

HYPO ALPE ADRIA BANK S.P.A.

Sales of performing mortgage portfolio and branches

Invitation to submit an expression of interest ("EOI")

Hypo Alpe Adria Bank S.p.A. (the "**Bank**"), headquartered in Tavagnacco (Udine, Italy) and 99.9% owned by the Republic of Austria through the Austrian stock company HBI-Bundesholding AG, is a bank regulated by Bank of Italy and operating under a relevant banking license. The Bank intends to divest its entire performing mortgage portfolio of approx. Euro 160 million (the "**Performing Mortgage Portfolio**") and/or all its 26 branches (the "**Branches**"), in an open, transparent unconditional and non-discriminatory sales process (the "**Sales Process**"), to a single purchaser or to a group of purchasers (which may take part to the Sales Process on the basis of pooling agreements, consortia, or similar forms of cooperation).

For further information regarding the Bank, please refer to the Bank's website at:
<https://www.hypo-alpe-adria.it/>.

On the Bank's website the Interested Parties shall find inter alia a teaser describing the key elements of the proposed transaction.

Banca IMI S.p.A. ("**Banca IMI**") is acting as Bank's exclusive financial advisor in this Sales Process. Any EOI to participate in the Sales Process should be submitted to Banca IMI via e-mail (followed by a hard copy) **by May, the 13th, 2016, 12 noon (CET)** to the contacts stated below. EOIs should be submitted in English or in Italian 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 Sales 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:

andrea.falbo@bancaimi.com (+39 02 72612265)

tommaso.uslenghi@bancaimi.com (+39 02 72615704)

Original copies have to be sent to:

Banca IMI S.p.A.

Piazza Belgioioso 1, 20121 Milan (Italy)

Interested Party/-ies having submitted their EOIs shall receive a non disclosure agreement ("**Non Disclosure Agreement**"). **From April, the 26th, 2016**, and after signing the Non-Disclosure Agreement, the relevant Interested Party/-ies will receive access to more extensive information and further documents regarding the Sales Process itself, the proposed transaction and the relevant assets (Branches and Performing Mortgage Portfolio), including in particular an information memorandum and a process letter.

The relevant Interested Party/-ies (if interested in proceeding to the next phase of the Sales Process) shall be required to submit to Banca IMI via e-mail (followed by a hard copy), by and no later than **May, the 27th, 2016, 12 noon (CET)**, a non binding offer. Such non binding offer shall also include indication of a perspective non-binding purchase price (referred to an assumed equity for what concerns the Branches).

The non binding offers should be made in respect of either: (i) 100% or less of the Branches, including or excluding the Performing Mortgage Portfolio; or (ii) the entire Performing Mortgage Portfolio, carved-out from the Branches.

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

The Bank reserves the right, at its sole discretion, to extend the deadline for the submission of bids, change other parameters or deadlines during the Sales Process, terminate, modify or suspend the Sales Process as a whole or in part at any time and without being obliged to state the reasons therefore. In doing so, the Bank will at all times comply with the principles of an open, transparent, unconditional and non-discriminatory Sales Process. In such case, as in all other circumstances, no Interested Party will have any claim for any damages or compensation for loss, costs and other expenditure incurred by it in connection with the Sales Process.

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

Legal Notices:

Information included in this invitation has a mere communication purpose and do not intend to be complete nor exhaustive.

This is neither a commitment nor an obligation to consider or conclude any transaction with any Interested Party and each of the Bank, HBI-Bundesholding AG and Banca IMI, and each of their related parties (affiliates, directors, officers, employees, advisers or agents) (the "**Related Parties**"), expressly state that no representation or warranty with respect to the information provided and information being provided is made by this invitation and expressly disclaim any and all liability for representations and warranties deemed to be made or statements contained in this invitation to any prospective purchaser.

Banca IMI is acting exclusively for the Bank and no one else in connection with the Sales Process and Banca IMI will not be responsible to anyone other than the Bank for providing the protections afforded to its clients for providing advice in relation to the Sales Process or in relation to the contents of this invitation.

The Bank and Banca IMI, and their respective Related Parties expressly state that no representation or warranty is made by this invitation and expressly disclaim any and all liability for representations, warranties deemed to be made or statements contained in this invitation to any prospective purchaser.