

NOTICE

by
HETA ASSET RESOLUTION AG,
formerly Hypo Alpe-Adria-Bank International AG,

to the
Holders of the
EUR 1,000,000,000 2.375% Subordinated Government Guaranteed Notes 2012-2022
(ISIN XS0863484035),
issued by Hypo Alpe-Adria-Bank International AG,
guaranteed by the Republic of Austria,

through the Clearing Systems
Clearstream Banking, société anonyme, Luxembourg
and
Euroclear Bank SA/NV



HETA ASSET RESOLUTION AG („HETA“), formerly Hypo Alpe-Adria-Bank International AG, as Issuer of the *EUR 1,000,000,000 2.375% Subordinated Government Guaranteed Notes 2012-2022 (ISIN XS0863484035)* ("Notes") hereby announces the following according to § 12 Conditions of Issue and with the consent of the Republic of Austria as Guarantor under the Guarantee of 7 December 2012:

Definitions which are used in the Conditions of Issue shall have the same meaning in this notice as set out in the Conditions of Issue unless otherwise defined herein.

The Austrian Financial Market Authority (*Österreichische Finanzmarktaufsichtsbehörde – "FMA"*), in its capacity as the Austrian resolution authority, issued the administrative ruling GZ FMA-AW00001/0001-ABB/2015 on 1 March 2015 according to the Federal Act on the Recovery and Resolution of Banks (*Bundesgesetz über die Sanierung und Abwicklung von Banken – "BaSAG"*), as published in the Austrian Federal Law Gazette I No. 98/2014, adopting resolution measures in respect of HETA.

By this administrative ruling a temporary moratorium on the liabilities of HETA against its creditors has been imposed until 31 May 2016, so that HETA will not be able to meet its payment obligations under the Notes by this date. Thus, from today's perspective, it is certain that the Republic of Austria will be called under the Guarantee with regard to the Interest payable on 13 December 2015.

In order to provide for the timely and administratively smooth processing of the Interest payment, HETA and the Republic of Austria, represented by the Federal Minister of Finance, have jointly decided the following procedure:

The Republic of Austria as Guarantor will pay the relevant Interest due to its obligations under the Guarantee on the Interest Payment Date 13 December 2015 directly to the Paying Agent (CITIBANK, N.A., London Branch) with the effect of discharging the debt of the Guarantor. The Paying Agent will be instructed by the Guarantor with HETA's consent to transfer the amount, received from the Guarantor, to the Clearing Systems Clearstream Banking, société anonyme, Luxembourg, and Euroclear Bank SA/NV, without undue delay, in order that the Clearing Systems transfer the respective amounts of Interest to the



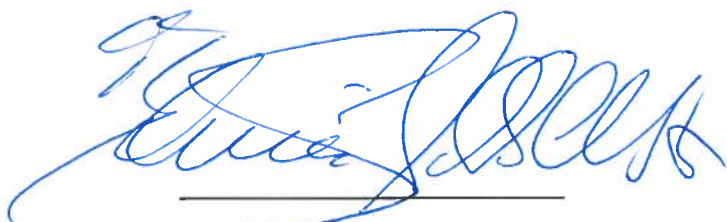
relevant participants of the Clearing Systems to be paid out to the Holders of Notes.

The procedure provided in this notice applies only once and relates **exclusively** to the **Interest payable on 13 December 2015**. There are **no actions** required from the Holder in order to be paid through the Clearing System according to this procedure.

No rights can be derived from this Notice.

According to § 12 (1) Conditions of Issue this notice is deemed to have been given to the Holders on the day on which the notice was given to the Clearing Systems for publication to the Holders, that is 23 November 2015.

Vienna, 23 November 2015



For HETA ASSET RESOLUTION AG
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