



### Austria's ailing Hypo gets new board members

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VIENNA, May 23 (Reuters) - Austria appointed five new supervisory board members at nationalised bank **Hypo Alpe Adria** on Friday, drawing on two top German bankers as it puts in a new team to tackle the ailing lender's problems with a fresh eye.

Austria in March had picked ex-Dresdner Bank chief and restructuring expert Herbert Walter as Hypo's new chairman.

Its annual meeting on Friday officially installed him along with four others: former Commerzbank risk expert Wolfgang Hartmann, former Austrian savings bank association head Alois Hochegger, former trucking group head Regina Friedrich and IT specialist Christine Sumper-Billinger.

Finance Minister Michael Spindelegger, who had flagged on Tuesday that new board members were coming, said the team would make the board more professional and less political while it safeguards the interests of taxpayers.

Hypo, which was nationalised in 2009 after a decade of over-ambitious expansion in the Balkans pushed it to the brink of bankruptcy, has cost Austrian taxpayers more than 5 billion euros (\$6.8 billion) in state aid so far.

The costs of winding it down are estimated at another 4 billion euros this year, pushing Austria's public debt to a record 79.2 percent of gross domestic product and nearly doubling the budget deficit to 2.7 percent of GDP.

Walter replaces Rudolf Scholten, the bank's caretaker chairman since February, when ex-central banker Klaus Liebscher threw in the towel over continual, public criticism of how the bank was run and plans for its future.

Liebscher took over last June from **Johannes Ditz**, who quit over differences with the government over the bank's strategy.

(\$1 = 0.7323 Euros) (Reporting by Michael Shields; editing by Susan Thomas)

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