

## **Ad-hoc-statement pursuant to BörseG / HETA ASSET RESOLUTION AG**

Klagenfurt am Wörthersee, 25 August 2016

### **HETA ASSET RESOLUTION AG | HETA ASSET RESOLUTION AG approves mid-term plan conforming to GSA for further wind-down and publishes Interim Financial Report by 30 June 2016**

On 10 April 2016 the Financial Market Authority (FMA) published its second Administrative Decision (Administrative Decision II) and therewith laid the foundations for the portfolio wind-down of HETA ASSET RESOLUTION AG (Heta) until end of 2023. In consideration of the mandated resolution measures (a.o. instrument of bail in of creditors, amendment of interest rates, amendment of maturities) 2020 mid-term planning of HETA based on the financial results 2014 (published 20 October 2015) has been further developed taking into account the financial results of 2015 and has been approved by the supervisory board of HETA today.

According to the mid-term planning, the wind-down of the portfolio shall be executed until 2020 based on solid consideration of the board and according to the legal options. The bail-in of creditors generated a positive result in the Interim Financial Report of 2016 that has been taken into account accordingly in the mid-term planning. Furthermore, from the current point of view a cash position of EUR 7.7 billion is to be expected at the end of the mid-term period in 2020, under the assumption of a wind-down of close to 80 % of the portfolio (baseline 2014) by the end of 2018.

The mid-term plan according to GSA (Federal law for creation of a wind-down unit) does not assume any premature payments of the liquid funds resulting from the portfolio wind-down within the planning period. The essential benchmarks of the mid-term plan are presented in a presentation published on HETA's website [www.heta-asset-resolution.com](http://www.heta-asset-resolution.com) (-> investor relations -> financial reports & presentations).

HETA further informs that the Interim Financial Report for the first half of the year 2016 pursuant to the Austrian Commercial Code (UGB)/Austrian Banking Act (BWG) which is based on the gone concern principle yields a positive result for the period of EUR +7.5 billion by 30 July 2016. The positive result was mainly caused by the instrument of bail-in of creditors according to FMA's Administrative Decision II of 10 April 2016 in the amount of EUR +9.4 billion and EUR -2.3 billion in provisions in this context. The operating income for the first six month 2016 amounts to EUR +0.3 billion. Due to the application of the Administrative Decision II on so-called "eligible liabilities" (reduction to 46.02 % or 0 %) and the "core capital" (reduction to 0 %) HETA has no negative equity any more (per 31 December 2015: EUR -7.5 billion). The cash position increased in the first half of 2016 from EUR 4.2 billion to EUR 5.3 billion.

Given the company's special situation, the Executive Board considers the Interim Financial Statement of HETA pursuant to UGB/BWG the more relevant representation of the current state of assets, finances and liquidity situation for the

creditors. Due to significant effects of the Administrative Decision II for the Interim Financial Statement 2016 HETA has initiated a voluntary audit of the Statement by external auditors.

The Interim Financial Statement according to § 87 chapter 1 BörseG (stock exchange law) based on international accounting standard IFRS is generated on a consolidated basis. The profit after tax amounts to EUR +6.9 billion, the main part of which (EUR +7.0 billion) results from the instrument of bail-in of creditors according to BaSAG. The total assets sum up to EUR 10.3 billion while the (positive) equity reported in the Interim Financial Statement is EUR 1.1 billion.

Both single-entity and consolidated financial statements for 30 June 2016 will be published under [www.heta-asset-resolution.com](http://www.heta-asset-resolution.com) (-> investor relations -> financial reports & presentations) on 25 August 2016. The English versions will be published by the end of August/beginning of September 2016.

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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.