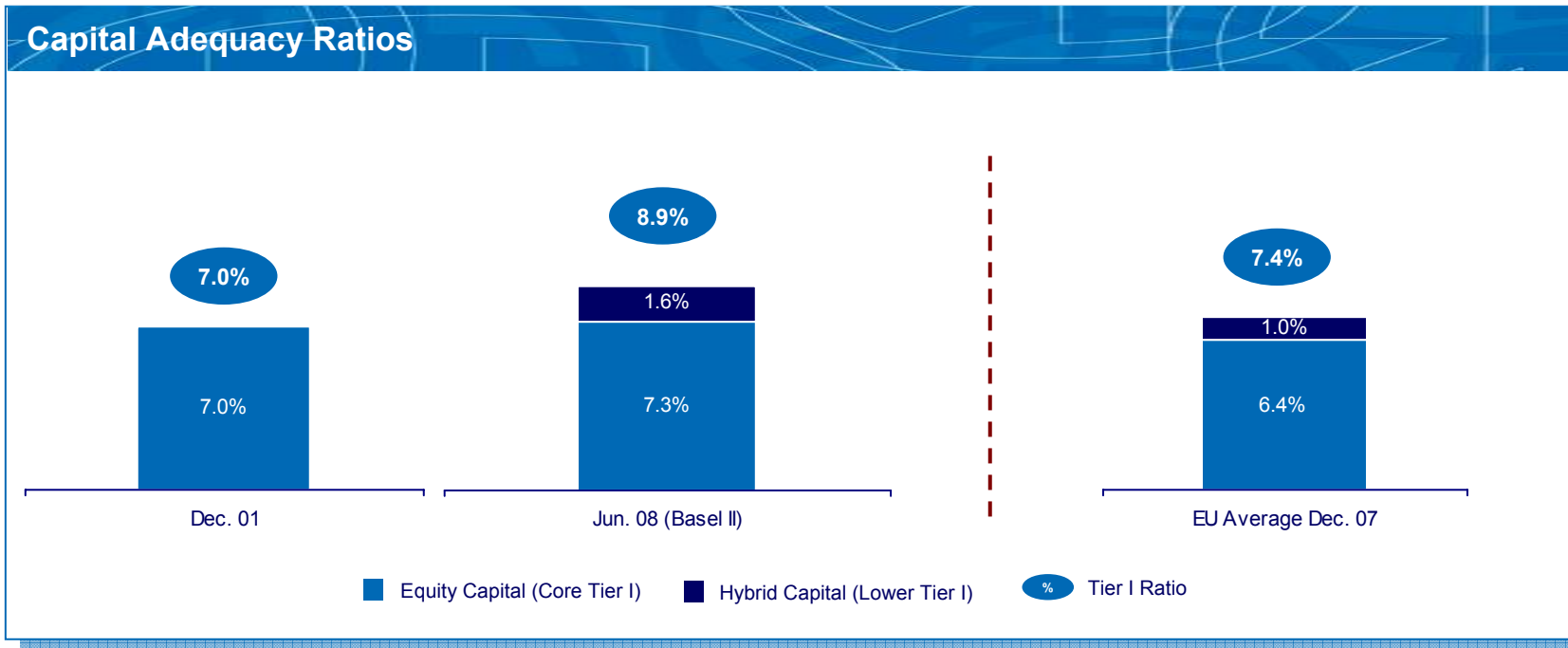


Loans in Arrears per segment (% of loans per segment)



Comments:

- Significant improvement over past 12 months mainly due to
 - ✓ Re-engineering efforts across the credit value chain
 - ✓ Write-offs of about € 290 mn
 - ✓ Benign macro environment
 - ✓ Increasing penetration of mortgages
- Coverage at 133% implies our strong legacy in business lending as we have secured significant collaterals from our borrowers



- ### Considerations
- Goodwill on our books of only €60mn; Equity of €3.3 bn in June 2008
 - Alpha Bank better capitalized relative to the EU retail banks



- Alpha Bank : a leading Greek franchise rapidly developing into a Southeastern European regional force following a balanced business model
- Long term focus on deposit gathering bearing in mind a balanced funding structure
- Very positive volume growth and overall performance in 2007 with a strong focus in growing our retail franchise
- Strong liquidity and capital position to fund growth plans undisrupted from current capital markets conditions



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Appendix



(€ million)	Q2 2008	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	H108//H107 % Change
Operating Income	624.2	591.0	605.9	574.8	536.9	519.7	15.0%
Net Interest Income	455.9	442.0	437.1	415.7	390.3	362.2	19.3%
Impairment Losses	(74.4)	(67.6)	69.0	55.1	40.2	62.4	38.4%
Net Interest Income (net of impairment losses)	381.5	374.4	368.1	360.6	350.1	299.8	16.3%
Net fee and commission income	118.5	115.3	123.3	119.6	114.2	107.5	5.5%
Income from Financial Operations	23.2	17.1	23.7	18.2	10.7	29.9	-0.7%
Other Income	26.5	16.7	21.9	21.2	21.7	20.1	3.4%
Operating Expenses	(286.7)	(263.5)	285.3	254.8	251.7	233.5	13.4%
Staff Costs	(146.0)	(139.3)	136.2	132.0	131.4	127.3	10.3%
General Expenses	(118.9)	(104.0)	125.9	102.8	102.1	89.3	16.4%
Depreciation and amortization expenses	(21.9)	(20.3)	23.2	19.9	18.2	16.9	20.1%
Profit before tax	263.1	259.9	251.6	264.9	244.9	223.8	11.6%
Income Tax	(53.3)	(54.7)	64.8	48.7	45.4	49.2	14.2%
Tax on Reserves	0.0	0.0	6.4	0.0	0.0	0.0	
Net Profit from continued operations	209.7	205.1	180.4	216.2	199.5	174.6	10.9%
Profit from discontinued operations	0.0	0.0	0.0	0.0	(1.4)	81.8	
Net Profit	209.1	205.0	180.3	215.7	197.8	256.1	-8.8%
Recurring Profit (*)	209.1	205.0	180.3	215.7	199.2	174.3	10.9%
Net Interest Margin (net of impairment losses)	2.7%	2.7%	2.8%	2.8%	2.7%	2.4%	
Cost / Income	45.9%	44.6%	47.1%	44.3%	46.9%	44.9%	
Return on Equity After Tax and Minorities (ROE)	25.4%	24.5%	22.3%	28.7%	26.7%	35.6%	

(*) Net Profit excluding income from sale of Alpha Insurance to AXA in 2007 (profit from discontinued operations)



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However, by their nature, these forward-looking statements involve numerous assumptions, uncertainties and opportunities, both general and specific. The risk exists that these statements may not be fulfilled. We caution readers of this presentation not to place undue reliance on these forward-looking statements as a number of factors could cause future Group results to differ materially from these targets.

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