

HBI-BUNDESHOLDING AG

Sale of Hypo Alpe-Adria-Bank S.p.A.

Invitation to submit an expression of interest

HBI-Bundesholding AG (“HBI-BH” or the “Seller”) is an Austrian joint stock company fully owned by the Republic of Austria.

Hypo Alpe Adria Bank S.p.A. (“HBI”), headquartered in Tavagnacco (Udine, Italy) and 99.9% owned by the Republic of Austria through HBI-BH, is a bank regulated by the Bank of Italy and operating under the relevant banking license. As of 31st December 2018, HBI’s shareholders’ equity was approximately Euro 60 million and HBI had more than Euro 440 million assets, which primarily consisted of Euro c.230 million loans to customers, of which Euro c.217 million real estate leases, and Euro c.150 million due from banks. On the liabilities side, HBI had Euro c.220 million outstanding funding liabilities vis-à-vis Heta Asset Resolution AG (formerly: Hypo Alpe Adria Bank International AG) and Euro c.140 million allowances for risks and charges.

HBI-BH intends to divest its entire shareholding in HBI by way of a share deal in an open, transparent, unconditional and non-discriminatory sale process (the “Sale Process”), to a single purchaser or to a group of purchasers (which may take part to the Sale Process on the basis of pooling agreements, consortia, or similar forms of cooperation).

HBI is currently carrying out a transformation process into a financial intermediary registered under Art. 106 of Italian Legislative Decree number 385 of 1 September 1993, expected to be finalised before the completion of the Sale Process.

On HBI-BH website at <https://www.hbi-bh.at/>, the interested parties will find *inter alia* a teaser describing preliminary information on the proposed transaction and HBI.

Mediobanca – Banca di Credito Finanziario S.p.A. (“Mediobanca”) is acting as the Seller’s exclusive financial advisor in this Sale Process. Any expression of interest to participate in the Sale Process (the “EOI”) should be submitted to Mediobanca via e-mail (followed by a hard copy) **by May, the 17th, 2019, 12 noon (CET)** to the contacts stated below. EOIs must be submitted in English and must include the names and address of the interested party (or of all members of a group of interested parties, which may take part to the Sale Process also on the basis of pooling agreements, consortia, or similar forms of cooperation) (“Interested Party” or “Interested Parties”), the names of the contact persons available for further questions as well as the names of any mandated advisors. EOIs shall further be signed by or on behalf of the Interested Party/-ies.

Any EOIs are to be made in the Interested Party/s/-ies’ own name and own account. Disclosed direct representation is permissible if an original written power of representation is submitted.

Interested Party/-ies shall send its/their EOIs to the e-mail addresses listed below (with a hard copy to follow).

Contact details:

Project contacts:

egidio.imbrogno@mediobanca.com (+39 02 8829001)

serena.montalto@mediobanca.com (+39 02 8829427)

Original copies have to be sent to:

Mediobanca – Banca di Credito Finanziario S.p.A.

Piazzetta Enrico Cuccia, 1

20121, Milan

Interested Party/-ies having submitted their EOIs shall receive a non-disclosure agreement (“**Non-Disclosure Agreement**”). **From May, the 10th, 12 noon (CET)** and upon execution of the Non-Disclosure Agreement the relevant Interested Party/-ies will receive access to more extensive information and further documents regarding the Sale Process itself, the proposed transaction and HBI, including in particular an info pack and a process letter.

The relevant Interested Party/-ies (if interested in proceeding to the next phase of the Sale Process) shall be required to submit to Mediobanca via e-mail, by and **no later than June, the 11th, 2019, 12 noon (CET)** a non-binding offer. Such non-binding offer shall be prepared in accordance with the indications set forth in the relevant process letter.

After submission of the non-binding offers, the Interested Party/-ies admitted to the next phase of the Sale Process shall receive a written communication setting forth any further process details.

HBI-BH reserves the right, at its sole discretion, to extend the deadline for the submission of bids, change other parameters or deadlines during the Sale Process, terminate, modify or suspend the Sale Process as a whole or in part at any time and without being obliged to state the reasons therefore. In doing so, HBI-BH will at all times comply with the principles of an open, transparent, unconditional and non-discriminatory Sale Process. In such case, as in all other

circumstances, no Interested Party will have any claim for any damages and/or compensation for loss and/or costs and/or other expenditure incurred by it in connection with the Sale Process.

For further clarification or enquiries, Interested Parties may contact the contact persons at Mediobanca stated above.

Legal Notices:

Information included in this invitation has a mere communication purpose and is not intended to be complete or exhaustive.

This invitation is neither an offer, nor a commitment nor an obligation to consider or conclude any transaction with any Interested Party and each of HBI, HBI-BH and Mediobanca, and each of their related parties (affiliates, directors, officers, employees, advisers or agents), expressly state that no representation or warranty with respect to the information provided and information being provided is made by this invitation to any potential purchaser and expressly exclude any and all liability for representations and warranties deemed to be made as well as statements contained in this invitation.

This invitation is neither a commitment nor an obligation to consider or conclude any transaction and does not constitute or contain any investment advice. It is not and shall not be construed as a call for offer or a public offer pursuant to Art. 1336 of the Italian Civil Code, or a public offer of securities under: (i) Art. 94 and following of the Italian Legislative Decree No. 58 of 24 February 1998, (ii) Directive 2003/71/EC of 4 November 2003, or (iii) Regulation (EU) 2017/1129 of 14 June 2017, or an invitation, recommendation or solicitation to sell, issue, purchase or subscribe for any securities in any jurisdiction.

Each Interested Party shall bear all costs and expenses, including those relating to its advisors, in connection with its participation in the Sale Process.

This invitation and the Sale Process are regulated by Italian Law. Any dispute deriving from this invitation and the Sale Process will be subject to the exclusive jurisdiction of the Court of Milan.

Mediobanca is acting exclusively in the interest of HBI-BH and no one else in connection with the Sale Process and Mediobanca will be responsible to anyone other than HBI-BH for providing the protections afforded to its clients for providing advice in relation to the Sale Process and in relation to the contents of this invitation.