

Next important step in the Hypo Group Alpe Adria AG sale process

Staff of 180 banking experts to continue the Group headquarters of Hypo Group Alpe Adria AG in Klagenfurt

On 22 December 2014, Heta Asset Resolution AG (Heta) signed an agreement with a consortium of bidders consisting of Advent International, a leading international private equity investor, and the European Bank for Reconstruction and Development (EBRD) for the sale of Hypo Group Alpe Adria AG (HGAA), the South-Eastern European banking network of the former Hypo Alpe-Adria-Bank International AG, including the holding company based in Austria.

A further important step in the sale process is now being taken: the buyers have defined the future organisational structure of HGAA, and have decided that HGAA is to continue at the Klagenfurt with a staff of 180 banking experts, some of whom are already HGAA employees and are largely being taken over by Heta. This means that the operational holding company will in future have the necessary staff to ensure the successful management of the South-Eastern European network. The Group headquarters of the holding company will continue to be in Klagenfurt, which means that many jobs will be retained in Carinthia.

Advent International intends to continue the banking network through the holding company which is domiciled in Austria, with an Austrian banking licence, and is planning in particular to expand the private customer and SME financing segments in the Western Balkan countries. The transaction is still subject to a number of conditions precedent, such as approval by the European Commission and the relevant supervisory authorities. The closing of the transaction is expected take place some time in mid-2015. Advent International has comprehensive experience in the financial services sector and has invested in over 70 companies in this sector all over the world. Over the last 19 years, Advent International has been involved in more than 44 participations in Central and Eastern Europe.

Since 2009, Heta (formerly Hypo Alpe-Adria-Bank International AG) has been wholly owned by the Republic of Austria. In addition to the holding company based in Austria, the SEE network consists of six banking participations in Bosnia Herzegovina, Croatia, Montenegro, Serbia and Slovenia. Following comprehensive restructuring measures, the network was transferred by Heta to the Republic of Austria (represented by its trustee FIMBAG) on 30 October 2014. With its head office in Klagenfurt, the network has 1.15 million customers, 245 branches and a balance sheet total of around EUR 8.4 billion.