ALPHA
SERVICES AND HOLDINGS

Q4 2022 Results

Press Release

Alpha Bank reports profit of €398mn in FY 2022

Key Financial metrics

Key Financial metrics	FY 2022	Q4
Reported profit after income tax	€398.0mn	€62.6mn
Normalized[1] profit after tax	€429mn	€105mn
Return on tangible book value (RoTBV)	7.0%	4.4%
Fully-loaded Common Equity Tier 1[2] (CET1%)	12.5%	12.5%
Tangible Book Value per Share	€2.46	€2.46

Key takeaways

- Performing loans +10% y/y on €2.6bn Greek business loans net credit expansion, outperforming FY 2022 target of €2.2bn. Performing loans up €0.2bn q/q, affected by FX and repayments.
- Customer deposits up €3.3bn y/y or +7% to €50.2bn; Group Deposits flat in Q4 with household inflows offset by businesses outflows. Time deposits at 14% of total, +1pp q/q. Loan to Deposit ratio at 77%.
- NPE ratio at 7.8% and from 13.1% the year prior, down 20bps q/q. Organic reduction during 2022 of €0.4bn reflects resilient asset quality environment and pipeline of curings. NPE stock at €3.1bn with 78% in secured loans, mostly retail. Cash coverage at 41%.
- AT1 issuance in February 2023 (€400mn) optimizes capital structure while further strengthening Total Capital Ratios by additional circa 120bps; MREL ratio 20.8% pro-forma for AT1 issuance.
- FL CET1[2] at 12.5% up 120bps y/y and 40bps q/q; 2023 capital ratios to benefit from a c60bps positive impact from planned synthetic securitizations.
- ROTE at 7%; operating trends expected to further enhance profitability to c9% in 2023.

Summary trends

- In 2022, NII reached €1.3bn down 3.8% y/y, mainly due to lower contribution from NPEs on the back of transactions in 2021. Net Interest Income up by +17.4% q/q to €398.1mn as a result of higher rates and increased income from securities, offsetting MREL issuance and higher deposit costs. NIM at 1.7% for 2022 and 2.0% in Q4 2022.
- Net Fee & Commission income flat y/y or +9.1% excluding Merchant acquiring and one-offs. Figure up by 5.4% q/q to €97.9mn, driven by business credit related and Asset Management fees.
- Operating Income up 2.5% y/y driven by higher trading gains, down 6.1% q/q to €512.9mn on lower trading gains and other income.
- Recurring costs down 3% y/y despite inflationary pressures. Recurring operating expenses up 11.2% q/q on higher marketing, IT and third-party expenses.
- Cost of Risk at 76bps for the full year and 93bps in Q4 with underlying impairments of €74mn and NPE servicing fees of €16mn, reflecting management overlays in light of the current macro uncertainty.
- Reported Profit at €62.6mn, Normalised Profit After Tax of €105mn in Q4 2022, is Reported Profit /(Loss) After Tax of €62.6mn excluding (a) non-recurring Operating Expenses of €16mn, (b) NPA transactions impact of €36mn, (c) gains from discontinued operations and other of €5mn and €5mn tax charge related to the above.

"2022 was the culmination of three years of transformation that has restored our Balance sheet, delivered sustainable returns and repositioned Alpha Bank as the leading partner to corporates"

"Allow me to start by saying that we at Alpha Bank are devastated by the tragic train accident and our thoughts are with the families of the victims. This is a time to come together, show respect to our fellow citizens, and grow stronger as a whole.

2022 was a year of transformation and achievement for Alpha Bank that saw substantial progress on the objectives of our strategic plan. The conclusion of our NPE deleveraging project delivered a single digit NPE ratio of 7.8%, along with strong organic capital generation. This effort was combined with a return to growth across business units and the acceleration of our transformation program that focused on the Bank's digitization alongside the automation of processes. This broad based engagement culminated in a reported full year profit after tax of almost €400 million, which translated to a return on tangible book value at 7%, up from 4% in 2021.

During 2022, Alpha Bank regained its position as the leading lender to Greek corporates, with performing loans up 10% year on year, driven by a €2.6billion net credit expansion in Greek business loans. At the same time, we formed a strategic partnership in payment solutions and merchant acquiring with European payments leader Nexi, and entered into a definitive agreement on Project Skyline, the largest open market real estate portfolio transaction in Greece. Furthermore, we proved our ability to tap the international capital markets, even under challenging market conditions, with the successful placement of €850 million in the form of two senior preferred bond issuances. In addition, we also accessed the AT1 market in February 2023 with an inaugural €400million transaction, bolstering further our capital ratios.

Our commitment to sustainability and to making a positive social impact is acknowledged by the numerous awards and recognition received in 2022, along with our inclusion in all major relevant indices. Moreover, we continued to actively support local communities to survive the financial headwinds, providing them with the necessary resources to secure equal access to healthcare services, quality education, art, and culture for vulnerable social groups. We backed several initiatives to support our clients in their transition to a low-carbon economy through the introduction of our Sustainable Financing Solutions, while we implemented best practice in climate and environmental risk management across our portfolio. In addition, we rolled out energy-efficiency measures across our buildings, achieving a reduction of 36.7% in scope 1&2 CO_2 emissions.

Looking ahead to 2023, we are now delivering our business plan at pace across all lines and will renew our strategy with a plan update before summer. Our priority is to deliver growth and to create value through proactively identifying the most profitable businesses and allocating capital appropriately. We anticipate this strategy will deliver growth of c25% in normalised earnings and combined with a capital base consistently above regulatory requirements, should pave the way for the resumption of shareholder distributions.

While we acknowledge that there are a number of geopolitical and macroeconomic challenges in the horizon, we nevertheless remain positive in our views on GDP growth in Greece, with inflation expected to be contained at below euro area average levels. In this environment, we expect to see significant opportunities to support economic growth and remain the Bank of choice for our domestic customers as well as for those international investors that want to access Greece for the first time."

Vassilios Psaltis, CEO

Key Financial Data

P&L | Group (€mn)	FY 2022	FY 2021	YoY (%)	Q4 2022	Q3 2022	QoQ (%)
Net Interest Income	1,323.0	1,375.9	(3.8%)	398.1	339.0	17.4%
Net fee & commission income	396.1	395.6	0.1%	97.9	92.9	5.4%
Income from financial operations	177.2	142.6	24.2%	6.4	62.5	(89.7%)
Other income	98.9	31.6	...	10.5	51.8	(79.6%)
Core banking income	1,719.1	1,771.5	(3.0%)	496.0	431.9	14.8%
Operating Income	**1,995.2**	**1,945.7**	**2.5%**	**512.9**	**546.2**	**(6.1%)**
Core Operating Income	**1,818.1**	**1,803.1**	**0.8%**	**506.5**	**483.7**	**4.7%**
Staff Costs	(377.0)	(403.0)	(6.5%)	(95.5)	(93.1)	2.5%
General Administrative Expenses[3]	(443.7)	(448.4)	(1.1%)	(123.6)	(101.5)	21.8%
Depreciation & Amortization	(156.5)	(157.1)	(0.3%)	(39.4)	(37.9)	4.1%
Recurring Operating Expenses	**(977.2)**	**(1,008.5)**	**(3.1%)**	**(258.5)**	**(232.5)**	**11.2%**
Excluded items[3]	(10.7)	(194.8)	(94.5%)	(16.1)	4.7	...
Total Operating Expenses	**(987.9)**	**(1,203.3)**	**(17.9%)**	**(274.7)**	**(227.8)**	**20.6%**
Core Pre-Provision Income	**840.9**	**794.6**	**5.8%**	**248.0**	**251.2**	**(1.3%)**
Pre-Provision Income	**1,007.3**	**742.4**	**35.7%**	**238.2**	**318.4**	**(25.2%)**
Impairment Losses	(288.0)	(373.5)	(22.9%)	(89.9)	(58.3)	54.2%
Other Impairment Losses	2.4	(21.0)	...	(0.5)	(3.0)	(84.7%)
Profit/ (Loss) Before Income Tax	**721.7**	**347.9**	...	**147.9**	**257.2**	**(42.5%)**
Income Tax	(224.2)	(50.8)	...	(53.3)	(90.8)	(41.3%)
Profit/ (Loss) after income tax	**497.5**	**297.1**	**67.5%**	**94.5**	**166.4**	**(43.2%)**
Impact from NPA transactions[4]	(328.6)	(3,170.0)	(89.6%)	(36.4)	(77.3)	(52.9%)
Profit/ (Loss) after income tax from discontinued operations and other	229.2	(33.1)	...	4.5	3.7	22.4%
Profit/ (Loss) After Income Tax	**398.0**	**(2,906.1)**	...	**62.6**	**92.7**	**(32.5%)**
Normalised[5] Profit After Tax	**429**	**332**	**29.3%**	**105**	**117**	**(10.0%)**

Balance Sheet | Group	31.12.2022	30.09.2022	30.06.2022	31.03.2022	31.12.2021	YoY (%)
Total Assets	78,019	77,406	75,782	73,406	73,356	6.4%
Net Loans	38,748	38,858	38,098	37,787	36,860	5.1%
Securities	13,474	13,096	12,395	10,957	10,645	26.6%
Deposits	50,246	50,094	48,496	46,850	46,970	7.0%
Shareholders' Equity	6,259	6,181	6,138	6,091	6,036	3.7%
Tangible Book Value	5,784	5,715	5,671	5,613	5,558	4.1%

Key Ratios | Group	FY 2022	9M 2022	H1 2022	Q1 2022	FY 2021
Profitability					
Net Interest Margin (NIM)	1.7%	1.6%	1.6%	1.5%	1.9%
Cost to Income Ratio (Recurring)	53.7%	54.8%	58.7%	59.8%	55.9%
Capital					
CET1[2]	13.2%	13.1%	12.4%	12.2%	13.2%
Total Capital Ratio[2]	16.1%	16.0%	15.1%	15.0%	16.1%
Liquidity					
Loan to Deposit Ratio (LDR)	77%	78%	79%	81%	78%
LCR	161%	161%	160%	169%	196%
Asset Quality					
Non-Performing Loans (NPLs)	1,656	1,737	1,671	2,630	2,412
Non-Performing Exposures (NPEs)	3,116	3,214	3,233	4,893	5,120
NPL ratio (%)	4.1%	4.3%	4.2%	6.6%	6.2%
NPE ratio (%)	7.8%	8.0%	8.2%	12.2%	13.1%

Business Update

Greece continues to cement its growth premium, with real GDP growth year-to-date above the Euro area average. Real GDP growth is expected to decelerate to 1.8% in 2023 from 5.9% in 2022, with fiscal support and healthy household balance sheets sustaining consumption. Net exports will be cushioned by product upscaling and growth will effectively be driven by higher investments off the back of gains in competitiveness and RRF support leading to enhance inflows of FDI.

Despite a challenging macro environment, delivery on the Bank's business plan targets continued with growth in performing loans (+10% in Greece and +9% in International y/y), acceleration of top line growth benefiting from rising rates, diversification of revenues via growth in fees, further cost savings notwithstanding inflationary pressures, benign asset quality flows, healthy capital generation and further progress towards meeting our MREL targets.

During 2023, Alpha Bank's business plan will be in full swing: Business priorities are now focused on growth and on value-creation through active capital allocation to the most profitable businesses on a risk adjusted basis, paving the way for our resumption of dividends.

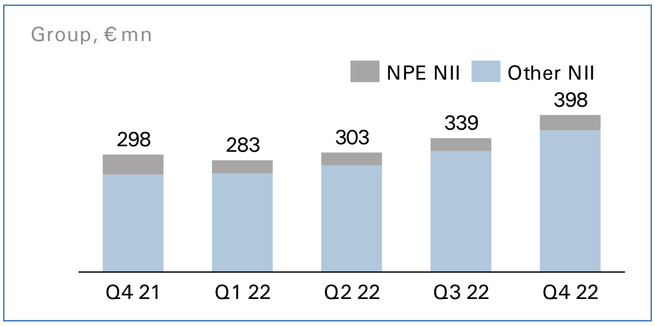
Profitability

Top line benefitting from rates; CoR at 93bps in Q4

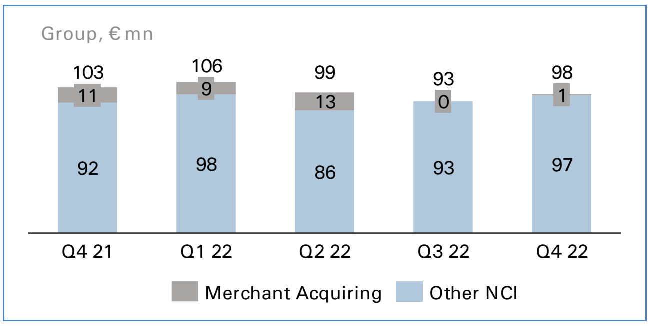
The quality of earnings continued to steadily improve in the quarter:

- Accelerating net interest income growth (+17% q/q) off the back of higher rates, with improved quality as the contribution of NPEs fell to 10% from 17% a year ago and is expected to reach 6% in the coming quarters.
- Fees and commissions expanded by 5.4% q/q to €97.9mn, driven by business credit related and Asset Management fees and further diversifying the Bank's revenue stream.
- Recurring operating expenses deteriorated by 11.2% due to seasonally higher marketing, IT and third-party expenses. On a yearly basis, continued focus on costs resulted in a 3% y/y reduction in Recurring costs despite inflationary pressures, with the 18% y/y reduction in total operating expenses driven by lower non-recurring items.
- Cost of Risk increased to 93bps in Q4, reflecting management overlays to account for macro uncertainty. For 2022, CoR came in line with guidance at 76bps excluding transactions, highlighting relatively benign asset quality flows.

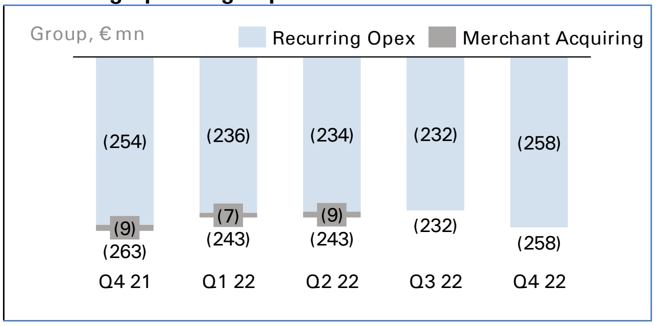
Net interest income



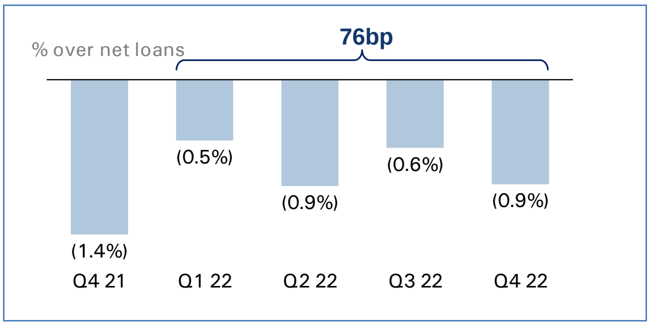
Net fee and commission income



Recurring operating expenses

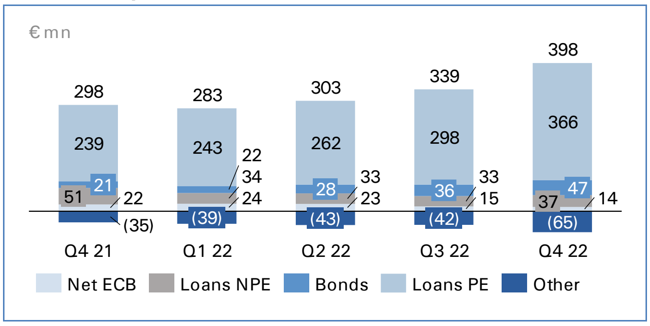


Cost of risk

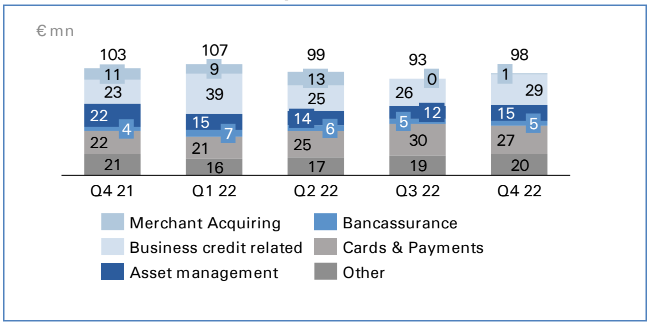


Core banking income up +15% q/q

NII decomposition



Net F&C Income decomposition



Top line rebasing (+17.4% q/q) on higher rates; securities offsetting MREL funding costs

Net Interest Income rose by €59.1mn or +17.4% q/q to €398.1mn, driven by higher rates and increased income from securities offsetting MREL issuance and higher deposit costs. In FY 2022, NII amounted to €1,323mn, down 3.8% y/y, mainly due to a lower contribution on the asset side from improved NPE balances and higher deposits.

Business credit and Asset Management fees drive 5% q/q growth

Net fee and commission income increased by 5.4% q/q or €5.0mn to €97.9mn, driven by business credit related fees alongside a higher contribution from Asset Management. On a yearly basis, fees were flat y/y (+0.1%) reflecting the deconsolidation of the Merchant Acquiring business. On a recurring basis[6], fee income was up +4% q/q, on the back of robust loan origination alongside growth in Asset Management fees. Headline number flat y/y or +9.1% excluding Merchant acquiring and one-offs.

Income from financial operations stood at €6.4mn, compared to €62.5mn in Q3 2022, benefitting from gains in the valuation of derivatives.

Other income came in at €10.5mn compared to €51.8mn in Q3, which benefited by €25mn from a reversal of insurance provisions for Liability Adequacy Test.

Operating expenses witnessed an uptick in Q4

Recurring Operating expenses increased by 11.2% q/q to €258.5mn as a result of higher marketing, IT and third-party expenses as well as due to Employee retention plans.

Total Operating Expenses amounted to €274.7mn vs. €227.8mn in the previous quarter (+20.6% q/q), driven by non-recurring costs (“excluded items”) of €16.1mn vs. a €4.7mn gain in Q3 2022.

On a yearly basis, Recurring Operating expenses came in lower by 3.1% y/y to €977.2mn, partly benefiting from the deconsolidation of the Merchant Acquiring business.

Cost of Risk reflects resilience of the NPE book

The **underlying loan impairment** charge stood at €74.3mn, up from €38.8mn in the previous quarter and reflecting management overlays in light of the current macro uncertainty. **Servicing fees** amounted to €15.7mn vs. €19.5mn in the previous quarter.

Excluding the impact of transactions, **Cost of Risk** in Q4 2022 stood at 93bps over net loans (including servicing fees) vs. 61bps in the previous quarter. In 2022, CoR reached 76bps. Cost of Risk including the impact of transactions stood at 96bps vs. 86bps in the previous quarter, out of which 3bps related to NPE transactions.

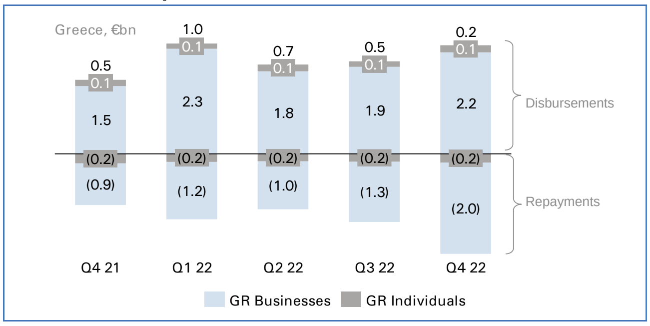
The **impact of NPA Transactions**[4] stood at €36.4mn vs. €77.3mn in Q3 2022, associated mainly with Projects “Sky” and “Skyline”.

Other impairment losses in Q4 2022 amounted to -€0.5mn.

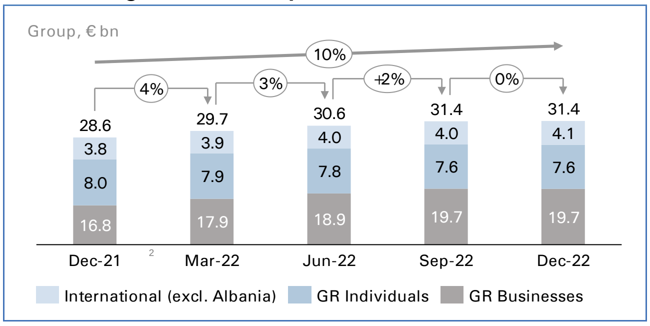
Balance Sheet Highlights

Performing loan portfolio flat q/q affected by FX and repayments; On a yearly basis, performing loans +10%

Net credit expansion



Performing loan book expansion



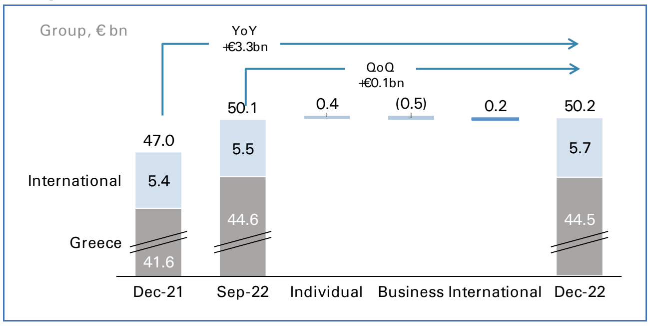
New disbursements in Greece reached €2.3bn in the quarter, allocated to key sectors including trade, manufacturing, energy, tourism and infrastructure. Note that the gross loan figure includes €5.4bn of retained senior notes associated with the Galaxy and Cosmos NPE securitizations.

Despite the strong performance of loan originations, the Group's **performing loan book** (excluding the Galaxy and Cosmos senior notes) was largely flat in Q4 at €31.4bn (+0.1% q/q), affected by a negative FX impact mainly on the shipping book and a sizeable uptick in repayments from businesses. On a yearly basis, performing loans expanded by 10% off the back of 17% growth in Greek Business loans and 9% in International, while loans to Greek Individuals were down -5%.

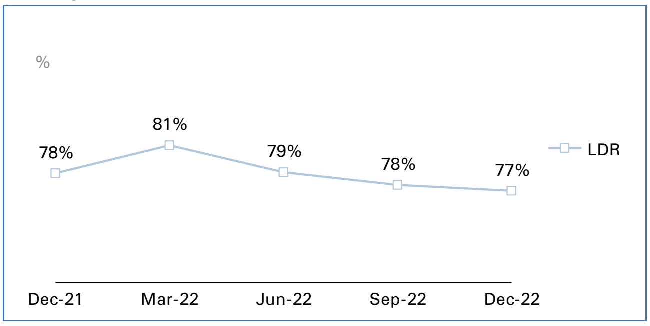
Net credit expansion in Greece stood at €0.2bn in Q4 as credit demand from businesses was mostly offset by the high level of business repayments.

Customer deposits +€3.3bn higher y/y or 7%; Q4 shift to time deposits driven by Businesses

Deposits evolution



Group LDR



The Group's deposit base increased by €0.1 bn q/q to €50.2bn as inflows from households and international deposits were partly offset by outflows from businesses, reflect the significant uptick in loan repayments witnessed in Q4. On an annual basis, the Group's deposit base expanded by Euro 3.3 billion (+7%), funding the growth in the loan book.

In Q4 time deposits trended up by +1pp q/q, accounting for 14% of the domestic deposit base. The cost of time deposits increased to 0.63% including the impact of USD time deposits.

Comfortable liquidity metrics

Eurosystem funding remained stable at €13bn, unchanged q/q and reflecting the full utilization of the TLTRO III borrowing allowance, while €2bn has been repaid in February 2023. The Bank's blended funding cost stood at 43bps in the quarter, up from 11bps in Q3, mainly attributed to a higher cost of deposits.

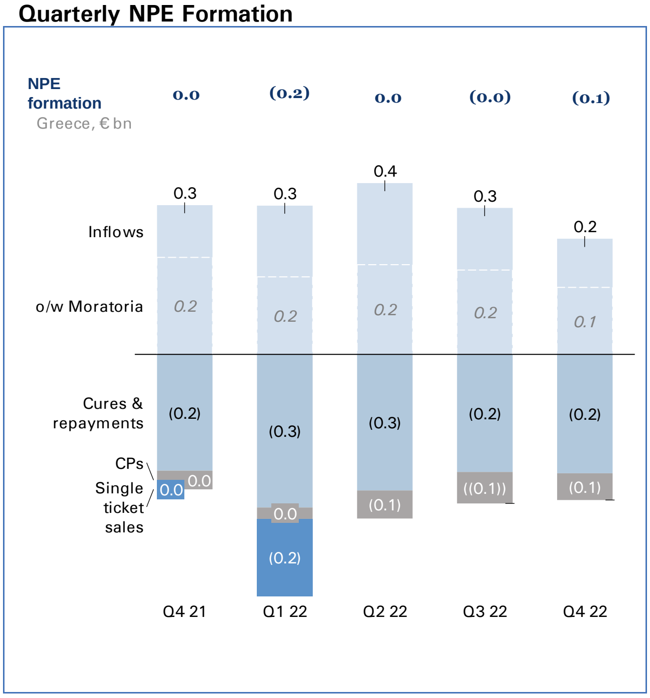
The strong liquidity profile is also evidenced by the net **Loan-to-Deposit** ratio of 77%. Moreover, two Senior Preferred Bonds of total size €850mn were issued in Q4 2022 contributed to the improvement of the Group's funding mix.

Asset Quality

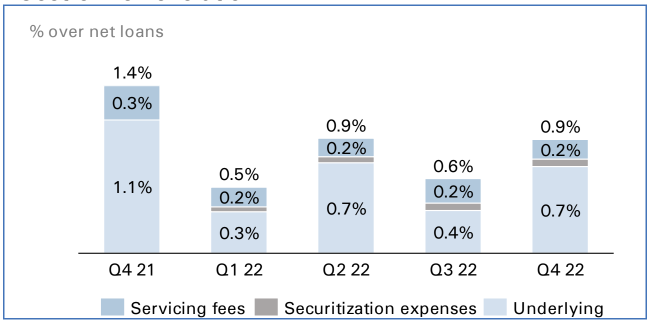
NPE ratio down to 7.8% from 13% a year ago; €0.4bn organic reduction during 2022

The **NPE stock in Greece** declined by €0.1bn q/q to €2.9bn as slightly lower organic inflows were more than offset by robust curing activity and repayments, leading to a €0.4bn organic reduction during 2022. As of Q4, the **NPE ratio** at a Group level declined further to 7.8%, down -20bps from Q3.

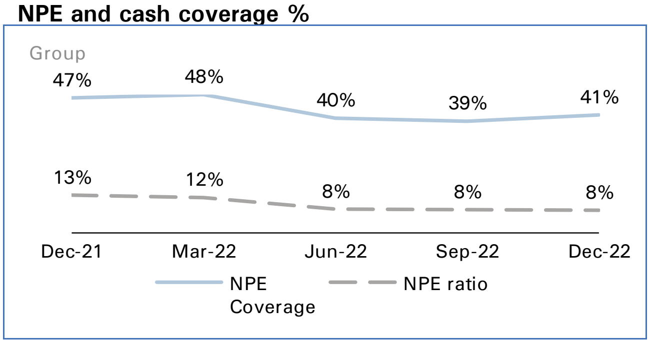
Quarterly NPE Formation



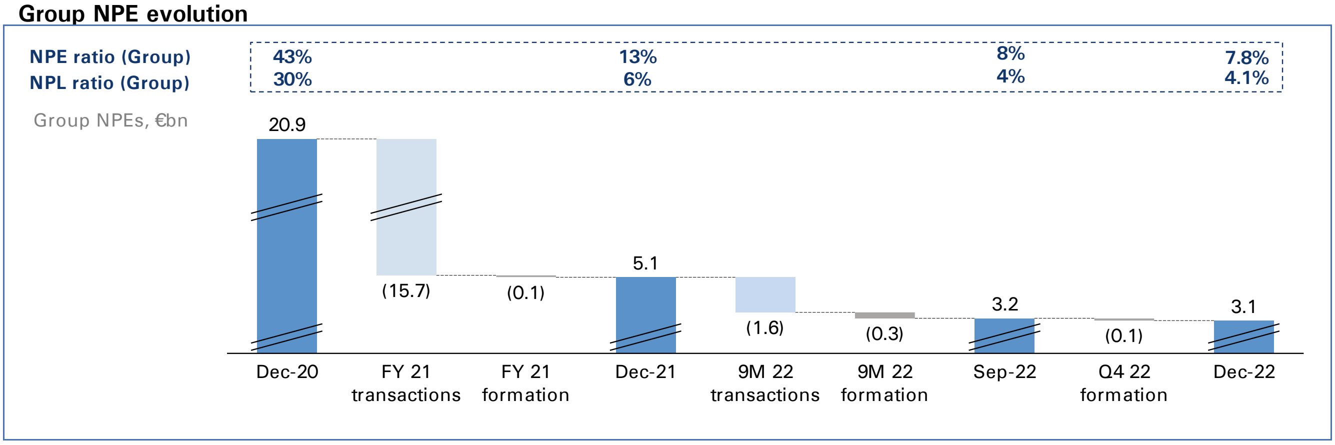
Cost of risk evolution



NPE and cash coverage %



Group NPE evolution



Group NPE Coverage reflects underlying asset mix

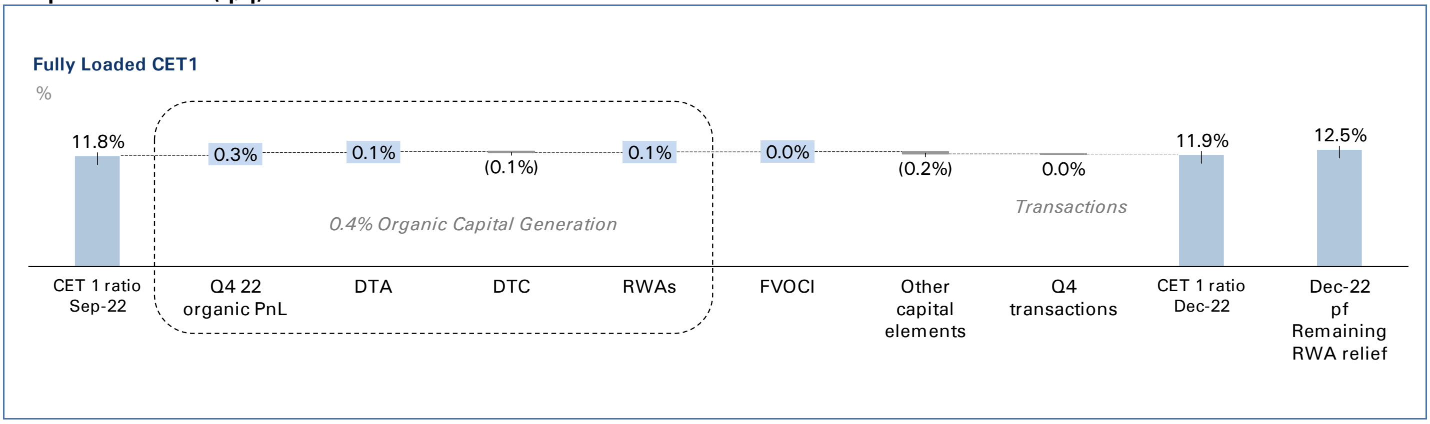
The **Group's NPE cash coverage** increased by 20bps to 41% at the end of Q4 while total coverage including collateral reached 108%. The **Group NPL coverage ratio** reached 73%, while total coverage including collateral reached 133%.

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 €3.1bn stock of NPEs for the Group, more than half are mortgages (50.5% of stock), with a significant portion of Forborne exposures less than 90dpd (43% stock or €1.3bn).

Capital

Healthy capital generation continues; FL CET 1 at 12.5%[2]

Capital evolution (q/q)



The Group's **Fully Loaded CET 1 Capital** base stood at €4.0bn, resulting in a Fully Loaded CET 1 ratio of 11.9%, up by 13bps q/q. The move was primarily attributable to a 38bps positive contribution from organic capital generation and a 2bps positive FVTOCI impact, partially offset by an 24bps negative impact from other capital elements and 4bps negative impact from Q4 NPE transactions. 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 12.5%, with a further benefit of c60bps from planned synthetic securitizations envisaged for 2023.

The respective **Fully Loaded Total Capital Ratio** stood at 14.9% in December 2022 or 16.8%, when factoring-in the €400m AT1 issuance completed in February and the aforementioned RWA relief from transactions.

International operations

The International operations posted a net profit of €53mn, up from €11m in the preceding year. Net interest income was up by 16.8% in the year with net fee and commission income up by 9.4%. Recurring operating expenses grew by 7.5% on the back of further investments and inflationary pressures. Impairments witnessed reversals during the year, amounting to €4m for the year. Net loans grew by 8.1% to €4.2bn driven by operations in Romania while deposits grew by 6.3% to €5.7bn.

Athens, March 15, 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 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		
Q4 2022	Accounting	Delta	APMs	APMs	Delta	Normalized
Net Interest Income	398		398	398		398
Net fee & commission income	98		98	98		98
Income from financial operations	7	(1)	6	6		6
Other income	13	(2)	11	11	2	13
Operating Income	**516**		**513**	**513**		**515**
Staff costs	(99)	3	(95)	(95)		(95)
General Administrative Expenses	(173)	50	(124)	(124)		(124)
Depreciation & Amortization	(39)		(39)	(39)		(39)
Recurring Operating Expenses			**(259)**	**(259)**		**(259)**
Excluded items		(16)	(16)	(16)	16	0
Total Operating Expenses	**(312)**		**(275)**	**(275)**		**(259)**
Core Pre-Provision Income			**248**	**248**		**250**
Pre-Provision Income			**238**	**238**		**257**
Impairment Losses on Loans	**(93)**	3	**(90)**	**(90)**		**(90)**
o/w Underlying			(74)	(74)		(74)
o/w servicing fees			(16)	(16)		(16)
o/w Covid			0	0		0
Other Impairment Losses	(0)		(0)	(0)		(0)
Share of Profit/(Loss) of associates and JVs	(2)	2		0	(2)	(2)
Profit/ (Loss) Before Income Tax	**109**		**148**	**148**		**164**
Income Tax	(46)	(7)	(53)	(53)	(5)	(59)
Profit/ (Loss) after income tax	**63**		**95**	**95**		**105**
Impact from NPA transactions		(36)	(36)	(36)	36	0
Discontinued operations and other	0	5	5	5	(5)	0
Profit/ (Loss) after income tax	**63**	(0)	**63**	**63**	**43**	**105**

[1] Normalised Profit After Tax of €105mn in Q4 2022, is Reported Profit /(Loss) After Tax of €62.6mn excluding (a) non-recurring Operating Expenses of €16mn, (b) NPA transactions impact of €36mn, (c) gains from discontinued operations and other of €5mn and €5mn tax charge related to the above.
[2] Factoring the RWA relief from the following transactions "Sky", Skyline", "Solar", "Hermes" and "Leasing".
[3] In Q4 2022, Excluded items of €16.1mn mainly related to extraordinary income from non anticipated operational risk events of €7.0mn, expense due to non anticipated operational legal disputes of €0.4mn, €3.1mn expense related to Transformation Programme Costs, €2.4mn one-off Employees' financial assistance.
[4] In Q4 2022, impact from NPA transactions includes €3mn transaction related losses, €29mn impairment of Sky, €8mn impairment of Skyline, €1mn trading gains from Light, as well as €2m tax charge related to the above.
[5] Detailed reference on normalised profits is available at the APMs section.
[6] Adjusting for €10mn one-off benefit booked in Q2 21 related to early termination of previous bancassurance agreement.

About Alpha Services and Holdings

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

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Disclaimer

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