

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")

The Issuer hereby gives notice pursuant to Art 18(2)(a) of the Transparency Directive (2004/109/EC) and sub-Article 6(h) 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 2011 and that due to insufficient Distributable Funds (as defined in the Articles of Association) the dividend payments on the Preferred Securities scheduled for 7 October 2012 and 7 April 2013 (each a "Dividend Date") will not be made, except that the dividend payment scheduled for 7 April 2013 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 2012 resulting in sufficient Distributable Funds available to pay the dividend on 7 April 2013.

March 2012

Hypo Alpe-Adria (Jersey) II Limited