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PRESS RELEASE

Sal. Oppenheim Austria in 2008: increased customer base and stable operative business

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- *Customer base increased by 10%, net new capital inflow up by 7%*
- *Positive business developments with full-year earnings before tax € 1.52 million*
- *Continued expansion of business activities in CEE as scheduled*
- *Banking group weathers the financial crisis with own strength: equity capital in excess of € 2 billion, regulatory equity ratio of 12%*

The deepening of the financial crisis in the past few months has seriously impacted the global banking industry. This difficult business environment also affected Bank Sal. Oppenheim jr. & Cie. (Austria) AG. Overall, however, the bank proved remarkably successful, with a stable operative business and positive results.

ACQUISITION OF NEW CUSTOMERS AND NET NEW CAPITAL INFLOW

As a result of the acquisition of new mandates in Austria and at the bank's foreign locations, the number of clients increased by about 10%, net new capital inflow amounted to 7%. "Thanks to our conservative approach and our long history of successfully coping with crises we continue to be perceived as a safe haven. Our strong focus on wealth preservation and protection has clearly proved effective," says Dr. Bernhard Ramsauer, Chief Executive Officer of Bank Sal. Oppenheim jr. & Cie. (Austria) AG. The balance sheet total at year's end was € 326 million, up by 42% on the previous year. Earnings slightly decreased in 2008, by 1.7%. Earnings before tax amounted to € 1.52 million, and assets under management to € 3.2 billion. In spite of opening new offices in Warsaw and Budapest, expenditure was up by 5.4% compared with the previous year, and timely cost management in response to a worsening market environment enabled the bank to keep it well below the amount budgeted.

"Our Austrian subsidiary, with offices in Vienna, Salzburg, Prague, Warsaw and Budapest, has established itself as an important part of our banking group and has proved extraordinarily stable in these difficult times," affirms Matthias Graf von Krockow, spokesman for the personally liable partners of Sal. Oppenheim jr. & Cie. S.C.A. At year's end, the Bank Sal. Oppenheim jr. & Cie. (Austria) AG employed 83 staff in Austria.

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In the corporate finance business, Sal. Oppenheim Austria acquired a number of attractive advisory mandates, but due to adverse market conditions it was not possible to implement all of them. In the field of equity sales, the newly established team in Vienna started the national and international sale of Austrian stocks and laid the foundations for 2009 by establishing numerous client relationships. On account of the paramount importance of private asset management and the growing scope of the bank, Harald Friedrich, on the staff from the very start, was appointed to the board as of January 1, 2009, as its third member. Dr. Ulrich Kallausch moved up to the position of Deputy Chief Executive Officer.

CEE EXPANSION CONTINUES UNABATED

The continued demand by an aspiring commercial and industrial elite for intelligent and, above all, wealth-preserving investment products has led to further growth of the bank's activities in Central and Eastern Europe. In the spring of 2008, Sal. Oppenheim opened offices in Poland and in Hungary. In both countries, expectations regarding market entry were fully met, and in part even exceeded. Significantly, Sal. Oppenheim advised the first cross-border corporate finance deal in Poland. In the Czech Republic, where the bank has had a presence since 2005, a record 60% increase in new customers was achieved, but also in Hungary acquisition of new customers was well above average.

OUTLOOK AND OPPORTUNITIES FOR 2009

In 2009, Sal. Oppenheim Austria will continue to pursue its proven business model of a close link between asset management and investment banking, and it will also focus on the market potential in Central and Eastern Europe. All in all, however, the bank envisages a continued difficult environment. Management is assuming a market consolidation in the field of asset management which will enable focused providers, such as Sal. Oppenheim, to eventually emerge stronger. For the field of corporate finance, the bank expects opportunities resulting from the restructuring of the financial services industry as well as a continued consolidation of the classic industrial sectors. In Central and Eastern Europe, Sal. Oppenheim expects mid-sized privatisations, especially in the energy and logistics sectors, and a recovery of the M&A market during the second half of the year.

BANKING GROUP OVERCOMES THE CRISIS IN THE FINANCIAL MARKETS WITH OWN STRENGTH

For the fiscal year 2008, the Sal. Oppenheim Group shows results after tax of €-117 million (previous year: €255 million), which reflects the impact of the crisis in the financial markets. Especially in Germany, falling prices in the capital markets affecting nearly all asset classes put a strain on Sal. Oppenheim's capital mar-

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ket related business activities. The underlying reasons for these developments were losses in the field of equity trading as well as valuation losses in the case of a number of assets and holdings. However, all other operative business areas of the bank achieved positive results. By means of a conservative valuation of all assets it was ensured that the negative impacts of the financial market crisis were completely absorbed in the fiscal year 2008.

Management has responded to these developments with a comprehensive programme aimed at increasing efficiency by means of cost and structural adjustments with a volume of €100 million. "For the coming fiscal years we are again aiming for a balanced result. The first few months of this year have already provided proof that we are on the right track, having closed the first quarter with positive results," says Krockow. The group's balance sheet total amounts to €41.4 billion, nearly unchanged in comparison with the previous year. In December 2008, the shareholders strengthened the bank's capital base by voting a capital increase of €200 million. The bank's equity is currently in excess of €2 billion, with a regulatory capital ratio of 12%. During the year, the group's average number of employees amounted to 4,300.

In spite of the difficult market environment to be expected for 2009, Sal. Oppenheim is confident that it will achieve positive results. Graf Krockow: "This market environment also offers opportunities which we intend to utilise." Sal. Oppenheim has adapted to the changes in the market environment. Among the measures taken are the expansion and enhancement of its core competence in asset management and a focus on customer-driven commercial transactions. "The customer is the focus of an owner-run private bank. We are linked by long-term objectives, such as solidity, stability, long-term and sustainable gains as well as a close relationship as partners," stresses Graf Krockow.

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