

AD HOC ANNOUNCEMENT

HYPO ALPE-ADRIA-BANK INTERNATIONAL AG

Klagenfurt am Wörthersee, 06 September 2012

Hypo Alpe-Adria-Bank International AG /

Draft conclusions of recent JRAD audit received from FMA

Requirement for total capital ratio of 12.67 percent corresponds to EUR 2.19 bn

Proposed deadline for adjustment set for 31 March 2013

Hypo Alpe-Adria-Bank International AG (HBInt.) reports today that, as expected, it has been notified by the Austrian Financial Market Authority (FMA) about the result of the latest computation of the bank's capital requirement in the framework of the Joint Risk Assessment and Decision (JRAD) process.

In its draft report the supervisory body states that Hypo Alpe Adria has to ensure at the consolidated level of HBInt. the fulfillment of a total capital ratio of 12.67 percent on the basis of portfolio data as of 30 April 2012 as a risk cushion. This translates into EUR 2.19 billion in measures to improve the bank's capital resources. A deadline for implementing the required adjustments has been set for 31 March 2013.

In a previous decree issued by the FMA at the end of 2011 the bank was ordered to meet a capital ratio of 12.04 percent by 31 December 2012. The amount now prescribed by the supervisory authority in the latest draft is primarily a result of a conservative reappraisal of credit risk in the light of the economic downturn and of the increasingly strained situation in the financial markets. These factors are severely affecting the work-out operations of HBInt. and impeding the bank's measures to improve its risk situation.

The draft report also sets out the required capital ratios for the Hypo subsidiaries in Italy and Slovenia, at 10.0 percent and 9.0 percent respectively. These quotas are currently being met.

With the delivery of the draft report the bank has been requested to provide a written response by 28 September 2012 as part of the JRAD process.

HBInt. will continue to put all its efforts into reducing risk and creating the requirements for an adequate capital ratio without the need for any direct contribution by the owner.

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Supplementary information:

Issuer:

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Industry

Banking

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Stock exchanges:

Düsseldorf Stock Exchange; Frankfurt Stock Exchange; Luxemburg Stock Exchange; Zurich
Stock Exchange; Second Regulated Market and Third Market of the Vienna Stock Exchange

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