



July 30th' 2013

PRESS RELEASE

First Half 2013 Activities Report of the Hellenic Financial Stability Fund (HFSF)

Today, Tuesday 30 July 2013, the Hellenic Financial Stability Fund (HFSF) announced its activities report, which covers the period from January to June 2013.

The main points of the report are:

1. **The successful completion of the recapitalization** of the four systemic banks (Alpha Bank, National Bank of Greece, Eurobank and Piraeus Bank) within schedule. The final HFSF contribution to the recapitalization was EFSF bonds with a nominal value of €24,998 ml, while the total share capital increase amount for the four banks was €28,595 ml. The participation of the private sector (exceeding 10%) at three banks and the valuation of the EFSF's bonds which were given to the banks at a premium above par resulted in the lower utilisation of the EFSF resources which have been committed for the Greek banking sector by €3,597 ml.
2. **Signing of the Relationship Framework Agreements (RFAs)** between HFSF and the banks which have received capital support from the Fund. The Framework Agreement determines the relationship between the banks and HFSF as well as issues that deal with corporate governance and the cooperation framework of each bank.
3. **Issues per systemic bank**
 - **National Bank of Greece (NBG):** Acquisition of the healthy portfolio of FBB, while the funding gap of the bank under liquidation was covered by HFSF.
 - **Piraeus Bank:** Acquisition of the Cypriot banks' operations by Piraeus Bank. HFSF covered the capital needs resulting from this transaction.

Also the Fund gave its consent to Piraeus Bank to acquire Millennium Bank which was capitalized by its parent company BCP.

- **Alpha Bank:** Completion of the acquisition of Emporiki Bank after the capital injection made by Credit Agricole and subsequently absorption of Emporiki by Alpha Bank.
- **Eurobank:** Following the conclusion of the bank's share capital increase, HFSF became the major shareholder of Eurobank. HFSF approved the agreement between Eurobank and Fairbairn Financial Holdings under which the latter will cover a capital increase of Eurobank Properties.

4. Transitory Credit Institutions (TCIs):

- **New Hellenic Post Bank (NHPB):** HFSF fully covered NHPB's share capital and covered the difference between the transferred assets and liabilities as these were determined by BoG. The Fund, after a competitive tender process, reached an agreement with Eurobank to sell NHPB. The sale will be concluded after the necessary regulatory approvals will be obtained.
- **New Proton Bank:** HFSF, after a competitive tender process, decided to sell New Proton Bank to Eurobank. HFSF will recapitalize the bank before the conclusion of the sale.

5. HFSF received on 31/5/2013 from EFSF bonds with a nominal value of €7.2 billion. Thus, HFSF's capital increased to €49.7 billion.

For more information please refer to the Fund's website (www.hfsf.gr) and in particular in the section titled "Activities of the financial stability Fund during the period January – June 2013".

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Hellenic Financial Stability Fund (HFSF)

The Hellenic Financial Stability Fund 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 HFSF aims at maintaining the stability of the Greek financial system through the support of the capital adequacy of banks.

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