

## Investor *Information*

Klagenfurt, 6 October 2011

### **Hypo Alpe Adria: Recovery and reprivatisation are proceeding positively**

In connection with the political clamourings of the last few days concerning Hypo Alpe Adria Bank, it is a matter of concern to the bank that it should be made clear that it will defend itself against unjustified and unilateral speculations, in the interests of its 8,000+ employees and its 1.2 million+ customers, and also in the interests of the funds that have been provided by Austrian taxpayers for the purpose of rescuing and restructuring the bank.

The Executive Board of the bank has taken action to minimise the huge loss that was caused in a previous period and which only became evident in its full extent after the bank was taken over by the government. The Executive Board has already reduced the risk assets by more than 25% as compared with the end of 2008, and in the first half of 2011 presented a positive balance sheet for the first time in 4 years. These are the surest signs of systematic recovery and consolidation.

As far as the transparent refinancing of the bank is concerned (for which, as is generally known, the federal province of Carinthia has assumed liability), a firmly based repayment plan is in place. The liquidity situation of the bank is positive to an above-average extent.

With regard to the communication of the supervisory authority concerning an additional requirement of equity resources to cover all possible risks under new and more stringent guidelines, the Bank has, in a timely and comprehensive manner, submitted proposals as to how it would like to manage the situation with its own resources without additional capital from the government.

These proposals comprise in particular the continuation of the path we have already started out on for further reducing the bank's risk assets as quickly as possible. In an environment which is currently difficult for all banks, this will require time; the bank is not seeking additional capital. In the bank's view, the constructive engagement of all parties concerned in regard to possible methods for achieving successful recovery and reprivatisation is proceeding positively, and a formal decision from the supervisory body is expected at the end of this process. The details in terms of time and the figures involved have not yet been established. Speculations on this subject are hindering the responsible implementation of the task that has been entrusted to the bank. In this context, the management bodies of the bank will be guided exclusively by their duties and responsibilities under the law and the articles of association, and by the justified interests of the Republic of Austria and of Austrian taxpayers – and certainly not by any party political motives of any kind whatsoever.

If you require any further information, please do not hesitate to contact us directly. Additional details about Hypo Alpe Adria can also be found on our website ([www.hypo-alpe-adria.com](http://www.hypo-alpe-adria.com)).

Contact:

Dr. Valentin Unterkircher - Head of Investor Relations

Phone: +43 (0)5 0202 2841

E-Mail: [valentin.unterkircher@hypo-alpe-adria.com](mailto:valentin.unterkircher@hypo-alpe-adria.com)

**HYPO ALPE-ADRIA-BANK INTERNATIONAL AG / Investor Relations**

Alpen-Adria-Platz 1 • 9020 Klagenfurt am Wörthersee • Austria • Tel. +43(0)50202-0 • Fax +43(0)50202-3000 • SWIFT/BIC HAABAT22