



In accordance with the Decision by the National Bank of the Republic of Macedonia on reports and data disclosure by the bank (Official Gazette of RM, no. 134/2007), Alpha Bank AD Skopje discloses:

**REPORTS AND DATA
as at 30.06.2010**

CONTENTS

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1. DATA ON THE BANK	
- Name - Legal entity number - Head Office	- Alpha Bank AD Skopje - 4633148 - Dimitrie Cupovski 2, P.O. Box 564, MK-1000 Skopje
- Organizational structure - Number of employees as at 30.06.2010	Organizational chart of the Bank - 276
Review of financial activities that can be performed in accordance with the license for establishing and operating issued by the Governor of the NBRM (Decision no: 7908 as of 09.12.2008)	<ul style="list-style-type: none"> • Collecting deposits and other additional sources of funds • Domestic crediting including factoring and financing of commercial transactions • Foreign crediting including factoring and financing of commercial transactions • Issuing and administering of payment products (cash cards, cheques, traveller's cheques, drafts) • Financial leasing • Exchange operations • Domestic and international payment operations including buy/sell of FX • Issuing of payment guarantees, banking guarantees and other forms of guarantees • Renting safe deposit boxes, safe keeping and depot • Trading with instruments on the money market (drafts, cheques, certificates for deposits) • Trading with FX funds, including trading with precious metals • Trading with securities • Intermediation in selling insurance policies • Intermediation in concluding loan contracts • Processing and analysis of information for the creditability of legal entities, and • Economic-financial consulting
Review of financial activities being performed at the moment	<ul style="list-style-type: none"> • Collecting deposits and other additional sources of funds • Domestic crediting including factoring and financing of commercial transactions • Foreign crediting including factoring and financing of commercial transactions • Issuing and administering of payment products (cash cards, cheques, traveller's cheques, drafts) • Exchange operations • Domestic and international payment operations including buy/sell of FX • Issuing of payment guarantees, banking guarantees and other forms of guarantees • Renting safe deposit boxes, safe keeping and depot • Trading with instruments on the money market (drafts, cheques, certificates for deposits) • Trading with FX funds, including trading with precious metals • Trading with securities • Intermediation in selling insurance policies • Intermediation in concluding loan contracts • Processing and analysis of information for the creditability of legal entities,

	<p>and</p> <ul style="list-style-type: none"> Economic-financial consulting
Review of financial activities for which the Governor of the NBRM has placed a ban or restrictions for their performance i.e. the consent has been revoked	NONE
1. 1 DATA ON THE BANKING GROUP	
Name, head office and general activity of the legal entity, as well as for each member of the banking Group	Alpha Bank A.E. Athens, 40 Stadiou Street, 102 52 Athens, Greece Banking activity Data for the members of Alpha Group
Organizational structure of the banking Group	Organizational chart of Alpha Group
Participation of the Bank in the total number of shares and the shares with voting privilege at each member of the banking Group	NONE
2. DATA ON THE BANK'S SHAREHOLDERS STRUCTURE – SHAREHOLDERS WITH QUALIFIED PARTICIPATION	
Name of the shareholder, head office, legal form, general activity and percentage of participation in the total number of shares and the total number of issued shares with voting privilege at the Bank, as at 31.12.2008	ALPHA BANK A.E., 40 Stadiou Street, 102 52 Athens Banking activity Percentage of participation in the total number of shares at the Bank 100% Percentage of participation in the total number of issued shares with voting privilege at the Bank 100%
Total number of shareholders that do not have qualified participation at the Bank and their participation in the total number of shares and the total number of issued shares with voting privilege at the Bank, as at 31.12.2008	NONE
3. DATA ON THE BANK'S OWN FUNDS AND ON THE BANK'S EQUITY ADEQUACY	
The amount of the initial equity that is recorded at the Central Register	MKD 560,160,000
The number of shares of each type and class as well as the nominal value of the shares	4668 ordinary shares with voting privilege MKD 120,000 per share
Description of the own funds basic components characteristics	Bank's own funds are sum of core capital, supplementary capital I and supplementary capital II. In determining the amount of own funds, the Bank complies with the following restrictions: <ul style="list-style-type: none"> - The sum supplementary capital I and II may not exceed the amount of bank's core capital; - The sum of the nominal value of the subscribed and paid-in common shares, the sales premium of such shares and the amount of reserves and the retained profit, less the deductions should exceed the sum of the other positions which are part of the bank's core capital; - The amount of subordinated instruments which are part of the supplementary capital I may not exceed 50% of the amount of the core capital. <p>1. Core capital The positions that are part of the core capital shall meet the following</p>

	<p>requirements:</p> <ul style="list-style-type: none"> - To be unconditionally non-redeemable; - To be fully and readily available for covering the bank's risks and losses during the bank's operations; - In the event of bankruptcy or liquidation of the bank, to be fully and unlimitedly available to cover the bank's losses and liabilities to its creditors. <p>The core capital of the Bank shall include the nominal value of subscribed and paid-in common, premium of selling such shares, as well as the reserves and retained profits. Reserves appropriated from taxed profit that serve for covering losses arising from risks the bank faces in its operations. Reserves are set aside from the taxed profits and serve to cover losses arising from the risks facing the Bank in its operations. Hence the established core capital is reduced by the amount for patents and licenses.</p> <p>2. Supplementary capital I</p> <p>The positions which are part of the supplementary capital I shall be:</p> <ul style="list-style-type: none"> - Immediately and without restrictions available for covering the risks and losses during the bank's operations; - Reduced by the amount of future tax payments. <p>The supplementary capital I of the Bank shall include:</p> <p>A) Subordinated instruments issued by the bank.</p> <p>Subordinated instruments included in the supplementary capital I are Bank's financial instruments which, irrespective of the form, along with other conditions, should meet the following criteria:</p> <ul style="list-style-type: none"> - To be in monetary form i.e. incurred by cash inflow in the bank; - Not to be covered by other type of collateral by the bank or a person/entity connected to the bank (not additionally covered by a guarantee, mortgage or other type of collateral by the bank or by a person/entity connected to the bank); - To contain a subordination clause, i.e. a clause stating that in the case of bankruptcy or liquidation of the bank, these liabilities will be paid before settling the liabilities to the bank's shareholders and the bearers of hybrid capital instruments, and after settling the liabilities to other creditors; - To have a maturity date that exceeds five and one day after the cash inflow date in the bank on the basis of these instruments; - Not to be used as collateral for claims and contingent liabilities of the bank. <p>As an exception, the bank may make (early) payment of the subordinated instrument provided that it obtain a prior approval by the NBRM. In the calculation of the bank's own funds in the last five years to the maturity or payment date, the amount of subordinated instrument shall be discounted by 20% p.a. In the last year prior to the maturity or payment date, the subordinated instrument shall not be included in the calculation of own funds. Before the subordinated instruments are included in the calculation of the own funds, the bank notifies the National Bank for the conditions under which the subordinate instruments derived by presenting the contract and other documentation</p>
<p>Amounts and components of the core capital, established in accordance with the Decision on the methodology for determining capital adequacy</p>	<p>The core capital of the bank is MKD 736,430 thousands and comprises from:</p> <ul style="list-style-type: none"> ● Paid-in and subscribed common and non-cumulative preferred shares as well as premium for these shares in the amount of MKD 897,328 thousands. ● Nominal value of common shares in the amount of MKD 560,160 thousands ● Premium from common shares in the amount of MKD 337,168 thousands. ● Contingent fund in the amount of MKD 117,322 thousands. ● Deductions are in the amount of MKD 278,220 thousands
<p>Amount and components of the supplementary capital I and supplementary capital II, which are accordance with the Methodology for determining capital adequacy may be part of the Bank's own funds.</p>	<p>The supplementary capital of the Bank amounts MKD 246,186 thousands and comprises from:</p> <ul style="list-style-type: none"> -subordinated instruments in the amount of MKD 246,186 thousands. <p>Total liabilities of the Bank on the basis of subordinated instruments are MKD 246,186 thousands. The Bank does not have supplementary capital II.</p>

Type and amount of core and supplementary capital deductions	Deductions from the core capital relating to licenses, patents and other intangible assets amount to MKD 13,416 thousands, loss from the end of the year or current loss is MKD 165,614 thousands and the amount of value adjustment and special reserve as a result of accounting delay is MKD 99,189 thousands.
Total amount of own funds and capital adequacy as at 30.06.2010	Own funds are MKD 982,617 thousands. Capital adequacy 16.34%.
Capital required for covering credit risk, determined in accordance with the Methodology for determining capital adequacy, shown separately for balance sheet items and off-balance sheet items	Total capital required for covering the credit risk is MKD 433,626 thousands. Capital required for covering credit risk for balance sheet items is MKD 4,981,209 thousands. Capital required for covering credit risk for off balance sheet items MKD 439,122 thousands.
Capital required for covering currency risk, determined in accordance with the Methodology for determining capital adequacy	Capital required for covering currency risk is MKD 47,559 thousands.
Capital required for covering operational risk	The Bank does not have an obligation to calculate the capital required for covering operational risk, still.

In accordance with article 68 of the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 3/02, 51/03, 85/03, 40/04, 61/05, and 129/06), article 57, paragraph 1, point 2, and article 193, paragraph 2 and 3 of the Banking Law (Official Gazette of the Republic of Macedonia No. 67/2007) and the Decision on issuing consents (Official Gazette of the Republic of Macedonia No. 91/2007 and 134/2007), the Governor of the National Bank of the Republic of Macedonia made the following

DECISION

1. It is determined that Alpha Bank AD Skopje is in compliance with the criteria stipulated by point 13 of the Decision on issuing consents in regards to the following financial activities of article 7, paragraph 1 of the Banking Law, for which, in accordance with article 57, paragraph 1, point 2, previous consent is needed.

- Domestic and international payment operations, including buy/sell of FX;
- Trading with FX funds, which also includes trading with precious metals; and
- Trading with securities;

2. The rest of the financial activities from article 7, paragraph 1 of the Banking Law, for which previous consent is needed in accordance with the law, Alpha Bank AD Skopje shall be able to perform only after receiving a previous consent from the Governor of the National Bank.

3. Point 5 of the Decision by the Governor of the National Bank of the Republic of Macedonia for replacing of the license for establishing and operating of Alpha Bank AD Skopje No. 02-14/650-2003 as of 30.12.2003 is amended and now states:

“The Bank may perform the following activities:

- Collecting deposits and other additional sources of funds;
- Domestic crediting including factoring and financing of commercial transactions;
- Foreign crediting including factoring and financing of commercial transactions;
- Issuing and administering of payment products (cash cards, cheques, traveler’s cheques, drafts);
- Financial leasing
- Exchange operations;
- Domestic and international payment operations including buy/sell of FX;
- Issuance of payment guarantees, banking guarantees and other forms of guarantees;
- Renting safe deposit boxes, safe keeping and depot;
- Trading with instruments on the money market (drafts, cheques, certificates for deposits);
- Trading with FX funds, including trading with precious metals;
- Trading with securities;
- Intermediation in selling insurance policies;
- Intermediation in concluding loan contracts;
- Processing and analysis of information for the creditability of legal entities, and
- Economic-financial consulting”.

4. The Governor shall withdraw the consent for performing financial activities from point 1, stated above in this Decision, if he concludes that any of the terms of article 57, paragraph 2 from the Banking Law and point 13 from the Decision on issuing consents is not met.

5. At the day of receipt of this Decision, the Decisions stated in point 6 from the Decision for replacing the license for establishing and operating of the Bank no. 02-14/650-2003 as of 30.12.2003 cease to be valid, the Decisions being:

- the Decision from the Council of the National Bank of the Republic of Macedonia no.02-15/XIII-7/93 as of 20.05.1993, with which the Bank is authorized to perform payment operations and credit activities abroad, on its behalf and on its account, on its behalf and on account of third parties, as well as on behalf of and on account of third parties, and

- the Decision from the National Bank of the Republic of Macedonia no.4293 as of 28.12.2001, with which the Bank is granted a consent for performance of domestic payment operations.

Explanation

On 07.12.2007, the National Bank of the Republic of Macedonia (in further text: the National Bank) received a request from Alpha Bank AD Skopje (in further text: the Bank) for issuing consent for certain financial activities, submitted in accordance with article 193 paragraphs 2 and 3 from the Banking Law and point 52 from the Decision on issuing consents. The request refers to the following financial activities:

- domestic and international payment operations, including buy-sell of FX funds
- trading with FX funds, including trading with precious metals
- trading with securities

As an indicator for compliance with the criteria stipulated in point 13 from the Decision on issuing consents, documentation is submitted, as stipulated in points 5 and 9 from this Decision, for the financial activities for which the request was submitted.

From the analysis of the submitted documentation, it was estimated that for the stipulated scope of activities, the Bank will be organized and ready to operate in accordance with the regulations and the stipulated supervisory standards, taking into consideration the following:

- The Bank has the stipulated level of own funds that is necessary for conducting the financial activities for which the consent is requested.
- The Bank has adequate structure of employees for efficient and successful performance of the financial activities within the planned scope. The Bank plans adequate organizational placement which shall provide functional segregation when performing financial activities.
- The Bank plans to provide double control when performing the financial activities.
- Activities for including the financial activities in the system for internal control and internal audit as well as in the system for money laundering prevention are planned and undertaken.
- The Bank has policy and procedures for performing the financial activities, which represent adequate basis for risk management to which the Bank shall be exposed. The role of the persons with special rights and responsibilities authorized for making decisions and monitoring the performance of the financial activities is defined in the policy and the procedures.
- In accordance with content of the documents, the Bank has the capacity for identifying, measuring, monitoring and controlling the risks to which it shall be exposed when performing the planned scope of activities.
- The Bank received consent from the National Bank for the Information Security Policy.

The amendments in point 5 of the Decision for replacing the license for establishing and operating of the Bank no. 02-14/650-2003 as of 30.12.2003 are made in order to comply the financial activities that the Bank can perform, taking into consideration points 1 and 2 as stated above in this Decision and article 7 from the Banking Law.

Taking into consideration all above mentioned, it was decided as stated above in this Decision.

LEGAL ADVICE:

The unsatisfied party may file sue to the authorized court for resolving disputes, within 30 days after receiving the Decision.

M-r Petar Gosev
Governor

ORGANIZATIONAL CHART OF ALPHA BANK GROUP

Banks	Financial services	Insurance	Financing	Investment	Services	Real Estate	Hotels
Alpha Bank London	Alpha Finance U.S.	AlphaLife Insurance Company S.A	Alpha Leasing	Alpha Ventures	Evremathia A.E.	Alpha Astika Akinita	Ionian Hotel Enterprises
Alpha Bank Jersey	Alpha Asset Management A.E.D.A.K.		ABC Factors	Ionian Holdings			
Alpha Bank Romania	Alpha Finance						
Alpha Bank Cyprus LTD	European Development Programs Management Company						
Alpha Bank a.d. Skopje							
Alpha Bank Srbija A.D.							
OJSC Astra Bank							