



ALPHA BANK

Alpha Bank Cyprus

Financial Results for the period 1 January to 30 June 2016

26.8.2016

Financial Results for the period 1 January to 30 June 2016



Financial Data

- ❑ Strong capital base with common equity tier I ratio (CET I) at 16.8%
- ❑ Profit after tax of €7.6 million compared to losses of €15.1 million for the same period in 2015
- ❑ Improvement of net loans to deposits ratio to 105.5% compared to 110.0% on 31.12.2015
- ❑ Increase of customer deposits by 5.1% compared to 31.12.2015
- ❑ Implementation of a Voluntary Retirement program with a total cost of €31.4 million
- ❑ Non-performing loans, according to the definition of the European Banking Authority (EBA), stood on 30 June 2016 at €1,753.8 million representing 62.0% of gross loans.
- ❑ Accumulated impairment to cover credit risk amount to €774.4 million on 30 June 2016. The coverage ratio of EBA non performing loans stands at 44.2% .
- ❑ Loans over 90 days past due stood on 30 June 2016 at Euro 1,468.5 million representing 51.9% of gross loans.

Financial Results for the period 1 January to 30 June 2016 (cont.)



Financial Data

- ❑ Net Loans on 30 June 2016 amounted to €2,054.0 million compared to €2,036.5 million on 31 December 2015.
- ❑ Net Interest income for the first six months of 2016 amounted to €49.5 million compared to €45.9 million for the same period in 2015. The increase is attributed mainly to changes of interest rates.
- ❑ Total income amounted to €60.5 million for the first six months of 2016, presenting an increase of 33.3%, compared to €45.4 million for the same period of 2015, mainly due to changes of interest rates and the recognition of a non recurring amount of €6.6 million from the sale of Visa Europe shares.
- ❑ Total expenses for the first six months of 2016, amounted to €57.1 million compared to €26.2 million for the same period in 2015. The increase is attributed to the compensation cost of €31.4 million of a Voluntary Retirement program offered to employees. Excluding the non-recurring compensation cost, total expenses present a decrease of 2.0% compared to the same period in 2015.
- ❑ Cost to income ratio, excluding non-recurring items, (income from sale of Visa Europe shares and the voluntary retirement compensation expense), stands for the six months of 2016 at 47.7% compared to 57.6% for the same period in 2015
- ❑ During the first six months of 2016, the bank recognized a profit from the reversal of impairments and provisions to cover credit risk of €4.7 million compared to a loss of €34.3 million for the same period in 2015. The change reflects the deleveraging efforts of the bank as well as collections from loans previously written off.

Financial Results for the period 1 January to 30 June 2016 (cont.)



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(€ '000)	30.6.2016	30.6.2015
Net interest income	49,519	45,896
Net fee and commission income	3,182	4,428
Other income	7,804	-4,884
Total income	60,505	45,440
Staff costs	-17,956	-17,985
Voluntary retirement program	-31,445	-
Administrative expenses	-7,718	-8,210
Total expenses	-57,119	-26,195
Profit before impairment	3,386	19,245
Impairment gains / (losses) and provisions to cover credit risk	4,720	-34,296
Profit / (Loss) after income tax	7,564	-15,082
Earnings / (Losses) per share	0.04 σενΤς	-9.03 σενΤς

Financial Results for the period 1 January to 30 June 2016 (cont.)



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(€ '000)	30.6.2016	31.12.2015
Customer Deposits	1,946,619	1,851,788
Loans and advances to customers (Net)	2,054,009	2,036,547
Non performing loans and advances to customers (EBA Definition)	1,753,809	1,735,265
Loans over 90 days past due	1,468,553	1,444,338
Accumulated impairment to cover credit risk	774,350	798,246
Non performing loans ratio (EBA Definition)	62.0%	61.2%
Loans over 90 days past due ratio	51.9%	51.0%
Coverage ratio of non performing loans (EBA)	44.2%	46.0%
Coverage ratio of loans over 90 days past due	52.7%	55.3%
Coverage ratio of gross loans	27.4%	28.2%
Net Loans/Deposits ratio	105.5%	110.0%
Transitional Common Equity Tier I (CET I)	375,871	370,175
Transitional Tier I	439,668	433,791
Transitional Total Capital	490,387	496,852
Total risk weighted assets (RWAs)	2,232,997	2,119,784
Transitional Common equity tier I ratio	16.8%	17.5%
Transitional Tier I ratio	19.7%	20.5%
Transitional Total capital adequacy ratio	22.0%	23.4%

The financial results of the Bank for 30.6.2016 are available on the website of Alpha Bank Cyprus Ltd at www.alphabank.com.cy and the Cyprus Stock Exchange's website



ALPHA BANK

ALPHA BANK.
THE BANK THAT INSPIRES
CONFIDENCE AND
CONSTITUTES A CONSISTENT
POINT OF REFERENCE
IN THE BANKING SYSTEM.

