

## **Ad hoc communication pursuant to the Austrian Stock Exchange Act [BörseG]/ HETA ASSET RESOLUTION AG**

Klagenfurt am Wörthersee, 27 April 2016

### **HETA ASSET RESOLUTION AG | Publication of the 2015 annual and consolidated financial statements**

HETA ASSET RESOLUTION AG (“Heta”) states that the annual financial statements pursuant to the Austrian Commercial Code (UGB) / Austrian Banking Act (BWG) (separate financial statements) for the financial year 2015, drawn up on the basis of UGB/BWG and the application of the “gone concern” valuation premise, show an annual deficit of EUR -492 million (2014: EUR -7.9 billion), mainly as a result of the rescission of the Hypo Alpe Adria Restructuring Act (HaaSanG), as ordered by the Constitutional Court of Austria (VfGH) on 3 July 2015, and the reinstatement of subordinated liabilities in the amount of EUR 0.8 billion. The capital shortfall (negative equity) amounts to EUR -7.5 billion (2014: EUR -7.0 billion). The balance with Oesterreichische Nationalbank amount to EUR 4.3 billion per 31 December 2015.

The consolidated financial statements drawn up in accordance with IFRS show a negative result after taxes and minority interests of EUR -496 million for 2015 (2014: EUR -7.4 billion). This in turn is largely due to the negative balance sheet effects arising from the rescission of HaaSanG. The negative consolidated equity (without minority interests) is EUR -5.7 billion (2014: EUR -5.2 billion).

Heta is a wind-down company whose corporate purpose is the realisation of its assets over a 5 year period. In 2015 this goal was over fulfilled by comparison with the realisation as planned. At Group level, the loans and advances to customers and credit institutions before risk provisions were reduced to EUR 10.2 billion (2014: EUR 12.7 billion) and the cash reserve was increased to EUR 4.3 billion (2014: EUR 2.4 billion). The wind-down costs were significantly lower than in 2014. The staff costs were reduced to EUR -83 million (2014: EUR -100 million). In spite of the high legal costs due to ongoing proceedings, the general administrative expenses were reduced to EUR -118 million (2014: EUR -156 million).

Since 1 March 2015 Heta has been subject to a payment moratorium in regard to eligible liabilities, issued by the Austrian Financial Market Authority in its function as resolution authority (FMA) in accordance with the Federal Act on the Recovery and Resolution of Banks (BaSAG) (Administrative Decision I). With the further administrative decision issued on 10 April 2016 (Administrative Decision II), the FMA has applied the following resolution measures pursuant to BaSAG: the instrument of participation by holders of relevant capital instruments, the instrument of bail-in, a change of interest rates, a change of maturities, cancellation of rights associated with shares and property titles, assumption of control, and exercise of the management rights associated with the shares and property titles. Since the reduction of the equity and loan capital affected by these measures is a non adjusting event occurring in the financial year 2016, these effects did not have to be taken into account in the annual and consolidated financial statements per 31 December 2015. The effects resulting from the administrative decision will be shown shortly on the company’s website, and will be taken into account in the interim consolidated financial statements for Heta per 30 June 2016, which will be published.

Heta is faced with a large number of legal disputes, particularly in connection with the application of BaSAG. These are of great importance for the future development of Heta, and involve considerable risks. For further details on this subject, we refer to the statements made in the Notes to the annual financial statements and the consolidated financial statements for 2015.

The annual financial statements and the consolidated financial statements for 2015 have received an unqualified audit opinion from the company's auditors. As in previous years, the audit opinions for the annual financial statements and the consolidated financial statements per 31 December 2015 also include addenda to the audit certificate in which the auditor makes reference to significant explanatory comments provided by the Executive Board in the Notes.

The annual financial statements and the consolidated financial statements for 2015 are published in conjunction with the annual financial report pursuant to § 82 (4) BörseG, which will be provided in German and English on the company's website ([www.heta-asset-resolution.com](http://www.heta-asset-resolution.com) → Investors → Publications → Publications 2016) on 27 April 2016. In regard to further information reference is made to these documents.

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**Relevant additional information concerning this ad hoc communication:**

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Sector: Banks

Main ISINs of the issuer according to issue volume:  
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XS0863484035, CH0028623145, XS0289201484, XS0293591995, XS0244768635

Stock exchanges:  
Dusseldorf stock exchange; Frankfurt stock exchange; Luxemburg stock exchange; Zurich stock exchange; second regulated market and third market of the Vienna stock exchange.