



September 23rd, 2016

Press Release

**Interim Financial Statements of the Hellenic Financial Stability Fund
for the three month period ended March 31, 2016**

The Hellenic Financial Stability Fund (HFSF or Fund) announces the issuance of its interim financial statements for the three month period ended March 31, 2016.

The key points of the interim financial statements are:

A. The Fund's financial performance

- **Interest income:** During the 3 month period ended March 31st 2016, the interest income amounted to € 3m versus € 9.2m in the respective period of 2015. The decrease in the interest income is attributed to the re-delivery of EFSF FRNs to the EFSF on 27/02/2015. The balance in 2016 refers to the accrued interest from HFSF's deposit in the cash management account.
- **Personnel expenses:** During the 3 month period ended March 31st 2016, the personnel expenses amounted to € 864k versus € 837k in the respective period of 2015.
- **General administrative and other operating expenses:** During the 3 month period ended March 31st 2016, the operating expenses amounted to € 651k versus € 528k in the respective period of 2015.
- **Result from financial instruments at fair value through profit or loss (FVTPL):** The result from financial instruments at FVTPL amounted to € 579m loss in the 3 month period ended March 31st 2016, versus € 4,425m loss in the respective period of 2015. The result in the first quarter of 2016 is analyzed to a) the result of the revaluation loss from the HFSF's participations in the four systemic banks (Q1 2016: € 564m loss versus Q1 2015: € 5,058m loss), b) the revaluation loss from warrants (Q1 2016: € 332k loss versus Q1 2015: € 632m gain) and c) the revaluation loss from CoCos (Q1 2016: € 14m loss versus Q1 2015: €0).
- **Cash and balances with banks:** As of March 31st 2016, the cash and balances with banks amounted to € 376m versus € 349m as of December 31st 2015. The movement of the balance in the first quarter of 2016 is analyzed mainly to the inflow of € 30m relating to the collection from ATEbank under liquidation and outflows of € 3,4m for operating expenses and other payments.
- **Financial assets at fair value through profit or loss:** The balance includes the HFSF's investments in the four systemic banks and the CoCos issued by NBG and Piraeus. As of March 31st 2016, the market value of shares amounted to € 1,820m versus € 2,384m as of December 31st 2015. The fair value of CoCos amounted to € 4,047m versus € 4,061m as of December 31st 2015.

- **Receivables from banks under liquidation:** As of March 31st 2016, receivables from banks under liquidation amounted to € 2,022m versus € 2,052m as of December 31st 2015, following the collection of € 30m from ATEbank under liquidation.

B. HFSF's significant events after the reporting date

- **Analysis of non-regulatory constraints & impediments for the development of an NPL market.** As per the provisions of the MoU signed on 19/8/2015, the HFSF in cooperation with BoG, provided an analysis to identify non-regulatory constraints and impediments (e.g. administrative, economic, legal) to the development of a dynamic NPL market in Greece. Following the analysis, impediments were identified and grouped per broad areas of obstacles, i.e. legal and judicial, tax and accounting, administrative and other impediments. This study was effectively completed and presented to the Authorities, in October 2015. Subsequently and as specified in the Supplemental MoU signed on 16/06/2016, the HFSF in cooperation with BoG, would have to update and propose concrete actions regarding all remaining non-regulatory impediments to the development of a dynamic NPL market by end of June 2016. The updated study was completed and the updated report was published on HFSF's site.

The full report of the Fund's interim financial statement can be found at the following link: "[Interim Financial Statements for the period ended 31 March 2016](#)"

- 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.

For more information please contact:

Mrs. Tonia Petrovits

Phone: +30 215-5606980

Email: tpetrovits@hfsf.gr