

BAWAG Capital Finance (Jersey) II Limited

Interim Management Statement

For the Period 1st January 2012 to 30th April 2012

Performance review

Net interest income for the period 1 January 2012 to 30 April 2012 amounted to €14,324 (31.12.2011: €62,131). After taking into account administrative expenses of €35,018 (31.12.2011: €42,651), the unaudited loss after tax for the period under review amounted to €20,694 (31.12.2011: profit of €19,480). As at 30 April 2012, the unaudited net assets of the company stood at €53,457 (31.12.2011: €74,151).

The ultimate parent company BAWAG P.S.K. Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft announced on 20 February 2012 a public offer to tender for the purchase of the outstanding preference shares in the amount of EUR 150 million issued by the Company. On 6 March 2012, BAWAG P.S.K. purchased preference shares at a face value of EUR 67 million from the holders of the preference shares.

Subsequent to this purchase, the ultimate parent company sold the preference shares to the Company in exchange for subordinated notes held by the Company. With the buy-back of the preference shares by the Company, the preference shares with total nominal value amounting to EUR 67 million were automatically cancelled.


The above buy-back transaction was approved by the Austrian Financial Market Authority.

Other than the above, there were no material events that occurred during the period 1 January 2012 to 30 April 2012 that impacted the Company's financial performance.

Directors

There were no changes in directors during the period under review.

For and on behalf of the Board of Directors



Director

Date: 18 May 2012