

Final Terms dated 20 July 2011

Erste Group Bank AG

Issue of CHF 125,000,000 Floating Rate *Pfandbriefe* (Mortgage Bonds) due 22 July 2014
(the "Notes")

under the **€30,000,000,000 Debt Issuance Programme**

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Prospectus dated 8 July 2011 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended (which includes the amendments made by the Directive 2010/73/EU (the "2010 PD Amending Directive") to the extent implemented in the Relevant Member State) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Prospectus and the prospectus dated 20 July 2011 prepared by the Issuer in connection with the listing of the Notes on the SIX Swiss Exchange Ltd (the "Listing Prospectus"). The Prospectus is available for viewing at <http://erstegroup.com> and during normal business hours at Erste Bank Group AG, Graben 21, A-1010 Vienna. The Listing Prospectus is available for viewing at, and copies may be obtained from, Credit Suisse AG, Uetlibergstrasse 231, CH-8070 Zurich.

1	Issuer:	Erste Group Bank AG
2	(i) Series Number:	1047
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	Swiss Francs ("CHF")
4	Aggregate Nominal Amount of Notes:	
	(i) Series:	CHF 125,000,000
	(ii) Tranche:	CHF 125,000,000
5	Issue Price:	100.00% of the Aggregate Nominal Amount
6	(i) Specified Denominations:	CHF 10,000
	(ii) Calculation Amount:	Specified Denomination
7	(i) Issue Date:	22 July 2011
	(ii) Interest Commencement Date:	Issue Date
8	Maturity Date:	22 July 2014
9	Interest Basis:	CHF 3-months LIBOR (BBA) + 0.30% Floating Rate (further particulars specified below)
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Put/Call Options:	Not Applicable

- 13 (i) Status of the Notes: Pfandbrief
- (ii) Date Board approval for issuance of Notes obtained: According to Overall Planning Approval of Management Board dated 25 November 2010 and Supervisory Board dated 15 December 2010

14 Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15 **Fixed Rate Note Provisions** Not Applicable

16 **Floating Rate Note Provisions** Applicable

(i) Interest Period(s): Not Applicable

(ii) Specified Interest Payment Dates: 22 January, 22 April, 22 July, 22 October in each year subject to adjustment in accordance with the Business Day Convention specified below

(iii) First Interest Payment Date 22 October 2011

(iv) Business Day Convention: Modified Following Business Day Convention

(v) Business Centre(s): Zurich

(vi) Manner in which the Rate(s) of Interest is/are to be determined: ISDA Determination – Reuters Screen LIBOR02

(vii) Party responsible for calculating the Rate(s) of interest and/or Interest Amount(s) (if not the [Agent]): Credit Suisse AG
Paradeplatz 8
CH-8001 Zurich

(viii) Screen Rate Determination: Not Applicable

- Reference Rate:
- Interest Determination Date(s):
- Relevant Screen Page:

(ix) ISDA Determination: Applicable

- Floating Rate Option: CHF-LIBOR-BBA
- Designated Maturity: 3 months
- Reset Date: The first day each Interest Accrual Period

(x) Margin(s): + 0.30% per annum

(xi) Minimum Rate of Interest: Not Applicable

(xii) Maximum Rate of Interest: Not Applicable

(xiii) Day Count Fraction: Actual/360 (adjusted)

(xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: Not Applicable

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| 17 | Zero Coupon Note Provisions | Not Applicable |
| 18 | Index-linked Interest Note/other variable-linked interest Note Provisions | Not Applicable |
| 19 | Dual Currency Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 20 | Call Option | Not Applicable |
| 21 | Put Option | Not Applicable |
| 22 | Final Redemption Amount of each Note | |
| | In cases where the Final Redemption Amount is Index-Linked or other variable-linked: | Not Applicable |
| 23 | Redemption of Reverse Convertible Notes (Cash-or-Share Notes, Cash-or-Fund Notes, Cash-or-Commodity Notes, Cash-or-Currency Notes, Cash-or-Future Notes) | Not Applicable |
| 24 | Early Redemption Amount | |
| | Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): | According to Clause 6 of the Terms and Conditions of the Notes |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 25 | Form of Notes: | Notes governed by Austrian law:

Bearer Notes:

(A) The Notes will be in bearer form and will be represented by permanent global note (the " Permanent Global Note ").

(B) The Permanent Global Note shall be deposited with SIX SIS AG, the Swiss Securities Corporation in Olten, Switzerland (" SIS ") or any other intermediary in Switzerland recognized for such purposes by SIX Swiss Exchange Ltd or any such other intermediary (the " Intermediary "). Once the Permanent Global Note is deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Notes will constitute intermediated securities (<i>Bucheffekten</i>) (" Intermediated Securities ") in accordance with the provisions of the |
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Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*). The Permanent Global Note will document the right to receive principal and interest thereon and all other rights and obligations in connection therewith.

(C) Each holder of Notes shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Permanent Global Note to the extent of his claim against the Issuer, provided that for so long as the Permanent Global Note remains deposited with the Intermediary the co-ownership interest shall be suspended and the Notes may only be transferred or otherwise disposed of in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*); i.e., by the entry of the transferred Notes in a securities account of the transferee.

The records of the Intermediary will determine the number of Notes held through each participant in that Intermediary. In respect of the Notes held in form of Intermediated Securities, the holders of the Notes will be the investors, i.e. (i) the persons, other than intermediaries, holding the Notes in a securities account with an Intermediary and (ii) the Intermediaries holding the Notes for their own account.

(D) The Permanent Global Note will be exchanged for Definitive Notes in whole but not in part only at the option of the Principal Swiss Paying Agent. Owners of quotal co-ownership (*Miteigentumsanteil*) interests in the Permanent Global Note do not have the right to request the printing and delivery of note certificates in definitive form (the "**Definitive Notes**").

The Issuer irrevocably agrees with and undertakes to the Principal Swiss Paying Agent to arrange for the printing and delivery to it of the Definitive Notes with Coupons attached in the name of the Issuer, should the Principal Swiss Paying Agent deem such printing to be necessary or useful, after consultation with the Issuer, or if the presentation of Definitive Notes and Coupons is required by Swiss or other applicable laws and regulations in connection with the enforcement of rights of holders of Notes, or if the Principal Swiss Paying Agent at any time determines to have Definitive Notes and Coupons issued. Should the Definitive Notes and Coupons be printed, the Principal Swiss Paying Agent will then exchange the Permanent Global Note against delivery of the Definitive Notes and Coupons and thereupon cancel and return the Permanent Global Note to the Issuer.

26	New Global Note	No
27	Financial Centre(s) or other special provisions relating to Payment Dates:	Not Applicable
28	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
29	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
30	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
31	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
32	Consolidation provisions:	Not Applicable
33	Other final terms:	<p>The following provisions shall be inserted immediately following Condition 7 (i) as Conditions 7 (j):</p> <p><i>(k) Discharge of the Issuer</i></p> <p>The receipt by Principal Swiss Paying Agent (or any successor) of the due and punctual payment in Swiss Francs in Switzerland, of all amounts due in respect of the Notes shall, to the extent of such payments, be deemed to have satisfied the obligation of the Issuer to make the relevant payments to the holders of Notes and Coupons.</p> <p>Payments of principal and interest in respect of any Notes shall be made in freely disposable Swiss Francs without collection costs and whatever the circumstances may be, irrespective of the nationality, domicile or residence of the holder of any Notes and without requiring any certification, affidavit or the fulfilment of any other formality".</p> <p>Condition 7 (e) shall be supplemented as follows:</p> <p>"In respect of any Notes denominated in Swiss Francs, the Issuer will at all times maintain a Paying Agent having a specified office in Switzerland and will</p>

at no time maintain a Paying Agent having a specified office outside Switzerland in relation to such Notes".

In addition, all references in the Terms and Conditions to the "Fiscal Agent" and to the "Paying Agents" shall, so far as the context permits, be construed as references to the "Principal Swiss Paying Agent".

Condition 14 shall be supplemented as follows:

"So long as the Notes are listed on the SIX Swiss Exchange Ltd, all notices concerning the Notes will be validly given if given through the Principal Swiss Paying Agent by means of electronic publication on the internet website of the SIX Swiss Exchange Ltd (www.six-swiss-exchange.com/news/official_notices/search_en.html)."

DISTRIBUTION

34	(i) If syndicated, names and addresses of Managers and underwriting commitments	Credit Suisse AG Paradeplatz 8 CH-8001 Zurich	CHF 85,220,000
		Zurich Cantonalbank Bahnhofstrasse 9 CH-8001 Zurich	CHF 39,780,000
	(ii) Stabilising Manager(s) (if any):	Not Applicable	
35	If non-syndicated, name of Dealer:	Not Applicable	
36	U.S. Selling Restrictions	Reg S Compliance Category, TEFRA D	
37	Additional selling restrictions:	Not Applicable	
38	Jurisdiction and Governing Law:	Austrian	
39	Binding language:	English	
40	Domestic or International Notes	International	

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the SIX Swiss Exchange Ltd of the Notes described herein pursuant to the €30,000,000,000 Debt Issuance Programme of Erste Group Bank AG.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Erste Group Bank AG as the Issuer.

By:

Authorised Officer

By:

Authorised Officer

PART B - OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: Switzerland
- (ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the SIX Swiss Exchange Ltd with effect from 21 July 2011

2. RATINGS

- Ratings: The Notes to be issued have been rated.
- Moody's has assigned definitive long-term ratings of **Aaa** to the outstanding *Pfandbriefe* (Mortgage Bonds) issued by Erste Group Bank AG.
- Moody's is established in the European Community and has applied for registration under Regulation (EC) No 1060/2009, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.

3. NOTIFICATION

Not Applicable

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

"Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: The net proceeds from the issue of the Notes will be used by the Issuer for its general funding purposes.
- (ii) Estimated net proceeds: CHF 124,818,750
- (iii) Estimated total expenses: CHF 25,000

6. HISTORIC INTEREST RATES

Details of historic LIBOR rates can be obtained from Reuters.

7. OPERATIONAL INFORMATION

(i) ISIN Code:	CH0132941623
(ii) Common Code:	064615831
(iii) Clearing system(s)	
a) for International Notes:	SIX SIS AG, Olten, Switzerland
b) for Domestic Notes:	Not Applicable
(iv) Delivery:	Delivery against payment
(v) Names and addresses of initial Paying Agent(s):	Credit Suisse AG, Paradeplatz 8, CH-8001 Zurich, Switzerland, shall act as issuing and principal paying agent in Switzerland (the " Principal Swiss Paying Agent ") in respect of the Notes. All references in the Terms and Conditions of the Notes to the Agent shall be deemed to be references to the Principal Swiss Paying Agent.
(vi) Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
(vii) Names and addresses of Delivery Agent(s) (if not BNP Paribas)	Not Applicable
(viii) Intended to be held in a manner which would allow Eurosystem eligibility.	No

8. Terms and Conditions of the Offer

(i) Offer Price:	See Part A / Clause 5
(ii) Conditions to which the offer is subject:	Not Applicable
(iii) Time period, including any possible amendments, during which the offer will be open and description of the application process:	Not Applicable
(iv) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	Not Applicable
(v) Details of the minimum and/or maximum amount of application:	Not Applicable
(vi) Details of the method and time limits for paying up and delivering the Notes:	Not Applicable
(vii) Manner in and date on which results of the offer are to be made public:	Not Applicable
(viii) Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable

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| (ix) Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries: | Not Applicable |
| (x) Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: | Not Applicable |
| (xi) Amount of any expenses and taxes specifically charged to the subscriber or purchaser: | Not Applicable |
| (xii) Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place. | Credit Suisse AG
Zurich Cantonalbank |