

Klagenfurt, 12 November 2008

Hypo Group Alpe Adria: Supervisory Board proposes capital increase

Executive Board Chairman Berlin: Bank's foundation is solid and sustainable

The capital of Hypo Group Alpe Adria is to be increased, thus ensuring that the course of solid and sustainable financing of the Bank is continued. At the meeting of the Supervisory Board of Hypo Alpe-Adria-Bank International AG on 12 November 2008, the Supervisory Board unanimously welcomed the capital increase. A corresponding proposal will be submitted for decision at the next General Meeting on 2 December 2008. The capital of Hypo Alpe-Adria-Bank International AG is to be increased by the shareholders by EUR 700 million.

Dr. Tilo Berlin, Chairman of the Executive Board of Hypo Group Alpe Adria, said: "The capital increase will give us greater options for action and makes our bank stronger. This is good news for the Bank and for our customers."

The details of the capital increase will be worked out in close consultation with the stakeholders before the General Meeting.

At the same time the Supervisory Board has authorised the Executive Board of Hypo Alpe-Adria-Bank International AG to examine the take up of additional core capital in the context of the support package offered by the Austrian Government, and to hold talks with the competent agencies. Hypo Group Alpe Adria welcomes the package and sees it as a model solution for providing support to banks in Austria.

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). Its owners are BayernLB (57.49 per cent), the Grawe group (26.45 per cent), Kärntner Landesholding (16.04 per cent) and Hypo Alpe Adria Mitarbeiter Privatstiftung (0.02 per cent). 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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