

July 16, 2009

Final Terms

EUR 1,000,000,000 3.125 per cent. Guaranteed Notes due July 24, 2013 (the "Notes")

Series: 1, Tranche 1

Guaranteed by the Republic of Austria
issued pursuant to the

€1,350,000,000

Debt Issuance Programme

dated 11 February 2009

in respect of issues guaranteed by the Republic of Austria

of

HYPO ALPE-ADRIA-BANK INTERNATIONAL AG

Issue Price: 99.852 per cent.

Issue Date: 24 July 2009

These are the Final Terms of an issue of Notes under the Debt Issuance Programme (the "Programme") of HYPO ALPE-ADRIA-BANK INTERNATIONAL AG. Information on HYPO ALPE-ADRIA-BANK INTERNATIONAL AG and the offer of the Notes is only available on the basis of the combination of the Debt Issuance Programme Information Memorandum pertaining to the Programme dated 11 February 2009, as supplemented by a supplement dated 9 July 2009, (the "Information Memorandum") and these Final Terms. The Information Memorandum (and any supplement to the Information Memorandum) is available for viewing in electronic form on the website of HYPO ALPE-ADRIA-BANK INTERNATIONAL AG at www.hypo-alpe-adria.com and copies may be obtained from HYPO ALPE-ADRIA-BANK INTERNATIONAL AG, Alpe-Adria-Platz 1, 9020 Klagenfurt am Wörthersee, Austria.

Part I.: Terms and Conditions

This Part I. of the Final Terms is to be read in conjunction with the Terms and Conditions of the Notes (the "Terms and Conditions") set forth in the Information Memorandum, as the same may be amended or supplemented from time to time. Capitalised Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

All references in this part of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Terms and Conditions.

All provisions in the Terms and Conditions corresponding to items in these Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes (the "Conditions").

Issuer HYPO ALPE-ADRIA-BANK-INTERNATIONAL AG

Guarantor Republic of Austria

Form of Conditions

Long-Form

Integrated

CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS (§ 1)

Currency and Denomination

Specified Currency EUR

Aggregate Principal Amount EUR 1,000,000,000

Specified Denomination EUR 50,000

Number of Notes to be issued in each specified Denomination 20,000

Bearer Notes

Bearer Notes

TEFRA C
Permanent Global Note

TEFRA D
Temporary Global Note exchangeable for Permanent Global Note

New Global Note Yes

Certain Definitions

Clearing System

Oesterreichische Kontrollbank Aktiengesellschaft (OeKB)
Am Hof 4
1010 Wien, Austria

Clearstream Banking AG, Frankfurt am Main (CBF)
Neue Börsenstraße 1
60487 Frankfurt am Main, Germany

✓ Clearstream Banking société anonyme, Luxembourg (CBL)
42 Avenue JF Kennedy
1855 Luxembourg, Luxembourg

✓ Euroclear Bank SA/NV (Euroclear)
1 Boulevard du Roi Albert II
1210 Brussels, Belgium

Other (specify)

Calculation Agent

No

Fiscal Agent

Other (specify)

STATUS (§ 2)

Senior, guaranteed by the Republic of Austria

INTEREST (§ 3)

✓ Fixed Rate Notes

Rate of Interest and Interest Payment Dates

Rate of Interest	3.125 per cent. per annum
Interest Commencement Date	July 24, 2009
Fixed Interest Date(s)	July 24
First Interest Payment Date	July 24, 2010
Initial Broken Amount(s) (for the Specified Denomination)	n/a
Fixed Interest Date preceding the Maturity Date	n/a
Final Broken Amount(s) (for the Specified Denomination)	n/a

Floating Rate Notes

Interest Payment Dates

Interest Commencement Date	n/a
Specified Interest Payment Dates	n/a
Specified Interest Period(s)	n/a

Business Day Convention

- Modified Following Business Day Convention
- FRN Convention (specify period(s))
- Following Business Day Convention
- Preceding Business Day Convention
 - adjusted
 - unadjusted

Relevant Financial Centres

n/a

Rate of Interest

- Screen Rate Determination
 - EURIBOR (11 a. m. Brussels time/TARGET Business Day/Euro-Zone Interbank Market)
Screen page n/a
 - LIBOR (London time/London Business Day/City of London/
London Office/London Interbank Market)
Screen page n/a
 - Other (specify)
Screen page(s) n/a
- Margin n/a
- plus
 - minus

Interest Determination Date

- second Business Day prior to commencement of Interest Period
- other (specify)

Reference Banks (if other than as specified in § 3 (2)) (specify) n/a

- ISDA Determination
- Other Method of Determination (insert details (including Margin,
Interest Determination Date, Reference Banks, fallback provisions))

Minimum and Maximum Rate of Interest

- Minimum Rate of Interest
- Maximum Rate of Interest

 Zero Coupon Notes

Accrual of Interest n/a

Amortisation Yield n/a

Day Count Fraction.

- Actual/Actual (ICMA Rule 251)
- Actual/Actual (ISDA)
- Actual/365 (Fixed)
- Actual/360
- 30/360 or 360/360 (Bond Basis)
- 30E/360 (Eurobond Basis)

PAYMENTS (§ 4)

Payment Business Day

Relevant Financial Centre(s) (specify all)

TARGET

REDEMPTION (§ 5)**Final Redemption**

Maturity Date	July 24, 2013
Redemption Month	n/a
Final Redemption Amount	n/a
<input checked="" type="checkbox"/> Principal amount	
<input type="checkbox"/> Final Redemption Amount (for the Specified Denomination)	

Early Redemption

Early Redemption at the Option of the Issuer	No
Minimum Redemption Amount	n/a
Higher Redemption Amount	n/a
Call Redemption Date(s)	n/a
Call Redemption Amount(s)	n/a
Minimum Notice to Holders ¹	n/a
Maximum Notice to Holders	n/a

Early Redemption Amount**Zero Coupon Notes:**

<input type="checkbox"/> Addition of accrued interest	
Reference Price	n/a
<input type="checkbox"/> Deduction of unaccrued interest	

AGENTS (§ 6)

Fiscal Agent

<input checked="" type="checkbox"/> Deutsche Bank Aktiengesellschaft	
Calculation Agent/specified office	n/a
Required location of Calculation Agent (specify)	n/a
<input type="checkbox"/> Paying Agents	
<input type="checkbox"/> Additional Paying Agent(s)/specified office(s)	
<input type="checkbox"/> Other Fiscal Agent (specify)	

NOTICES (§ 11)

✓ **Place and medium of publication**

Homepage of the Issuer and, if required, by eligible information systems

✓ Clearing System

Other (specify)

Part II.: ADDITIONAL INFORMATION

Eurosystem eligibility

Intended to be held in a manner which would allow Eurosystem eligibility

Yes

Securities Identification Numbers

Common Code 044069016

ISIN Code XS0440690161

Austrian Securities Code n/a

German Securities Code A1AKDP

Any other securities number n/a

Selling Restrictions

The Selling Restrictions set out in the Information Memorandum shall apply.

TEFRA C

✓ TEFRA D

Neither TEFRA C nor TEFRA D

Additional Selling Restrictions (specify) n/a

Settlement procedure

Delivery against payment

Method of distribution

Non-syndicated

✓ Syndicated

Date of Subscription Agreement July 16, 2009

Commissions

Management/Underwriting Commission (specify) 0.2 per cent of the Aggregate Principal Amount

Selling Concession (specify) n/a
 Listing Commission (specify) n/a
 Other (specify) n/a

Stabilising Dealer/Manager **None**

Listing(s) and Admission to Trading **Yes**

Vienna Stock Exchange, Second Regulated Market ("*Geregerter Freiverkehr*")

Other (insert details)

Expected date of admission July 24, 2009

Rating S & P: AAA (expected)

Moody's: Aaa (expected)

Fitch: AAA expected)

Other relevant terms and conditions (specify)

If any Interest Payment Date would otherwise fall on a day which is not a Payment Business Day (as defined in § 4(5) of the Terms and Conditions), it shall be postponed to the next day which is a Payment Business Day. In such case, the Holder shall not be entitled to further interest or any other payment in respect of such delay, nor, as the case may be, shall the amount of interest to be paid be reduced due to such deferment.

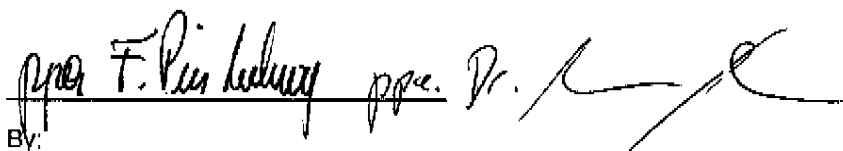
Listing:

The above Final Terms comprise the details required to list this issue of Notes pursuant to the € 1,350,000,000 Debt Issuance Programme of HYPO ALPE-ADRIA-BANK INTERNATIONAL AG (as from July 24, 2009).

Guarantee

The attached Guarantee (without annexes) of the Republic of Austria will be obtained and applies in respect of this Series of Notes.

HYPO ALPE-ADRIA-BANK INTERNATIONAL AG

By:  *F. P. Lechner*

Title:

Annexes:

Guarantee (copy)

Guarantee confirmation (copy)

GUARANTEE of the Republic of Austria

for the benefit of the holders of notes, issued by
HYPO ALPE-ADRIA-BANK INTERNATIONAL AG
under the € 1,350,000,000 Debt Issuance Programme
in respect of issues guaranteed by the Republic of Austria

PREAMBLE

- (1) HYPO ALPE-ADRIA-BANK INTERNATIONAL AG (the "**Issuer**") intends to issue notes guaranteed by the Republic of Austria under the € 1,350,000,000 Debt Issuance Programme in respect of issues guaranteed by the Republic of Austria (the "**Programme**") pursuant to Annex./1 (the "**Notes**").
- (2) According to § 1 (4) Interbank Market Support Act (*Interbankmarktstärkungsgesetz*), Federal Law Gazette I No. 136/2008 in conjunction with § 66 of the Act on Federal Budgets (*Bundeshaushaltsgesetz*), Federal Law Gazette No. 213/1986 as amended, the Federal Minister of Finance is authorized to issue this guarantee on behalf of the Republic of Austria (the "**Guarantor**"), with which the due payment of principal and interest as well as any other amounts payable under the Notes is guaranteed.
- (3) The Guarantor intends to guarantee with this guarantee (the "**Guarantee**") the due and punctual payment of principal, interest and any other amounts payable by the Issuer under the Notes.
- (4) This Guarantee is limited to a maximum amount of 1,350,000,000 Euro (the "**Guaranteed Amount**").

IT IS AGREED AS FOLLOWS:

- (1) (a) The Guarantor herewith unconditionally and irrevocably guarantees to each holder of the Notes (each a "**Noteholder**") pursuant to § 880a second half-sentence of the



Austrian General Civil Code (ABGB) up to the Guaranteed Amount pursuant to clause (4) of the preamble the due and punctual payment of principal and interest when they become due according to the terms and conditions of the Notes (the "**Terms and Conditions**"), as well as any other amounts which are payable under the Notes according to the Terms and Conditions, provided that Notes under the Programme have only been issued in circumstances that would not cause obligations of the Guarantor arising under this Guarantee to exceed the Guaranteed Amount pursuant to clause (4) of the preamble.

(b) As far as rights and obligations under this Guarantee are specified or substantiated by reference to the Terms and Conditions, only the version of the Terms and Conditions set out in Annex .1 shall be relevant. Changes or amendments to the Terms and Conditions or any other agreements between the Issuer and Noteholders which are not evident from the version of the Terms and Conditions set out in Annex .1 shall not affect the rights and obligations of the Guarantor under this Guarantee.

(c) This Guarantee constitutes a direct, unconditional, irrevocable and unsecured obligation of the Guarantor and ranks *pari passu* with all other credit or bond indebtedness of the Guarantor resulting from financial indebtedness. The Guarantor undertakes for the benefit of the Noteholders that, as long as any Note remains outstanding, it will not create or permit to subsist any security right, pledge, encumbrance or other security interest in respect of any credit or bond indebtedness of the Guarantor resulting from financial indebtedness unless, at the same time or prior thereto, all amounts payable in respect of the Notes are secured equally and rateably therewith.

(d) All payments by the Guarantor under this Guarantee shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatsoever nature imposed or levied by or within the Republic of Austria or any province, municipality or other political subdivision or taxing authority therein or thereof, unless the withholding or deduction of such taxes or duties is required by law, provided however, that § 7 of the Terms and Conditions applies *mutatis mutandis* to payments of the Guarantor under this Guarantee.

(e) The obligations of the Guarantor under this Guarantee

(i) shall be separate and independent from the obligations of the Issuer under the Notes,

(ii) shall exist irrespective of the legality, validity, bindingness or enforceability of the Notes, and



(iii) shall not be affected by any event, condition or circumstance of whatever nature, whether factual or legal, save the full, definitive and irrevocable satisfaction of any and all payment obligations expressed to be assumed under the Notes.

- (2) Payments of the Guarantor under this Guarantee to a Noteholder shall be made according to the Terms and Conditions upon first written request of such Noteholder to an account specified by the Noteholder. Payment to such account shall have discharging effect for the Guarantor. No payments will be made by the Guarantor without written payment request. A Noteholder shall have no claims against the Guarantor if a delay of payment results from the Noteholder not having specified an account in the payment request. The rate of interest for default under this Guarantee shall correspond to the rate of interest applicable to the Notes in accordance with § 3 of the Terms and Conditions. The payment request shall be submitted to:

Bundesministerium für Finanzen

Abteilung III/6

Hintere Zollamtsstraße 2b

1030 Wien

Phone: +43 1 51433 503150

Fax: +43 1 51433 507079

- (3) This Guarantee and all undertakings contained herein constitute a contract for the benefit of the Noteholders as third party beneficiaries pursuant to § 880a of the Austrian General Civil Code (ABGB). They shall give rise to the right of each Noteholder to claim performance of the obligations undertaken herein directly from the Guarantor, and to enforce such obligations directly against the Guarantor. Any Noteholder may take action directly against the Guarantor to pursue his claims pursuant to this Guarantee, without being required to bring first an action against the Issuer.
- (4) The original version of this Guarantee shall be delivered to, and kept by the Issuer. The Issuer does not act as trustee or in a similar capacity for the Noteholders.
- (5) Terms used in this Guarantee and not otherwise defined herein shall have the meaning attributed to them in the attached Terms and Conditions.
- (6) This Guarantee shall be governed by the laws of the Republic of Austria, except for its rules on the conflict of laws.
- (7) This Guarantee is in the English language. A non-binding translation into the German language is attached.
- (8) Place of performance for all claims arising out of this Guarantee shall be Vienna.



- (9) Place of jurisdiction for all legal proceedings arising out of or in connection with this Guarantee shall be the courts competent for commercial matters for the first district of Vienna. Each Noteholder may, however, also pursue his claims before any other court of competent jurisdiction.
- (10) On the basis of a copy of this Guarantee certified as being a true copy by (a) duly authorised representative(s) of the fiscal agent, each Noteholder may pursue and enforce in his own name his rights arising under this Guarantee in any legal proceedings against the Guarantor or in any legal proceedings to which such Noteholder and the Guarantor are parties, without the need to produce the original of this Guarantee in such proceedings.

Annex: .1 € 1,350,000,000 Debt Issuance Programme in respect of issues guaranteed by the Republic of Austria

Vienna, 16 February 2009

REPUBLIC OF AUSTRIA

For the Federal Minister of Finance:



(Mag. Alfred Lejsek)

We accept the conditions of the above Guarantee without recourse, warranty or liability and without acting as agent, fiduciary or in any similar capacity for any Noteholders.

Frankfurt am Main,

DEUTSCHE BANK AKTIENGESELLSCHAFT

as fiscal agent



[Letterhead of the Guarantor]

To:

[•]

[•]

[•] (the "Issuer")

issue of [•] Notes (Series [•], ISIN [•]) (the "Notes") under the [•] ("DIP")

We confirm that as at today's date the consent by the Federal Minister of Finance has been granted and that the authorised threshold ("Guaranteed Amount") of the Guarantee pursuant to the Interbank Market Support Act (*Interbankmarktstärkungsgesetz*), Federal Law Gazette I No. 136/2008, and the Guarantee Agreement between the Federal Minister of Finance and the Issuer dated [•] in relation to the Issuer's obligations under the DIP has not been exceeded and that the terms of the proposed issue of the Notes conform to the statutory requirements of the Interbank Market Support Act (*Interbankmarktstärkungsgesetz*) and the requirements of the Guarantee Agreement dated [•].

In case of issues of notes under the DIP which are denominated in Euro or in currencies other than Euro the Guarantee relates to the currency of their issue, which means that we shall be liable for payments under the Guarantee also in cases where the Guaranteed Amount is exceeded after the issue due to changes in foreign exchange rates.

REPUBLIC OF AUSTRIA

For the Federal Minister of Finance:

([•])