

Final Terms dated 26 August 2011

Erste Group Bank AG

Issue of EUR 2,000,000 Credit linked Notes 2011-2016
on UniCredit SpA

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 June 2011 as supplemented from time to time 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 and the Prospectus. The Prospectus is available for viewing at <http://www.erstegroup.com> and during normal business hours at Börsegasse 14, 1010 Vienna and copies may be obtained from Erste Group Bank AG, Börsegasse 14, 1010 Vienna and on <http://www.erstegroup.com>.

1	Issuer:	Erste Group Bank AG
2	(i) Series Number:	1054
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	EUR
4	Aggregate Nominal Amount of Notes:	
	(i) Series:	EUR 2,000,000
	(ii) Tranche:	EUR 2,000,000
5	Issue Price:	100% of the Aggregate Nominal Amount
6	(i) Specified Denominations:	EUR 50,000
	(ii) Calculation Amount:	Specified Denomination
7	(i) Issue Date:	31 August 2011
	(ii) Interest Commencement Date:	Issue Date
8	Maturity Date:	20 October 2016 ("Scheduled Maturity Date")
9	Interest Basis:	6.40 % p.a. Fixed Rate further particulars specified in 15 Credit-linked Interest further particulars specified in 18 below
10	Redemption/Payment Basis:	Redemption at par subject to the redemption provisions in case of a Credit Event below
11	Change of Interest or Redemption/Payment Basis:	Not Applicable

12	Put/Call Options:	Not Applicable
13	(i) Status of the Notes:	Senior
	(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:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	6.40% per annum
	(ii) Interest Payment Date(s):	20 October in each year, starting with 20 October 2012 (long first Interest Period) until the Scheduled Maturity Date subject to the provisions in 18 below, adjusted in accordance with the Following Business Day Convention.
	(iii) Fixed Coupon Amount[(s)]:	Not Applicable
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	30/360 (unadjusted, following)
	(vi) Interest Determination Dates:	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16	Floating Rate Note Provisions	Not Applicable
17	Zero Coupon Note Provisions	Not Applicable
18	Index-linked Interest Note/other variable-linked interest Note Provisions	Credit-linked Interest Note
	(i) Index/Formula/Other variable:	Subject to Section 3.9 of the Credit Derivatives Definitions, upon the occurrence of a Credit Event and satisfaction of the Conditions to Settlement with respect to the Reference Entity (for further details see 22) the Notes cease to bear interest from the last Specified Interest Payment Date prior to the Event Determination Date and Noteholders are not entitled to claim any interest from this date on.
	(ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Agent)	Erste Group Bank AG
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:	Not applicable
	(iv) Interest Determination Date(s):	Not applicable
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is	Not applicable

impossible or impracticable or otherwise disrupted:

- (vi) Interest or calculation period(s): See 15
- (vii) Specified Interest Payment Dates: See 15
- (viii) Business Day Convention: See 15
- (ix) Business Centre(s): London
- (x) Minimum Rate/Amount of Interest: Not applicable
- (xi) Maximum Rate/Amount of Interest: Not applicable
- (xii) Day Count Fraction: See 15

19 Dual Currency Note Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION

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:

Final Redemption Amount will be 100% of the Specified Denomination, provided that upon the occurrence of a Credit Event and the satisfaction of the Conditions to Settlement with respect to the Reference Entity, each Note will be immediately redeemed in accordance with the Settlement Provisions set out below.

(i) Index/Formula/other variable:

- Reference Entity: see Annex 2

- Reference Obligations: see Annex 2

- All Guarantees: Applicable

- Reference Price: 100%

- Obligations: Obligation Category: Borrowed Money
Obligation Characteristics: None

- Conditions to Settlement: Shall be deemed to be satisfied by the occurrence of an Event Determination Date to the extent that such Event Determination Date is not subsequently reversed prior to the Auction Final Price Settlement Date, a Valuation Date or the Scheduled Termination Date.

- Credit Events:

Bankruptcy

Failure to Pay

- Grace Period Extension: Not Applicable

- Payment Requirement: USD 1,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event

Restructuring

- Default Requirement: USD 10,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event.

Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation: Applicable

- Multiple Holder Obligation: Applicable

- Credit Event Notice: Means a notice as determined in accordance with the provisions of Section 3.3 of the ISDA Credit Derivatives Definitions.

- Event Determination Date: Means the date as determined in accordance with the provisions of Section 1.8 of the 2003 ISDA Credit Derivatives Definitions.

- Calculation Agent City: Vienna

- Business Day Convention for all purposes other than the Calculation and payment of Coupons: Modified Following Business Day Convention, provided that the Effective Date and the Scheduled Termination Date both as defined in the 2003 ISDA Credit Derivatives Definitions shall not be subject to adjustment in accordance with any Business Day Convention.

- 2003 ISDA Definitions: The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions, as supplemented by the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions, each as published by the International Swaps and Derivatives Association, Inc. as of the Trade Date (together the "2003 ISDA Definitions"), are incorporated into the Final Terms for the purpose of this series. All terms applied and not specifically defined in these Final Terms or the Prospectus, are to be construed in accordance with the 2003 ISDA Definitions. The 2003 ISDA Definitions can be obtained by ISDA under www.isda.org or, if requested, are available for inspection during usual business hours at the specified offices of each of the Issuer.

(ii) Party responsible for calculating the Final Redemption Amount (if not the Agent): Erste Group Bank AG

(iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or Underlying Equit(y)(ies) and/or Fund(s) and/or Credit Event(s) and/or other variable: Upon the occurrence of a Credit Event and satisfaction of the Conditions to Settlement with respect to the Reference Entity the Issuer shall instead of delivering the Deliverable Obligations redeem the Notes by payment of the Cash Settlement Amount in accordance with the Settlement Provisions below.

Settlement Provisions:

Cash Settlement
Settlement will be made in accordance with the time schedule and settlement procedures of the "Terms relating to the Auction Settlement" in Article XII of the 2003 ISDA. Definitions.

In the case of a Credit Event in respect of the Reference Entity the Issuer is entitled to redeem the Notes and pay the Cash Settlement Amount to the Noteholders on the Cash Settlement Date.

- Cash Settlement Amount An amount equalling the greater of a) (i) the Specified Denomination multiplied by (ii) the Reference Price minus the Final Price and b) zero.
- Final Price The price of a Reference Obligation expressed as percentage, as determined by the Issuer in accordance with the "Terms relating to the Auction Settlement" in Article XII of the 2003 ISDA. Definitions.
- Cash Settlement Date Deemed to be the date falling 3 days after calculation of the Final Price.
- Settlement Currency: EUR

- Deliverable Obligations

- Deliverable Obligations Categories: Bond or Loan
- Deliverable Obligations Characteristics: Not Subordinated
Specified Currency – Standard Specified Currencies
Not Contingent
Assignable Loan
Consent Required Loan
Transferable
Maximum Maturity: 30 years
Not Bearer
- Partial Cash Settlement due to Impossibility or Illegality: Not Applicable
- Partial Cash Settlement of Assignable Loans: Not Applicable
- Partial Cash Settlement of Participation: Not Applicable
- (iv) Determination Date(s): Details see above
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: Details see above
- (vi) Payment Date: Details see above
- (vii) Minimum Final Redemption Amount: Not Applicable
- (viii) Maximum Final Redemption Amount: Not Applicable
- 23 Redemption of Reverse** Not Applicable

Convertible Notes (Cash-or-Share Notes, Cash-or-Fund Notes, Cash-or-Commodity Notes, Cash-or-Currency Notes, Cash-or-Future Notes)

- 24 Early Redemption Amount** With respect to each Note, the Early Redemption Amount payable on redemption in accordance with Condition 6(b) or following an Event of Default pursuant to Condition 10 shall be an amount in EUR equal to the market value of such Note on the date of redemption, adjusted to account fully for any losses, expenses and costs to the Issuer (or any of its affiliates) of unwinding any underlying or related hedging and funding arrangements, all as determined by the Calculation Agent in its sole and absolute discretion.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 25 Form of Notes:** Notes governed by English law:
Bearer Notes:
Temporary Global Note exchangeable for Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
- 26 New Global Note** Yes
- 27 Financial Centre(s) or other special provisions relating to Payment Dates:** TARGET, London
- 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:** References in the 2003 ISDA Definitions to: "Seller" shall be deemed to be references to the Noteholder; "Buyer" shall be deemed to be references to the Issuer; "Credit Derivative Transaction" shall be deemed to be references to the Notes; "Confirmation" shall be deemed to be references to the Final Terms; "Scheduled Termination Date" shall be deemed to be

references to the Maturity Date; "Effective Date" shall be deemed to be references to the Issue Date; "Trade Date" shall be deemed to be references to Issue Date.; In the event of any inconsistency between the 2003 ISDA Definitions and the Final Terms, the Final Terms will prevail.

DISTRIBUTION

- | | | |
|-----------|---------------------------------------|---------------------|
| 34 | (i) If syndicated, names of Managers | Not Applicable |
| | (ii) Stabilising Manager(s) (if any): | Not Applicable |
| 35 | If non-syndicated, name of Dealer: | Erste Group Bank AG |
| 36 | U.S. Selling Restrictions | TEFRA D |
| 37 | Additional selling restrictions: | Not Applicable |
| 38 | Jurisdiction and Governing Law: | English |
| 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 Vienna Stock Exchange 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

- (i) Listing: Vienna, Geregelter Freiverkehr
- (ii) Admission to trading: Application has been made by the Issuer for the Notes to be admitted to trading on the Vienna Stock Exchange.
- (iii) Estimate of total expenses related to admission to trading: max. EUR 2,900

2. RATINGS

- Ratings: In general Notes have the following ratings:
S & P: Long term: A
Moody's: Senior Unsecured: A1
Fitch: Long Term: A

Each of Standard & Poor's, Moody's and Fitch are established in the European Union and have applied for registration under Regulation EU No. 1060/2009 (the **CRA Regulations**), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.

3. NOTIFICATION

The Commission de surveillance du secteur financier (CSSF - Luxembourg) has provided the Finanzmarktaufsichtbehörde (FMA – Austria), Bundesanstalt für Finanzdienstleistungsaufsicht (Bafin - Germany), Commissione Nazionale per le Società e la Borsa (CONSOB – Italy), Malta Financial Services Authority (MFSA – Malta), Commission de surveillance du secteur financier (CSSF - Luxembourg), Hungarian Financial Supervisory Authority (PSZÁF - Hungary), Czech Securities Commission (SEC - Czech Republic), National Bank of Slovakia (NBS - Slovak Republic), Securities Market Agency (Slovenia) and Romanian National Securities Commission (Romania) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive.

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: See "Use of Proceeds" wording in Prospectus
- (ii) Estimated net proceeds: Not Applicable
- (iii) Estimated total expenses: EUR 4,000

6. Fixed Rate Notes only - YIELD

Indication of yield: Not Applicable

7. *Index-linked or Equity-linked or Fund-linked or Credit-linked or Commodity-linked or Future-linked or other variable-linked Notes only* - PERFORMANCE OF INDEX/FORMULA/UNDERLYING EQUITY/FUND/CREDIT EVENT/COMMODITY/FUTURE/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

The performance as well as the volatility of these Notes depends on the credit standing and future economic development of the Reference Entity underlying these Notes. Credit curves and related data showing past economic development and credit assessment of the underlying Reference Entity may be obtained from financial information providers like Bloomberg or Reuters.

If a Credit Event (as defined in the Final Terms of these Notes) occurs the Notes will be redeemed early, the accrual of interest will cease as of the final Specified Interest Payment Date prior to the Event Determination Date and the Noteholders will receive, instead of the Nominal Amount, the Cash Settlement Amount on the Cash Settlement Date. In this case the Final Price of the Obligations will likely be considerably lower than the outstanding nominal amount of the Notes and liquidity of these Obligations may be restricted. So a Noteholder has to face losses and may even lose its total investment.

8. *Dual Currency Notes only* - PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Not Applicable

9. OPERATIONAL INFORMATION

- (i) ISIN Code: XS0667415599
- (ii) Common Code: 066741559
- (iii) Clearing system(s)
 - a) for International Notes: Euroclear Bank S.A./N.V./Clearstream Banking, Société Anonyme
 - b) for Domestic Notes: Not Applicable
- (iv) Delivery: Delivery free of payment
- (v) Names and addresses of initial Paying Agent(s): BNP Paribas Securities Services, Luxembourg
- (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

Annex 1

Additional Disclosures and Representations:

(i) The Issuer has not made any representation whatsoever with respect to the Reference Entity, any Reference Obligation, any Obligation, any Deliverable Obligation, any underlying Obligor or any underlying Obligation on which it is relying or is entitled to rely.

(ii) The Reference Entity is not involved in the issuance of the Notes in any way and has no obligation to consider the interests of the Noteholders in taking any corporate actions that might affect the value of the Notes. The Reference Entity may, and is entitled to, take actions that will adversely affect the value of the Notes. The purchase price paid for the Notes is paid to the Issuer and not to the Reference Entity, and the Notes do not represent a direct investment in any Obligation of the Reference Entity or otherwise give the Noteholders any rights in the debt obligations of the Reference Entity. As an owner of a Note, Noteholders will not have special voting rights or rights to receive distributions or any other rights that holders of debt obligations of the Reference Entity may have.

(iii) There is no guarantee, protection or assurance for purchasers of the Notes in respect of the credit or performance of the Reference Entity, Reference Obligation or Obligations. Neither the Issuer nor any of its affiliates makes any representation as to the future performance of the Notes either in absolute terms or relative to other investments.

(iv) The Issuer and its affiliates are not responsible for any Reference Entity's public disclosure of information.

(v) For the avoidance of doubt, breach of representations set out above does not constitute an event that would entitle Noteholders to terminate the Notes under the terms and conditions of this Note.

Annex 2

Reference Entity	S&P/Moody's/Fitch	Reference Obligation ISIN	Reference Obligation
UniCredit SpA	A / Aa3 / A	XS0185030698	UCGIM 4 3/8 02/14