

## Klagenfurt, 5 December 2008

### Hypo Group Alpe Adria: Shareholders decide on capital increase

Equity capital to be increased by EUR 700 million.

At their General Meeting on 5 December 2008, the shareholders of Hypo Alpe-Adria-Bank International AG decided to increase the capital by EUR 700 million. This means that the core capital (TIER 1) of the Group will be increased to around EUR 2 billion; the core capital ratio will thus be until the end of the year around 6%. After the availment of the bank aid package the overall equity ratio should be at least 9 %.

Beside the BayernLB with an amount of EUR 699.9 million. also the HYPO ALPE ADRIA Mitarbeiter Privatstiftung will participate with an amount of EUR 0.1 million in the capital increase. The remaining shareholders do not make use of their subscription right.

Following the completion of the capital increase, BayernLB will hold 67.08 %, the Grawe Group 20.48 %, Kärntner Landesholding 12.42 % and HYPO ALPE ADRIA Mitarbeiter Privatstiftung 0.02 %.

Decision taken to accept the Austrian bank aid package

Similarly, the owners of Hypo Alpe-Adria-Bank International AG have decided to authorise the Executive Board, with the agreement of the Supervisory Board, to adopt a resolution on the take up of participation capital pursuant to § 23 (4) of the Austrian Banking Act (Bankwesengesetz or BWG) in the amount of up to EUR 1.5 billion. Due to this the in the context of the legislation to strengthen the financial markets (Finanzmarktstabilitätsgesetz) created measures of strengthening the capital by the Republic of Austria should be used.

On the subject of the measures, Dr. Tilo Berlin, Chairman of the Executive Board of Hypo Group Alpe Adria, said: "This is an important step for the future organisation of Hypo Group Alpe Adria. The Bank will be capitalised on a permanent and stable way. This is good news for our customers and our staff."

Hypo Group Alpe Adria

Hypo Group Alpe Adria is an international financing 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). The Hypo Group Alpe Adria network currently has over 7,400 employees serving approximately 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. The first leasing company was formed in Austria in 1990; further subsidiaries followed in Slovenia, Croatia, Bosnia-Herzegovina, Serbia, Germany, Italy, Montenegro, Hungary, Bulgaria, Macedonia and the Ukraine. The Hypo Alpe-Adria-Leasing Group currently has over 1,100 employees at more than 80 locations, serving more than 83,000 customers.

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