

Valuation & Research Specialists (VRS)
Equity Research Team
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Share Price (14/9/2012) € 1.58

of Shares (,000) 534,270
Market Cap (in € mn) 844.15
A.D. Volume (p) 4,349,064
Beta Co-efficient 1.9

Statistical Data

Max 52 week 1.81 €
Min 52 week 0.42 €
1-M Rtn 26.40%
6-M Rtn 6.76%
12-M Rtn -2.47%

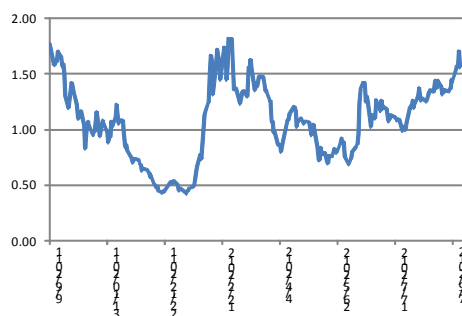
Shareholders' Structure

(Source: Alpha Bank, 31 August 2012)

Founding Family 9.00%
Greek Institutional Inv. 11.00%
Foreign Intist. Investors 24.00%
Individual Investors 56.00%

Source: Alpha Bank, Reuters, VRS.

Stock Price Performance (1 year, in €)



ALPHA BANK GROUP [Bloomberg Ticker: ALPHA:GA, Reuters Ticker: ACBr.AT]

Sector: Commercial Banking

Business Profile

- Alpha Bank (the Bank or the Group) is a leading commercial bank in Greece with presence in Southeast Europe, most notably in Romania, Serbia, Bulgaria, FYROM, Albania, Cyprus, Ukraine, and London.
- Alpha Bank is based in Athens, Greece. The Group employed 14,239 people as of 31 March 2012.
- Alpha Bank stock has been listed on Athens Exchange since 1925. The Bank is among the top market cap listed companies in Greece. Alpha Bank stock is included in a series of international indices, such as S&P Europe 350, FTSE Med 100 and FTSE4Good. Apart from the Greek listing, the shares of the Bank are listed in the London Stock Exchange in the form of international certificates (GDRs) and they are traded over the counter in New York (ADRs).
- Alpha Bank Group generates revenues from the following 5 major business units: (a) Retail Banking, (b) Commercial and Corporate, (c) SE (South East) Europe Business Unit, (d) Asset Management and (e) Investment Banking and Treasury.

Financial Highlights 2011 (Consolidated)

- In 2011, total operating income amounted to EUR 2,283.8 million of which EUR 1,748.4 million was generated in Greece and EUR 503.7 million in SEE. Operating expenses accounted for EUR 1,096.3 million of which EUR 781.1 million were incurred in Greece and EUR 307.0 million in SEE. Impairment losses on credit risk totaled EUR 1,130.3 million with EUR 876.2 million concerning the Greek market and EUR 254.1 million relating to SE Europe.
- Pre-provision income accounted for EUR 1,187.5 million in 2011 (+7.8% y-o-y), whereas operating expenses decreased to EUR 1,096 million (-4.5% y-o-y).
- Profit before taxes per business unit settled as follows (in EUR million): -4.1 in retail banking, 25.4 in medium and large corporate banking, -57.4 in SEE (South East Europe) banking operations, 16.9 in asset management and 103.0 in investment banking and treasury.
- In 2011, non-performing loan ratio settled at 12.9%. Accumulated balance sheet provisions amounted to EUR 2.86 billion as of end December 2011 (with an additional amount of EUR 2 billion for the Hellenic Republic's guaranteed loans). The coverage ratio stood at 45% and at 124% when collaterals were included. Loan loss reserves over loans ratio was 5.8% in 2011 versus 4.3% in 2010.

Important Note:

Valuation & Research Specialists (VRS) have based the aggregate information contained in this report on Alpha Bank's corporate and IR website, www.alpha.gr. VRS have also contacted the Management for factual verifications. VRS have compiled this report solely for information purposes. Valuation & Research Specialists (VRS) do not intend to express any views or judgments about the covered company, Alpha Bank, via this report.

BASIC FINANCIAL INDICATORS

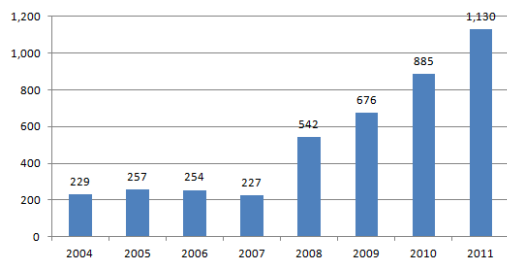
(in € mn)	TOTAL ASSETS	DEPOSITS	NET LOANS	EQUITY	NII	OPER. EXPENSES	EBT	EATAM
2004	33,237	20,697	22,378	1,987	1,055	810	575	408
2005	44,007	21,645	27,357	2,225	1,225	823	642	502
2006	49,800	31,015	32,223	2,740	1,418	887	801	552
2007	54,684	34,665	42,072	3,371	1,605	1,025	985	850
2008	65,270	42,547	50,705	3,021	1,799	1,178	626	512
2009	69,596	42,916	51,400	5,372	1,763	1,202	502	350
2010	66,798	38,293	49,305	5,211	1,819	1,148	216	86
2011	59,148	29,399	44,876	1,417	1,784	1,096	-4,732	-3,810

Note: Equity excluding minorities and hybrid capital.
Source: Official Consolidated Financial Statements (based on IFRS), VRS Calculations.

ALPHA BANK GROUP [Bloomberg Ticker: ALPHA:GA, Reuters Ticker: ACBr.AT]

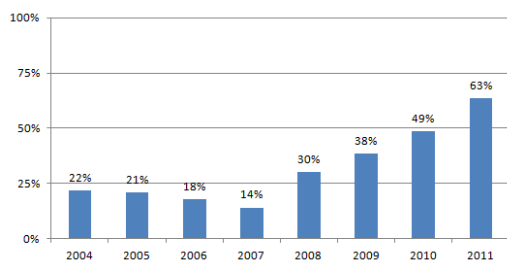
Sector: Commercial Banking

Loan Loss Provisions (Eur million)



Source: Alpha Bank.

Loan Loss Provisions as % of NII



Source: Alpha Bank.

Financial & Valuation Ratios

(in € mn)	P/E (x)	P/BV (x)	ROE %
2004	2.1	0.4	21%
2005	1.7	0.4	23%
2006	1.5	0.3	20%
2007	1.0	0.3	25%
2008	1.6	0.3	17%
2009	2.4	0.2	7%
2010	9.9	0.2	2%
2011	n/c	0.6	-269%

Note: P/E and P/BV based on current share price.
Source: Alpha Bank, VRS Calculations.

First Quarter 2012 Results (Consolidated)

- In Q1 2012, total assets amounted to EUR 57.6 billion with net loans at EUR 43.7 billion and deposits at EUR 27.9 billion. Equity accounted for EUR 1.3 billion.
- Operating income stood at EUR 466.3 million (-15.5% year-on-year) with operating expenses at EUR 264.8 million (-3.3% y-o-y). Pre provision income accounted for EUR 201.4 million (-27.6% y-o-y) in Q1 2012 with net profit settling at EUR -107.2 million versus EUR 10.5 million in Q1 2011.

Latest Developments

- Alpha Bank has received EUR 1.9 billion from the Greece's recapitalization package of EUR 18 billion that was distributed to the Greek banks from the Hellenic Financial Stability Fund. The Bank's participation in the Greek bond exchange program (PSI+) totaled EUR 6 billion (bonds and guaranteed loans) and resulted into losses of EUR 3.8 billion for 2011. Following the above, core tier I stood at 7.3% and CAD at 9.8%. Alpha Bank has submitted a business plan to the central bank authorities concerning the restructuring of operations targeting a higher capital adequacy ratio. [Source: Management's announcement on 29/6/2012.]
- Furthermore in May 2012, the Bank completed a Liability Management Exercise (LME) of outstanding subordinated and hybrid securities which enhanced the core tier I by EUR 333 million. The ratio currently stands at 7.9%.
- According to the Management, Alpha Bank is expected to enter a new recapitalization phase with funds from the European Financial Stability Fund.
- Alpha Bank's second iterative extraordinary general meeting on 22 May 2012 decided the termination of the merger with Eurobank Ergasias. On 14 September 2012, Alpha Bank submitted to French bank Credit Agricole SA a revised binding offer for the full acquisition of the latter's subsidiary in Greece Emporiki Bank.

Alpha Bank's Credit Ratings

	Long-Term	Short-Term
S&P's	CCC	C
Moody's	Caa2	NP
Fitch	CCC	C

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Alpha Bank Ratios	2004	2005	2006	2007	2008	2009	2010	2011
Net Interest Margin	3.17%	2.78%	2.85%	2.94%	2.76%	2.53%	2.72%	3.02%
Cost / Income	51.37%	47.77%	45.68%	45.85%	50.38%	50.44%	51.06%	48.01%
Equity / Loans	8.88%	8.13%	8.50%	8.01%	5.96%	10.45%	10.57%	3.16%
Loans / Assets	67.33%	62.16%	64.71%	76.94%	77.68%	73.85%	73.81%	75.87%
Deposits / Assets	62.27%	49.18%	62.28%	63.39%	65.19%	61.66%	57.33%	49.70%
Equity / Assets	5.98%	5.06%	5.50%	6.16%	4.63%	7.72%	7.80%	2.40%
Loans / Deposits	108%	126%	104%	121%	119%	120%	129%	153%

Source: Official Consolidated Financial Statements, VRS Calculations.

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Covered Company	Bloomberg	Reuters	Stock Price	Date	Disclosure
ALPHA BANK	ALPHA:GA	ACBr.AT	€ 1.58	September 14, 2012	2, 3

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2. VRS has sent the research report to the covered company, prior to publication or dissemination, for factual verification.
3. VRS has changed the contents of the initially sent report, with respect to: factual changes have been made.
4. VRS has received compensation from the covered company for the preparation of this research report.
5. VRS produces research reports for this company on systematic basis.
6. VRS produces research reports for this company on demand basis.
7. VRS has produced a research report for this company within the past 12 months.

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