

## **JOINT PRESS RELEASE**

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### **The Federal States of Hesse and Thuringia as well as the Savings Bank and Giro Association Hesse-Thuringia intend to ensure Helaba's passing the EBA stress test for banks**

The German Federal States of Hesse and Thuringia as well as the Savings Bank and Giro Association Hesse-Thuringia (SGVHT) in their capacity as owners of Landesbank Hessen-Thüringen (Helaba) have declared today that they will jointly take any steps required to ensure that Helaba will pass the European Banking Authority's (EBA) stress test for banks. "We all agree on the aim that Helaba shall and will pass this stress test. Other alternatives are no option for us," declared the Hessian Minister of Finance, Dr. Thomas Schäfer, his Thuringian counterpart, Dr. Wolfgang Voß, and the Executive President of the Savings Banks and Giro Association Hesse-Thuringia, Gerhard Grandke. "Helaba is a bank with a future, which is based on a solid foundation. Its owners have taken constructive measures to make the Landesbank fit for the upcoming stress test." There is also consensus among the owners that the development business of the Land of Hesse is safeguarded in the long run and in a sustainable manner. Nevertheless, the representatives of the owners expressed their incomprehension of the EBA's criteria: "The requirements defined by the EBA anticipate the criteria for core Tier-1 capital of banks, which will be fully effective under Basel III on an international basis only from the year 2022 onwards, and thus apply disproportionately strict criteria for the passing of the stress test."

The tenor of their declaration made today is as follows:

1. The owners agree that they will jointly take any and all steps required to ensure that Helaba will pass the stress test for banks.
2. For this purpose the Land of Hesse will undertake in time before 30 April to restructure its silent participation in the amount of EUR 1.92 billion in such a way that the 14 criteria of Basel III will also be complied with.
3. SGVHT undertakes to see to it that the silent participations held by individual savings banks will be restructured in the same way.
4. In the following process, the owners will initiate any steps required to solve any issues that may arise in connection with EU subsidy regulations by restructuring the government-held silent participations.
5. The owners thus ensure that, on the one hand, the prerequisites for passing the EBA stress test will be created and, on the other hand, the requirements of Basel III which are currently discernible will be complied with very early on.
6. The owners have in addition agreed that problems resulting from the new liability situation will be solved in future discussions.