

Investor Relations *Release*

Klagenfurt, 15 April 2011

Hypo Alpe-Adria-Bank AG launches cooperation with Franklin Templeton Investments

- Hypo Alpe-Adria-Bank AG launches product and sales campaign with internationally renowned investment company Franklin Templeton Investments
- First joint product: combined investment consisting of Hypo savings account at 3.5% p.a.* and fund investment
- "Hypo Power Kombi" combines guaranteed interest yield and the chance of additional income through selected investment funds

Hypo Alpe-Adria-Bank AG (HBA, the Austrian subsidiary of Hypo Alpe-Adria-Bank International AG) is launching a product and sales cooperation with the internationally renowned investment company "Franklin Templeton Investments". The first joint product will be the "Hypo Power Kombi", a combination of a savings account investment offering an attractive interest rate of 3.5% p.a.* and an investment in a fund actively managed by Franklin Templeton. Available at a minimum deposit amount of EUR 5,000, the investment will be divided equally between the savings account and the fund investment.

With the "Hypo Power Kombi" HBA is offering its customers an attractive combination of a secure savings account and the opportunity to profit from investment funds actively managed by one of the world's biggest and most successful investment companies.

Templeton was founded in 1940 by Sir John Templeton. Franklin was founded in 1947 by Rupert H. Johnson. The two companies merged at the beginning of the 1990s to form the Franklin Templeton Group; in 1996, Franklin Mutual Advisers was integrated into the group as an additional company. Franklin Templeton Investments manages fund assets worldwide amounting to around 703 billion US dollars (as at 31 March 2011) and is represented in over 60 offices in more than 30 countries.

Peter Lazar, a member of the Executive Board of Hypo Alpe-Adria-Bank AG, comments: "We are very pleased to be launching this product and sales cooperation with Franklin Templeton Investments. This is very good news for the bank and for our customers, to whom we can, as of now, offer a unique product. The "Hypo Power Kombi" provides the important qualities of any successful asset investment: profit, security and liquidity."

Horst Mathä, Sales Manager at Franklin Templeton Investments in Vienna, explains: "We are delighted that Hypo Alpe-Adria-Bank is using our range of funds in the context of this innovative combination product. As one of the biggest providers of foreign funds in Austria, we offer customers multi-award-winning equity, pension and mixed funds that invest in highly promising markets all over the world."

Please feel free to contact us for further information; alternatively you will also find more information on the Investor Relation pages of our website (www.hypo-alpe-adria.com).

Seite 2 von 2

Contact:

Dr. Valentin Unterkircher

Head of Investor Relations

Phone: +43 (0)5 0202 2841

E-Mail: valentin.unterkircher@hypo-alpe-adria.com

*less capital gains tax (*KESt*) if held for the entire term of 12 months; this interest rate applies in respect of the 50% of your capital which is invested in the savings account. Premature withdrawals provide interest at 0.5% p.a. less capital gains tax.

** or any other selected fund of the Hypo Master List. Information concerning opportunities and risks can be obtained from the customer services managers of HYPO ALPE-ADRIA-BANK AG. This is a promotional communication which is purely for information purposes and which in no way takes the place of advice that is specific to the investor and the investment product, nor of a full explanation of the potential risks involved. This is neither an offer, nor an invitation to buy or sell, nor an invitation to submit an offer, nor a purchase or sale recommendation. The tax treatment is, in particular, dependent on the personal tax situation of the customer. No liability is accepted for the information supplied. Subject to change at any time, conditions apply until revoked. The conditions listed in the published prospectus for this investment instrument shall solely apply. Author of this communication: HYPO ALPE-ADRIA-BANK AG, Domgasse 5, 9020 Klagenfurt am Wörthersee, FN 245157 a.