

**Notice**

**Hypo Alpe-Adria (Jersey) II Limited  
(the "Issuer")**

EUR 150,000,000

Fixed/Floating Rate Non-cumulative Non-voting Preferred Securities  
having the benefit of a support agreement entered into with  
HYPO ALPE-ADRIA-BANK INTERNATIONAL AG  
(formerly: HYPO ALPE-ADRIA-BANK AG)

ISIN: XS0202259122  
(the "Preferred Securities")

[current outstanding: EUR 23,456,000]

The Issuer hereby gives notice pursuant to Art 18(2)(a) of the Transparency Directive (2004/109/EC) and sub-Article 6(b) of the articles of association relating to the Preferred Securities (the "Articles of Association") that HYPO ALPE-ADRIA-BANK INTERNATIONAL AG has given notice to it of a balance sheet loss (*Bilanzverlust*) for the fiscal year 2013 and that due to insufficient Distributable Funds (as defined in the Statement of Rights of the Preferred Securities) the dividend payments on the Preferred Securities scheduled for 7 October 2014 and 7 April 2015 will not be made, except that the dividend payment scheduled for 7 April 2015 may be made if HYPO ALPE-ADRIA-BANK INTERNATIONAL AG has given prior notice to the Issuer of a balance sheet profit (*Bilanzgewinn*) for the fiscal year 2014 resulting in sufficient Distributable Funds available to pay the dividend on 7 April 2015.

**17 April 2014**

**Hypo Alpe-Adria (Jersey) II Limited**