

## **Hypo Alpe-Adria informs the Federal Ministry of Finance about capital calculations Total capital requirement until autumn 2014 is forecast to amount up to EUR 1.43 billion**

21.03.2014 – Klagenfurt am Wörthersee/Vienna

Following the conclusion of the meeting of the Supervisory Board of Hypo Alpe-Adria-Bank International AG which took place yesterday amongst others in the presence of the auditor, the Bank has today as agreed informed the Federal Ministry of Finance about the results of the discussions and its forecast calculations. According to these, capital measures are to be implemented in respect of the annual financial statements per 31 December 2013 (which have been largely confirmed by the auditor) to cover further devaluations and risk provisions.

The Bank has also as requested provided its owner with a detailed and plausibilised calculation up to the planned establishment of a deregulated wind-down company as per the beginning of September 2014.

To cover the above mentioned devaluations and the losses arising up to September, and also to secure the possible risks, the Bank is forecasting, on the basis of the regulatory requirements and current conditions, a total capital requirement of up to EUR 1.43 billion at Group level.

"We have informed the Federal Ministry about these calculations and have requested more intensive discussion about possibilities for securing the regulatory capital requirements," said Executive Board Chairman Alexander Picker after the information had been handed over. "The measures we are seeking are naturally based on the requirements of the European Commission's restructuring plan and the free aid measures as approved therein," Picker emphasised.

*Hypo Alpe-Adria:*

*Hypo Alpe Adria (HAA) is a network of banks with its core business essentially in six countries of the Alps-Adriatic region. In addition to banking subsidiaries in Italy (HBI), the South Eastern European market traditionally forms the backbone of HAA. The independent network consists of entities in Slovenia, Croatia, Serbia, Bosnia-Herzegovina and Montenegro, like HBI under the umbrella of the joint holding company Hypo Alpe-Adria-Bank International AG which has its registered office in Klagenfurt, Austria.*

*The network has 6,000 employees serving around 1.3 m customers, including numerous small and medium-sized enterprises, private customers and local authorities. The strong regional anchoring of HAA banks makes them important and, particularly in South-Eastern Europe, central sponsors of the economy, employment market and society of each country in which they operate.*

*In order to address the high expenditure from problem loans resulting from the expansive years and, in particular, since the outbreak of the financial crisis, a supra-regional structure (Heta Asset Resolution) was installed following the emergency nationalisation to expedite the wind-down in such a way as to preserve value.*

*HAA is 100% owned by the Republic of Austria.*

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