

**Notice**

**Hypo Alpe-Adria (Jersey) II Limited  
(the "Issuer")**

EUR 150,000,000

Fixed/Floating Rate Non-cumulative Non-voting Preferred Securities  
having the benefit of a support agreement entered into with  
HYPO ALPE-ADRIA-BANK INTERNATIONAL AG  
(formerly: HYPO ALPE-ADRIA-BANK AG)

ISIN: XS0202259122  
(the "Preferred Securities")

[current outstanding principal amount: EUR 23,456,000]

The Issuer hereby gives notice pursuant to Art 18(2)(a) of the Transparency Directive (2004/109/EC) and sub-Article 6(b) of the articles of association relating to the Preferred Securities (the "Articles of Association") that HETA ASSET RESOLUTION AG ("HETA") (formerly HYPO ALPE-ADRIA-BANK INTERNATIONAL AG) has given notice to it of a balance sheet loss (*Bilanzverlust*) for the fiscal year 2014 and that due to insufficient Distributable Funds (as defined in the Statement of Rights of the Preferred Securities) the dividend payments on the Preferred Securities scheduled for 7 October 2015 and 7 April 2016 will not be made, except that the dividend payment scheduled for 7 April 2016 may be made if HYPO ALPE-ADRIA-BANK INTERNATIONAL AG has given prior notice to the Issuer of a balance sheet profit (*Bilanzgewinn*) for the fiscal year 2015 resulting in sufficient Distributable Funds available to pay the dividend on 7 April 2016.

Notwithstanding the above, HETA is currently not permitted to make any payments to the Issuer pursuant to the Support Agreement due to the moratorium imposed by the Austrian Financial Market Authority (FMA) (in its function as resolution authority) under the Austrian Bank Restructuring and Resolution Act (BaSAG).

**24 June 2015**  
**Hypo Alpe-Adria (Jersey) II Limited**