



July 10th, 2014

ANNOUNCEMENT

Interim Financial Statements of the Hellenic Financial Stability Fund for the period ended 31-3-2014

Today, Thursday July 10th 2014, the Hellenic Financial Stability Fund (HFSF) announced its interim financial statements for the period ended 31 March 2014.

The main points of the report are:

1. **Profit for the period was €1,445 million** mainly due to the positive revaluations of the Fund's equity portfolio and the negative impact of the increase of the valuations of the warrants.
2. **Interest income was €19 million** mainly from the EFSF bonds held by the Fund.
3. **There was no commission income** in 2014 as there was no underwriting activity.
4. **Personnel and operating expenses were €1,480 thousand**
5. **Investment Securities net of accrued interest were €10,933 million**
6. **Cash and cash equivalents stood at €533m** increased from €489m on 31/12/2013 mainly as a result of recoveries from the liquidations.
7. **The fair value of the Fund's shareholdings** in the four systemic banks was **€25.1 billion vs €22.6 billion** at year end 2013.
8. **The financial liability** arising out of the warrants issued increased to **€3.4 billion from €2.3 billion** at the year end.
9. **Significant events in 2014 per systemic bank**
 - **Piraeus Bank:** a) The bank concluded a €1.75 billion share capital increase through the issuance of 1,029,411,764 new common shares at an issue price of €1.70 per share. Following the said share capital increase the Fund's shareholding in the bank decreased from 80.95% to 67.30%.
b) On 7/7/2014 the bank announced that 4,951,260 warrants were exercised at an exercise price of €1.77, which corresponded to the sale of 22,160,707 shares (0.36% of the bank's share capital). Following that the Fund's shareholding in the bank decreased from 67.30% to 66.93%.
 - **Alpha Bank:** a) The bank concluded a €1.2 billion share capital increase through the issuance of 1,846,153,846 new common shares at an issue price of € 0.65 per share. Following the issue of the new shares on

4/4/2014 the Fund's shareholding in Alpha decreased from 81.71% to 69.90%.

b) On 10/06/2014 60,899,318 warrants were exercised at an exercise price of €0.46, which corresponded to the sale of 451,179,721 shares (3.53% of the bank's share capital). Following that, the Fund's shareholding in the bank decreased from 69.90% to 66.36%.

- **National Bank of Greece:** The bank concluded a €2.5 billion share capital increase through the issuance of 1,136,363,637 new common shares at an issue price of €2.20 per share. Following the said share capital increase the Fund's shareholding in the bank decreased from 84.38% to 57.24%.
- **Eurobank:** The bank concluded a €2,864 million share capital increase through the issuance of 9,238,709,677 new common registered shares at an issue price of € 0.31 per share. Following the said share capital increase the Fund's shareholding in the bank decreased from 95.23% to 35.41%.

It should be noted that the Fund's participations are fair valued and any volatility in the market is reflected on the Fund's balance sheet thus directly affecting its profitability and its equity. As of today, July 10th 2014, the fair value of the Fund's shareholdings in the four systemic banks is €18.5 billion.

The Fund has also published **its half year activities report for the period January - June 2014**.

The full reports of the Fund's interim financial statement and its activities for the first half of 2014 can be found at the links below:

- "[Interim Financial results for the period ended 31 March 2014](#)"

- "[Report of the Hellenic Financial Stability Fund's Activities for the period January-June 2014](#)"

- END -

Hellenic Financial Stability Fund (HFSF)

The Hellenic Financial Stability Fund (HFSF) was founded in July 2010 under the law 3864/2010 as a private legal entity it does not belong to the public sector and has administrative and financial autonomy. The objective of the HFSF shall be to contribute to the maintenance of the stability of the Greek banking system, for the sake of public interest. The HFSF shall act in line with the relevant commitments of the Greek Republic under Law 4046/2012 (A' 28).

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