



# Erste Bank der oesterreichischen Sparkassen AG

(incorporated as a joint stock company in the Republic of Austria)

## Prospectus Supplement

dated 20<sup>th</sup> April 2006

to the

## €20,000,000,000 Debt Issuance Programme

dated 9<sup>th</sup> November 2005

This supplement ("the Supplement") constitutes a prospectus supplement pursuant to Art 16 (1) of the Directive 2003/71/EC and sec 6 of the Austrian Capital Markets Act (*Kapitalmarktgesetz*) (the "Act") and is supplemental to, and should be read in conjunction with, the prospectus dated 9th November 2005 and the supplements to the prospectus dated 19<sup>th</sup> January 2006 and 14<sup>th</sup> February 2006 (together the "Original Prospectus" and, together with this Supplement, the "Prospectus") relating to a €20,000,000,000 Debt Issuance Programme (the "Programme") of Erste Bank der oesterreichischen Sparkassen AG (the "Issuer" or "Erste Bank").

This Supplement has been approved by the Austrian Finanzmarktaufsichtsbehörde (the "FMA") in its capacity as competent authority under the Act and has been filed with the Filing Office (*Meldestelle*) at Oesterreichische Kontrollbank Aktiengesellschaft in accordance with the Act. This Supplement has also been filed with the Wiener Börse AG (the "Vienna Stock Exchange"), which has admitted the Programme to the "*Amtlicher Handel*" (Official Market) and the "*Geregelter Freiverkehr*" (Second Regulated Market).

Terms defined in the Original Prospectus shall have the same meaning when used in the Supplement.

**This Supplement does not constitute an offer of, or an invitation by or on behalf of any of the Issuer, the Dealers or the Arrangers to subscribe for, or purchase, any Notes.**

To the extent that there is any inconsistency between a) any statement in this Supplement or any statement incorporated by reference into the Original Prospectus by this Supplement and b) any other statement in or contemplated by reference in the Original Prospectus, the statements in a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation other than those contained in this Supplement and the Original Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers (as defined in "Subscription and Sale" of the Original Prospectus) or either of J.P. Morgan Securities Ltd. (the "International Arranger") or Erste Bank der oesterreichischen Sparkassen AG (in its capacity as the arranger of issues of Domestic Notes only, the "Domestic Arranger" and together with the International Arranger, the "Arrangers"). Neither the delivery of this Supplement nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Group since the date hereof or the date upon which this Supplement has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Supplement has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Supplement and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Supplement comes are required by the Issuer, the Dealers and the Arrangers to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may include Notes in bearer form that are subject to US tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to US persons. For a description of certain restrictions on distribution of this Supplement, see "Subscription and Sale" of the Original Prospectus.

The Dealers and the International Arranger have not separately verified the information contained in this Supplement. None of the Dealers or the International Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Supplement. Neither this Supplement nor any financial statements supplied in connection with the Programme or any Notes are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Dealers or the Arrangers that any recipient of this Supplement or any financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Supplement or any financial statements and its purchase of Notes should be based upon any such investigation as it deems necessary. None of the Dealers or the International Arranger undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Supplement nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the International Arranger.

The following changes to the Prospectus are hereby made:

**1. The paragraph "Share Capital" on page 9 of the Original Prospectus shall be replaced by the following paragraphs:**

As of 17<sup>th</sup> March 2006, the Issuer's issued share capital was EUR 616,065,120 (comprised of 308,032,560 ordinary shares).

The Issuer's shares are listed and officially traded on the Vienna Stock Exchange (Amtlicher Handel) and on the Prague Stock Exchange.

The major shareholders of the Issuer are DIE ERSTE österreichische Spar-Casse Privatstiftung (30.5 per cent.) and Austria Versicherungsverein auf Gegenseitigkeit (5.0 per cent.). The balance held by the public as of 17<sup>th</sup> March 2006 was 64.5 per cent. (of which all Savings Banks held 6.9 per cent. and Erste Bank's employees held 1.5 per cent. as of 17<sup>th</sup> March 2006).

**2. The paragraph "Central Europe - Direct Holdings of Erste Bank in Central Europe" on page 10 of the Original Prospectus shall be amended and supplemented as follows:**

**Notes**

(3) Erste Bank acquired 95.6 per cent. of the total share capital in November 2005. On 20<sup>th</sup> December 2005, the name of Novosadska banka was changed to Erste Bank a.d., Novi Sad.

**Acquisition of Banca Comerciala Romana S.A.**

Erste Bank has agreed to purchase 490,399,321 shares (equalling 61.8825% of the total share capital) of Banca Comerciala Romana S.A. pursuant to a share purchase agreement dated 21 December 2005 for a total consideration of EUR 3.75 billion. The acquisition is expected to close by June 2006.

**3. The paragraph „Aktienkapital“ on page 16 of the Original Prospectus shall be replaced by the following paragraphs:**

Per 17. März 2006 betrug das einbezahlte Aktienkapital der Emittentin Euro 616.065.120 (bestehend aus 308.032.560 Stammaktien).

Die Aktien der Emittentin notieren und werden im amtlichen Handel der Wiener Börse AG und der Prager Börse gehandelt.

Die Hauptaktionäre der Emittentin sind DIE ERSTE österreichische Spar-Casse Privatstiftung (30,5%) und Austria Versicherungsverein auf Gegenseitigkeit (5,0%). Der Rest beträgt zum 17. März 2006 64,5% und wird im Streubesitz gehalten (davon halten alle Sparkassen 6,9% und Angestellte der Erste Bank 1,5% per 17. März 2006).

**4. The paragraph "Zentraleuropa – Direkte Beteiligungen von Erste Bank in Zentraleuropa" on page 17 of the Original Prospectus shall be amended and supplemented as follows:**

**Fußnoten:**

(3) Im November 2005 erwarb Erste Bank 95,6% des gesamten Aktienkapitals. Am 20.12.2005 wurde der Name der Novosadska banka in Erste Bank a.d., Novi Sad, geändert.

**Erwerb der Banca Comerciala Romana S.A.**

Erste Bank hat vereinbart, 490.399.321 Aktien der Banca Comerciala Romana S.A. (welche 61,8825% des gesamten Aktienkapitals entsprechen) gemäß dem Aktienkaufvertrag vom 21.12.2005 zu einem Gesamtpreis von EUR 3,75 Milliarden zu erwerben. Der Abschluss der Akquisition wird bis Juni 2006 erwartet.

**5. The fourth and fifth paragraph of the chapter "Erste Bank der oesterreichischen Sparkassen AG - Background" on page 94 of the Original Prospectus shall be replaced by the following paragraphs:**

In January 2006, Erste Bank has increased its share capital by a public offer of shares. The total number of new shares issued pursuant to the capital increase was 64,848,960, generating total proceeds of EUR 2,918.2 million. As a result, Erste Bank's share capital was increased by a total of 26.7% from EUR 486,367,200 to EUR 616,065,120 (divided into 308,032,560 ordinary shares) (as of 17th March 2006). The new shares are eligible for dividends for the full financial year 2006. Erste Bank and DIE ERSTE österreichische Spar-Casse Privatstiftung have agreed to a lock-up for their new shares of 180 days. Erste Bank intends to use the proceeds of the capital increase primarily to finance the acquisition of a 62% majority stake in Banca Comerciala Romana (BCR) and to improve Erste Bank's own capital base.

As a result of the capital increase, Erste Bank's major shareholder, Die Erste österreichische Spar-Casse Privatstiftung, a private foundation since 19th December 2003, held 30.5 per cent. of the voting stock of Erste Bank as of 17<sup>th</sup> March 2006. Before its transformation into a private foundation, Die Erste österreichische Spar-Casse Anteilsverwaltungssparkasse was a special form of savings bank holding company (*Anteilsverwaltungssparkasse*) which held 100 per cent. of the voting stock of Die Erste prior to the Merger. This transformation did not result in a change in the shareholding of Die Erste österreichische Spar-Casse Privatstiftung in Erste Bank. As at 17<sup>th</sup> March 2006, Austria Versicherungsverein auf Gegenseitigkeit ("*Austria Verein*") held 5.0 per cent. of the voting stock of Erste Bank and the balance held by the public as of 17<sup>th</sup> March 2006 was 64.5 per cent. (of which all Savings Banks together held 6.9 per cent. and Erste Bank's employees held 1.5 per cent., both as of 17<sup>th</sup> March 2006).

**6. The "Historical Financial Information" on page 124 of the Original Prospectus shall be supplemented as follows:**

Erste Bank has published its annual report for the financial year 2005 on 24<sup>th</sup> March 2006. Copies may be retrieved from Erste Bank's website at [www.erstebank.at](http://www.erstebank.at) under the link "IR" and are available at the seat of Erste Bank.

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