

Klagenfurt, 23 December 2008

Republic of Austria strengthens Hypo Group Alpe Adria with EUR 900 million

Hypo Alpe-Adria-Bank International AG receives a total of EUR 900 million from the Republic of Austria. This makes Hypo Group Alpe Adria the first bank in Austria to expeditiously provide funds to the economy. Competitive core capital ratio of 8.4% reached.

On 23 December 2008, the Republic of Austria and Hypo Group Alpe Adria signed the agreements for the subscription of participation capital in the amount of EUR 900 million. As a result, Hypo Alpe-Adria-Bank International AG will reach a core capital ratio of 8.4% and an aggregate equity ratio of 11.8% at year-end.

“An increase of the core capital ratio is essential in order to remain internationally competitive. This makes us better capitalised than ever before, which is very good news, not only for the bank, but also our employees, and, most of all, our customers”, says Dr. Tilo Berlin, Chairman of the Executive Board of Hypo Group Alpe Adria.

In addition, Hypo Group Alpe Adria agreed to offer at least twice the amount of the capital injection received, i.e. EUR 1.8 billion, to the economy in the form of loans and leasing financing over the next 3 years. “It is very important for us to act as a strong partner that expeditiously provides assistance to small and medium-sized companies and private clients. We are very proud to be the first bank to infuse the economy with fresh capital” says Dr. Tilo Berlin, Chairman of the Executive Board of Hypo Group Alpe Adria.

“The fact that this agreement was reached in such short time demonstrates the efficiency and solution-finding competence of the Ministry of Finance, the Austrian National Bank and the Financial Market Supervisory Authority. These institutions have our highest respect”, adds Dr. Tilo Berlin.

Hypo Group Alpe Adria

Hypo Group Alpe Adria is an international financial group with more than 370 banking and leasing locations in 12 countries (Austria, Italy, Slovenia, Croatia, Bosnia-Herzegovina, Serbia, Montenegro, Germany, Hungary, Bulgaria, Macedonia and the Ukraine), which can look back on a history of more than 110 years. The principal company of Hypo Group Alpe Adria is Hypo Alpe-Adria-Bank International AG, which has its head office in Klagenfurt (Austria). Its owners are BayernLB (67.08%), the GRAWE group (20.48%), Kärntner Landesholding (12.42%) and Hypo Alpe-Adria Mitarbeiter Privatstiftung (0.02%). The network of Hypo Group Alpe Adria currently has around 7,500 employees serving more than 1.2 million customers.

Hypo Alpe-Adria-Leasing Holding AG

Hypo Alpe-Adria-Leasing Holding AG is a subsidiary of Hypo Alpe-Adria-Bank International AG. In 1990, the first leasing company was formed in Austria; further subsidiaries followed in Slovenia, Croatia, Bosnia-Herzegovina, Serbia, Germany, Italy, Montenegro, Hungary, Bulgaria, Macedonia and the Ukraine. Hypo Group Alpe Adria Leasing currently has over 1,100 employees at 80 locations, serving more than 83,000 customers.

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