16.04.2015

Final Terms[1]

Erste Group CZK Range Accrual Bond 2015-2018

Prémiový dluhopis RODINA 8 (the **Notes**)

issued pursuant to the

Equity Linked Notes Programme

of

Erste Group Bank AG

Initial Issue Price: 101.50 per cent.

Issue Date: 20.04.2015[2]

Series No.: 159

Tranche No.: 1

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[1] *In the following, Notes with a Specified Denomination of at least Euro 100,000 (or its foreign currency equivalent) will be referred to as **Wholesale Notes**. In the following, Notes with a Specified Denomination of less than Euro 100,000 (or its foreign currency equivalent) will be referred to as **Retail Notes**.*

[2] *The Issue Date is the date of issue and payment of the Notes. In the case of free delivery, the Issue Date is the delivery date.*

IMPORTANT NOTICE

*These Final Terms have been prepared for the purpose of Article 5 (4) of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 and must be read in conjunction with the Base Prospectus pertaining to the Equity Linked Notes Programme (the "**Programme"**) of Erste Group Bank AG (the "**Issuer**"), dated 18 February 2015 (the "**Prospectus**") and all supplements to the Prospectus. The Prospectus and any supplements thereto are available for viewing in electronic form on the website of the Issuer (*www.erstegroup.com/de/Capital-Markets/Prospekt/Anleihen*). Full information on the Issuer and the Notes is only available on the basis of the combination of the Prospectus, any supplements thereto and these Final Terms. A summary of this issue is annexed to these Final Terms.*

PART A – TERMS AND CONDITIONS

*The Conditions applicable to the Notes (the "**Conditions**") are the General Conditions contained in the Prospectus and the Issue Specific Conditions set out below.*

§ 1
CURRENCY, PRINCIPAL AMOUNT, DENOMINATION, BUSINESS DAY AND LANGUAGE

(1) *Currency, Principal Amount, Denomination.* This tranche (the "**Tranche**") of notes (the "**Notes**") is being issued by Erste Group Bank AG (the "**Issuer**") in Czech Koruna (CZK) (the "**Specified Currency**") in the aggregate principal amount of up to CZK 3,000,000,000 (in words: three billion) (the "**Aggregate Principal Amount**") in the denomination of CZK 10,000 (the "**Specified Denomination**" or the "**Principal Amount per Note**").

(2) *Business Day*. "**Business Day**" means a calendar day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets in Prague settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) and the Trans-European Automated Real-Time Gross Settlement Express Transfer System 2 or its successor ("**TARGET**") is open.

(3) *Language.* These Terms and Conditions are written in the English language only.

§ 2
INTEREST

The Notes do not accrue interest.

§ 3
REDEMPTION

Unless previously redeemed in whole or in part or purchased and cancelled, and subject to adjustment in accordance with the provisions set out in § 4 of the Issue Specific Conditions, the Notes shall be redeemed at their Final Redemption Amount on 04.06.2018 (the "**Maturity Date**"). The "**Final Redemption Amount**" in respect of each Note shall be the sum of (i) 100.00 per cent. of the Principal Amount per Note and (ii) the product of (x) the Principal Amount per Note and (y) the Bonus Interest Rate.

"**Shares**" are the shares of the "**Share Basket**" listed in the below table:

Share issuer	ISIN	Type	Exchange	Screen Page
TELSTRA CORP LTD	AU000000TLS2	Common Share	Australian Securities Exchange (ASX)	Reuters TLS.AX
KYOCERA CORP	JP3249600002	Common Share	Tokyo Stock Exchange	Reuters 6971.T
FUJITSU LTD	JP3818000006	Common Share	Tokyo Stock Exchange	Reuters 6702.T
CANON INC	JP3242800005	Common Share	Tokyo Stock Exchange	Reuters 7751.T
INDITEX	ES0148396007	Common Share	Madrid Stock Exchange	Reuters ITX.MC
PEPSICO INC	US7134481081	Common Share	New York Stock Exchange	Reuters PEP.N
GOODYEAR TIRE & RUBBER CO	US3825501014	Common Share	NASDAQ	Reuters GT.OQ
Facebook Inc	US30303M1027	Common Share	NASDAQ	Reuters FB.OQ
Gilead Sciences Inc	US3755581036	Common Share	NASDAQ	Reuters GILD.OQ
LVMH	FR0000121014	Common	Paris Stock Exchange	Reuters

		Share	(Euronext)	LVMH.PA
BRIDGESTONE CORP	JP3830800003	Common Share	Tokyo Stock Exchange	Reuters 5108.T
COLGATE-PALMOLIVE CO	US1941621039	Common Share	New York Stock Exchange	Reuters CL.N
VISA Inc.	US92826C8394	Common Share	New York Stock Exchange	Reuters V.N
Verizon Communications Inc	US92343V1044	Common Share	New York Stock Exchange	Reuters VZ.N
Henkel AG & Co KGaA	DE0006048432	Peference Share	German Stock Exchange (Xetra)	Reuters HNKG_p.DE
Fresenius SE & Co KGaA	DE0005785604	Common Share	German Stock Exchange (Xetra)	Reuters FREG.DE
Continental AG	DE0005439004	Common Share	German Stock Exchange (Xetra)	Reuters CONG.DE
Bayerische Motoren Werke AG	DE0005190003	Common Share	German Stock Exchange (Xetra)	Reuters BMWG.DE
CARLSBERG AS-B	DK0010181759	Common Share	Copenhagen Stock Exchange (OMX AB)	Reuters CARLb.CO
Total S.A.	FR0000120271	Common Share	Paris Stock Exchange (Euronext)	Reuters TOTF.PA
TYSON FOODS INC	US9024941034	Common Share	New York Stock Exchange	Reuters TSN.N

"**Strike Price**" means in each case the Closing Price each of the Reference Asset on the Strike Fixing Date.

"**Barrier**" is 80.00 *per cent.* of the Strike Price.

"**Reference Assets**" are the Shares included in the Share Basket.

"**Valuation Dates**" are all calendar days within the Observation Period (daily observation). If a calendar day is not a Scheduled Trading Day (as defined in § 5 of the Issue Specific Conditions) or a Disrupted Day (as defined in § 5 of the Issue Specific Conditions) in respect of a Reference Asset, the Closing Price of the immediately preceding Scheduled Trading Day, which is not a Disrupted Day, shall be the Closing Price of this Reference Asset for the decisive calendar day.

"**Observation Period**" means the period from, but excluding, the 20.05.2015 to, and including, the 21.05.2018.

The "**Bonus Interest Rate**" will be calculated by the Calculation Agent and is the sum of (i) the Weighted Base Interest Rate1 and (ii) the Weighted Base Interest Rate2.

"**Exchange**" means the exchange mentioned in the above table for the respective Share or any successor exchange or successor quotation system or any substitute exchange or substitute quotation system to which trading in the respective Share has been temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

The **"Weighted Base Interest Rate1"** is calculated by the Calculation Agent and is the product of (i) the 7.50 *per cent.* and (ii) the result of the division of (x) the number of Valuation Dates in the Observation Period on which the Closing Price of all Reference Assets is equal to or above the respective Strike Price of the respective Reference Asset by (y) the overall number of Valuation Dates in the Observation Period.

The "**Weighted Base Interest Rate2**" is calculated by the Calculation Agent and is the product of (i) the 3.75 *per cent.* and (ii) the result of the division of (x) the number of Valuation Dates on which the Closing Price of all Reference Assets is equal to or above the Barrier of the respective Reference Asset and the Closing Price of at least one Reference Asset is below its Strike Price by (y) the overall number of Valuation Dates in the Observation Period.

"**Strike Fixing Date**" is, subject to an adjustment pursuant to § 5 of the Issue Specific Conditions, 20.05.2015, or if such day is not an Exchange Business Day, in relation to a Reference Asset the next Exchange Business Day for such Reference Asset.

"**Closing Price**" of the Reference Asset is the official Closing Price of the relevant Share on the Exchange at the Valuation Time (as defined in § 5 of the Issue Specific Conditions) on the relevant day.

§ 4
MANNER OF PAYMENT AND PAYMENT BUSINESS DAY

(1) *Manner of Payment*. Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

If the Issuer determines that it is impossible to make payments of amounts due on the Notes in freely negotiable and convertible funds on the relevant due date for reasons beyond its control or that the Specified Currency or any successor currency provided for by law (the "**Successor Currency**") is no longer used for the settlement of international financial transactions, the Issuer may fulfil its payment obligations by making such payments in Euro on the relevant due date on the basis of the Applicable Exchange Rate. Holders shall not be entitled to further interest or any additional amounts as a result of such payment. The "**Applicable Exchange Rate**" shall be (i) (if such exchange rate is available) the exchange rate of Euro against the Specified Currency or the Successor Currency (if applicable) determined and published by the European Central Bank for the most recent calendar day falling within a reasonable period of time prior to the relevant due date, or (ii) (if such exchange rate is not available) the exchange rate of Euro against the Specified Currency or the Successor Currency (if applicable) which the Calculation Agent has calculated as the arithmetic mean of offered rates concerning the Specified Currency or the Successor Currency (if applicable) quoted to the Calculation Agent by four leading banks operating in the international foreign exchange market for the most recent calendar day falling within a reasonable (as determined by the Calculation Agent in its reasonable discretion) period of time prior to the relevant due date, or (iii) (if such exchange rate is not available) the exchange rate of Euro against the Specified Currency or the Successor Currency (if applicable) as determined by the Calculation Agent in its reasonable discretion.

(2) *Payment Business Day*. If the due date for any payment in respect of the Notes would otherwise fall on a day which is not a Payment Business Day (as defined below), the due date for such payment shall be postponed to the next day which is a Payment Business Day.

"**Payment Business Day**" means a day (other than a Saturday or a Sunday) on which (i) the Clearing System is open, and (ii) commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Prague and the Trans-European Automated Real-Time Gross Settlement Express Transfer System 2 (**TARGET**) is open.

If the due date for the redemption of the Principal Amount of the Notes is adjusted the Holder shall not be entitled to payments in respect of such adjustment.

§ 5
MARKET DISRUPTIONS IN RESPECT OF THE SHARES

(a) Market Disruptions

The Reference Date for each Share not affected by the occurrence of a Disrupted Day (as determined by the Calculation Agent) shall be the Scheduled Reference Date.

If the Calculation Agent determines that any Reference Date for any Share is a Disrupted Day, then the Reference Date for such Share shall be the first succeeding Scheduled Trading Day that the Calculation Agent determines is not a Disrupted Day in respect of such Share, unless the Calculation Agent determines that each of the consecutive Scheduled Trading Days up to and including the Reference Cut-Off Date is a Disrupted Day. In that case or if any Reference Date falls on the

Reference Cut-Off Date since the original date on which it was scheduled to fall is not a Scheduled Trading Day:

(i) that Reference Cut-Off Date shall be deemed to be the Reference Date for such Share, notwithstanding the fact that such day is a Disrupted Day or is not a Scheduled Trading Day; and

(ii) the Calculation Agent shall determine its good faith estimate of the value for the Share as of the Valuation Time on that Reference Cut-Off Date (and such determination by the Calculation Agent pursuant to this paragraph (ii) shall be deemed to be the Share Price at the Valuation Time in respect of the relevant Reference Date).

(b) Notification

The Calculation Agent shall give notice, as soon as practicable, to the Holders in accordance with § 11 of the General Conditions of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day would have been a Reference Date. Any failure by the Calculation Agent to so notify the Holders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence or the consequences of such Disrupted Day.

(c) Definitions

"**Share**" has the meaning as defined in § 3 of the Issue Specific Conditions.

"**Share Issuer**" means the issuer of the Share.

"**Share Price**" means any price of the Share as published by the Exchange.

"**Valuation Time**" means the Scheduled Closing Time on the relevant Exchange on the relevant day in relation to each Share to be valued. If the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

"**Exchange**" has the meaning as defined in § 3 of the Issue Specific Conditions.

"**Exchange Business Day**" means any Scheduled Trading Day on which the Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or Related Exchange closing prior to its Scheduled Closing Time.

"**Exchange Disruption**" means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

"**Trading Disruption**" means any suspension of, or limitation imposed on, trading by the Exchange or any Related Exchange or otherwise, and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise, (i) relating to the Share on the Exchange or (ii) in futures or options contracts relating to the Share on any relevant Related Exchange.

"**Market Disruption Event**" means the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

"**Reference Cut-Off Date**" means the eighth Scheduled Trading Day immediately following the Scheduled Reference Date or, if earlier, the Scheduled Trading Day falling on or immediately preceding the second Business Day immediately preceding the due date on which payment of any amount or delivery of any assets may have to be made pursuant to any calculation or determination made on such Reference Date, provided that the Reference Cut-Off Date shall not fall prior to the original date on which such Reference Date was scheduled to fall.

"**Reference Date**" means the Strike Fixing Date and the Valuation Date, or if earlier, the Reference Cut-Off Date.

"**Disrupted Day**" means any Scheduled Trading Day on which the Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

"**Related Exchange**" means each exchange or quotation system (as the Calculation Agent may select) where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share or, in any such case, any transferee or successor exchange of such exchange or quotation system (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange).

"**Scheduled Closing Time**" means in respect of the Exchange or any Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.

"**Scheduled Trading Day**" means any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

"**Scheduled Reference Date**" means any original date that, but for the occurrence of an event causing a Disrupted Day, would have been a Reference Date.

"**Early Closure**" means the closure on any Exchange Business Day of the Exchange or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

§ 6
ADDITIONAL DISRUPTION EVENTS

If any Additional Disruption Event occurs in respect of any Share, the Issuer, acting in its reasonable discretion, may:

(i) require the Calculation Agent to determine, in its reasonable discretion, the adjustment, if any, to be made to any one or more of the Issue Specific Conditions, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines appropriate to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(ii) repay the Notes by giving notice to Holders in accordance with § 11 of the General Conditions. If the Notes are so settled, the Issuer will pay to each Holder, in respect of each Note held by such Holder, an amount equal to the fair market value of the Note taking into account the Additional Disruption Event, adjusted to account fully for any reasonable expenses and costs of the Issuer and/or its affiliates of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps, or other securities of any type whatsoever hedging the Issuer's obligations under the Notes), all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with § 11 of the General Conditions.

On or after the occurrence of a relevant Additional Disruption Event, the Issuer may, in addition to (i) and (ii) above, require the Calculation Agent to adjust the Share Basket to include a share selected by it (the "**Substitute Share(s)**") in place of the Shares (the "**Affected Share(s)**") which are affected by such Additional Disruption Event and such Substitute Shares will be deemed "Shares" and their issuer a "Share Issuer" for the purposes of the Shares, respectively, and the Calculation Agent may make such adjustment to any one or more of the Terms and Conditions, including without limitation, any variable or term relevant to the settlement or payment under the Notes as the Calculation Agent determines appropriate, and/or any of the other terms of these Conditions as the Calculation Agent, in its reasonable discretion, determines appropriate. In this regard:

(a) such substitution and the relevant adjustment to the Terms and Conditions will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**"), in its absolute discretion, and specified in the notice referred to in § 11 of the General Conditions;

(b) the weighting of each Substitute Share in the relevant basket will be equal to the weighting of the relevant Affected Share, unless otherwise determined by the Calculation Agent in its reasonable discretion;

(c) in order to be selected as a Substitute Share, any relevant share must be a share which, in the reasonable discretion of the Calculation Agent:

(I) is not already the Share or comprised in the Share Basket, as the case may be;

(II) belongs to a similar economic sector as the Affected Share;

(III) to the extent possible issued by a stock corporation being incorporated in the same jurisdiction or geographical area; and

(IV) is of comparable market capitalization, international standing, and exposure as the Affected Share.

Upon the occurrence of an Additional Disruption Event, the Issuer shall give notice as soon as practicable, to the Holders in accordance with § 11 of the General Conditions, stating the occurrence of the Additional Disruption Event, giving details thereof and the action proposed to be taken in relation thereto. Any failure to give, or non-receipt of, such notice will not affect the validity of Additional Disruption Event.

"**Hedge Positions**" means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives, or foreign exchange, (ii) stock loan transactions or (iii) other arrangements (howsoever described) by the Issuer and/or any of its affiliates in order to hedge its obligations under the Notes, individually or on a portfolio basis.

"**Hedging Disruption**" means that the Issuer and/or any of its affiliates is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Notes, or (ii) realize, recover, or remit the proceeds of any such transaction(s) or asset(s).

"**Increased Cost of Hedging**" means that the Issuer and/or any of its affiliates would incur a materially increased (as compared with circumstances existing on the Strike Fixing Date) amount of tax, duty, expense, or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind, or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Issuer issuing and performing its obligations with respect to the Notes , or (b) realize, recover, or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its affiliates shall not be deemed an Increased Cost of Hedging.

"**Change in Law**" means that, on or after the Strike Fixing Date, due to (i) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (ii) the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Calculation Agent determines, in its reasonable discretion, that (y) it has become illegal for the Issuer and/or any of its affiliates to hold, acquire or dispose of relevant Hedge Positions including any relevant Share, or (z) the Issuer and/or any of its affiliates will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit, or other adverse effect on its tax position).

"**Insolvency Filing**" means that a Share Issuer institutes, or has instituted against it by a court, regulator, supervisor, or any similar official with primary insolvency, rehabilitative, or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor, or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Issuer shall not be deemed an Insolvency Filing.

"**Additional Disruption Event**" means any Change in Law, Hedging Disruption, Increased Cost of Hedging and/or Insolvency Filing.

§ 7
ADJUSTMENTS IN RESPECT OF THE SHARES

(a) Potential Adjustment Events

Following the determination by the Calculation Agent that a Potential Adjustment Event has occurred in respect of any Share or following any adjustment to the settlement terms of listed options or futures contracts on any Share traded on a Related Exchange, the Calculation Agent will, in its reasonable discretion, determine whether such Potential Adjustment Event or adjustment to the settlement terms of listed options or futures contracts on the relevant Share traded on a Related Exchange has a diluting or concentrative effect on the theoretical value of such Share and, if so, (i) will make the corresponding adjustment, if any, to any one or more of the Issue Specific Conditions, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent, in its reasonable discretion, determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate, or liquidity relative to the relevant Share), and (ii) determine the effective date of that adjustment. The Calculation Agent will generally, but need not, make the same adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Share traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with § 11 of the General Conditions stating the adjustment to the Issue Specific Conditions, and giving brief details of the Potential Adjustment Event. Any failure to give, or non-receipt of, such notice will not affect the validity of the Potential Adjustment Event.

"**Potential Adjustment Event**" means:

(i) a subdivision, consolidation or reclassification of relevant Shares (unless resulting in a Merger Event) or a free distribution or dividend of any such Shares to existing holders of the Shares by way of bonus, capitalization, or similar issue;

(ii) a distribution, issue, or dividend to existing holders of the relevant Shares of (I) such Shares, or (II) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares, or (III) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (IV) any other type of securities, rights, or warrants, or other assets, in any case for payment (in cash or in other consideration) at less than the prevailing market price, all as determined by the Calculation Agent;

(iii) an Extraordinary Dividend;

(iv) a call by a Share Issuer in respect of relevant Shares that are not fully paid;

(v) a repurchase by a Share Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities, or otherwise;

(vi) in respect of a Share Issuer, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments, or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or

(vii) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant Shares.

(b) Merger Event, Tender Offer, Delisting, Nationalisation, and Insolvency

If a Merger Event, Tender Offer, Delisting, Nationalisation, or Insolvency occurs in relation to any Share, the Issuer in its reasonable discretion, may:

(i) on or after the relevant Merger Date, Tender Offer Date, or the date of the Nationalisation, Insolvency, or Delisting (as the case may be), require the Calculation Agent to replace the share (the "**Substitute Share**") in place of the Share (the "**Affected Share**") which is affected by such Merger Event, Tender Offer, Nationalisation, Insolvency, or Delisting, and the Substitute Share and their issuer will be deemed "Share" and a "Share Issuer" for the purposes of the Issue Specific Conditions, respectively, and the Calculation Agent may make such adjustment, if any, to any one or more of the Issue Specific Conditions, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines, in its reasonable discretion, appropriate. In this regard:

(a) such substitution and the relevant adjustment to the Terms and Conditions will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**"), in its reasonable discretion, and specified in the notice referred to in § 11 of the General Conditions which may, but need not, be the Merger Date or Tender Offer Date or the date of the Nationalisation, Insolvency, or Delisting (as the case may be);

(b) in order to be selected as a Substitute Share, each relevant share must be a share which, in the reasonable discretion of the Calculation Agent:

(I) is not already the Share or in the Share Basket as the case may be;

(II) belongs to a similar economic sector as the Affected Share;

(III) to the extent possible issued by a stock corporation being incorporated in the same jurisdiction or geographical area as the issuer of the Affected Share; and

(IV) is of comparable market capitalization, international standing, and exposure as the Affected Share;

and

(ii) require the Calculation Agent to determine, in its reasonable discretion, the appropriate adjustment, if any, to be made to any one or more of the conditions, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines, in its reasonable discretion, appropriate to account for the Merger Event, Tender Offer, Delisting, Nationalisation, or Insolvency, as the case may be, and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate, or liquidity relevant to the Shares or to the Notes. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Delisting, Nationalisation, or Insolvency made by any options exchange to options on the Shares traded on that Options Exchange or

(iii) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer, in its reasonable discretion, shall select (the "**Selected Exchange**"), require the Calculation Agent to make the appropriate adjustment, if any, to any one or more of the Issue Specific Conditions, including without limitation, any variable or term relevant to the settlement or payment under the Notes, as the Calculation Agent determines, in its reasonable discretion, appropriate, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Selected Exchange. If options on the Shares are not traded on the Selected Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the conditions, including without limitation, any variable or term relevant to the settlement or payment under the Notes as the Calculation Agent in its reasonable discretion determines appropriate, with reference to the rules and precedents (if any) set by the Selected Exchange to account for the Merger Event, Tender Offer, Delisting, Nationalisation, or Insolvency, as the case may be, that in the judgment of the Calculation Agent would have given rise to an adjustment by the Selected Exchange if such options were so traded or

(iv) having given notice to Holders in accordance with § 11 of the General Conditions, repay all, but not some only, of the Notes , each Note being repaid by payment of an amount equal to the fair market value of a Note taking into account the Merger Event, Tender Offer, Delisting, Nationalisation, or Insolvency, as the case may be, adjusted to account fully for any reasonable expenses and costs of the Issuer and/or its affiliates of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps, or other securities of any type whatsoever hedging the Issuer's obligations under the Notes), all as determined by the Calculation Agent in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with § 11 of the General Conditions.

(c) Notification

Upon the occurrence of a Merger Event, Tender Offer, Delisting, Nationalisation, or Insolvency, the Issuer shall give notice as soon as practicable to the Holders, in accordance with § 11 of the General Conditions, stating the occurrence of the Merger Event, Tender Offer, Delisting, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto, including, in the case of Substitute Shares, the identity of the Substitute Shares, and the Substitution Date. Any failure to give, or non-receipt of, such notice will not affect the validity of the Merger Event, Tender Offer, Delisting, Nationalisation, or Insolvency.

(d) Correction of Share Price

In the event that any Share Price published on the Exchange on any date which is utilized for any calculation or determination is subsequently corrected and the correction is published by the Exchange within one Settlement Cycle after the original publication, the Calculation Agent will make any determination or determine the amount that is payable or deliverable as a result of that correction, and, to the extent necessary, will adjust any relevant conditions to account for such correction, provided that, if a Correction Cut-Off Date is applicable for a relevant Share for any relevant date, corrections published after such Correction Cut-Off Date will be disregarded by the Calculation Agent for the purposes of determining or calculating any relevant amount.

(e) Definitions

"**Settlement Cycle**" means the period of Clearing System Business Days following a trade in the Share on the Exchange in which settlement will customarily occur according to the rules of such Exchange.

"**Extraordinary Dividend**" means a dividend that the Calculation Agent determines to be extraordinary in its reasonable discretion.

"**Clearing System**" means, in respect of correction of a Share Price, the principal domestic clearing system customarily used for settling trades in the relevant Shares on any relevant date.

"**Clearing System Business Day**" means, in respect of a Clearing System, any day on which such Clearing System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

"**Delisting**" means, in respect of any relevant Shares, the Exchange announcing that pursuant to the rules of that Exchange, such Shares cease (or will cease) to be listed, traded, or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded, or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in a member state of the European Union).

"**Merger Event**" means any (i) reclassification or change of such Shares that results in a transfer of, or an irrevocable commitment to transfer all such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger, or binding share exchange of a Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger, or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal, or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Share Issuer that results in a transfer of, or an irrevocable commitment to transfer, all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger, or binding share exchange of the Share Issuer or its subsidiaries with or into another entity in which the Share Issuer is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Merger Date is on or before the last occurring Valuation Date.

"**Merger Date**" means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution, or winding-up of or any analogous proceeding affecting the Share Issuer, (i) all the Shares of that Share Issuer are required to be transferred to a trustee, liquidator, or other similar official, or (ii) holders of the Shares of that Share Issuer become legally prohibited from transferring them.

"**Options Exchange**" means, the Related Exchange (if such Related Exchange trades options contracts relating to the relevant Share) or the Related Exchange selected by the Calculation Agent as the primary market for listed options contracts relating to the relevant Share.

"**Correction Cut-Off Date**" means the Business Day which is two Business Days prior to the Maturity

Date.

"**Tender Offer Date**" means, in respect of a Tender Offer, the date on which voting Shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

"**Tender Offer**" means a takeover offer, tender offer, exchange offer, solicitation, proposal, or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining, or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 *per cent.* of the outstanding voting shares of a Share Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

PART B – OTHER INFORMATION

ESSENTIAL INFORMATION

Interests of Natural and Legal Persons Involved in the Issue or the Offering

☒ Save for the commercial interests of the Manager, so far as the Issuer is aware, no person involved in the issue or offering of the Notes has an interest material to the issue or the offering.

☐ Other Interests

Reasons for the Offer and use of Proceeds [2]	Not applicable
Estimated Net Proceeds [3]	Not applicable
Estimated Total Expenses of the Issue	up to EUR 4,000

INFORMATION CONCERNING THE SECURITIES TO BE OFFERED OR ADMITTED TO TRADING

Security Codes

☒ ISIN	AT0000A1E0T9
☒ German Security Code	EB0JFC
☐ Any Other Security Code	

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[2] Siehe den Abschnitt mit der Überschrift "*3.1.10 Reasons for the offer and use of proceeds from the sale of the Notes*" im Prospekt. Falls der Nettoerlös nicht für die allgemeinen Finanzierungszwecke der Emittentin, verwendet werden sollen, sind diese Gründe einzufügen. Nicht auszufüllen im Fall von Wholesale Schuldverschreibungen.

[3] Sofern die Erträge für Verschiedene Verwendungszwecke vorgesehen sind, sind dieses aufzuschlüsseln und nach der Priorität der Verwendungsszwecke darzustellen.

Information about the past and future performance of the underlying and its volatility

Details information about the past and future performance of the Shares contained in the share basket can be obtained from the following screen pages:

Share	**Screen Page**
TELSTRA CORP LTD	Reuters TLS.AX
KYOCERA CORP	Reuters 6971.T
FUJITSU LTD	Reuters 6702.T
CANON INC	Reuters 7751.T
INDITEX	Reuters ITX.MC
PEPSICO INC	Reuters PEP.N
GOODYEAR TIRE & RUBBER CO	Reuters GT.OQ
Facebook Inc	Reuters FB.OQ
Gilead Sciences Inc	Reuters GILD.OQ
LVMH	Reuters LVMH.PA
BRIDGESTONE CORP	Reuters 5108.T
COLGATE-PALMOLIVE CO	Reuters CL.N
VISA Inc.	Reuters V.N
Verizon Communications Inc	Reuters VZ.N
Henkel AG & Co KGaA	Reuters HNKG_p.DE
Fresenius SE & Co KGaA	Reuters FREG.DE
Continental AG	Reuters CONG.DE
Bayerische Motoren Werke AG	Reuters BMWG.DE
CARLSBERG AS-B	Reuters CARLb.CO
Total S.A.	Reuters TOTF.PA
TYSON FOODS INC	Reuters TSN.N

Issue Yield	The yield cannot be disclosed in advance (i) as it depends on the development of one or more underylings or (ii) as certain payments are effectuated as bullet payments.
Representation of debt security holders including an identification of the organisation representing the investors and provisions applying to such representation. Indication of where the public may have access to the contracts relating to these forms of representation	Not applicable
Resolutions, authorisations and approvals by virtue of which the Notes will be created and/or issued	According to Overall Planning Approval of Management Board dated 5 December 2014 and Supervisory Board dated 11 December 2014

TERMS AND CONDITIONS OF THE OFFER

Conditions, Offer Statistics, Expected Timetable and Action Required to Apply for the Offer

Conditions, to which the offer is subject	Not applicable
Total amount of the issue/offer; if the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer	up to CZK 3,000,000,000
The time period, including any possible amendments, during which the offer will be open and description of the application process	In case of tap issues the time period during which the offer will be open corresponds with the maturity of the Notes, which means the period starting with 20.04.2015 until the Maturity Date or the end of the offer determined by the Issuer.
A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants	Not applicable
Details of the minimum and/or maximum amount of application (whether in number of securities or aggregate amount to invest)	Minimum amount of application is CZK 10,000
Method and time limits for paying up the securities and for delivery of the securities	Payment of the Issue Price and delivery of the securities is made on the basis of the subscription agreement to be concluded between the investor and the Issuer in relation to the purchase of the Notes.
A full description of the manner and date in which results of the offer are to be made public	In case of a tap issue the results of the offer will be made public by the Issuer at the end of the subscription period, which means immediately at the end of the offer by notifying the Oesterreichische Kontroll-bank Aktiengesellschaft as common securities depository and the stock exchange on which the Notes are listed.
The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised	Not applicable

Plan of Distribution and Allotment

If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.	Not applicable
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made.	The subscriber will be informed of the amount of securities allocated by way of booking such amount to its deposit account. Commencement of trading is not possible before the allocation of the Notes.

Pricing

An indication of the expected price at which the securities will be offered or the method of determining the price and the process for its disclosure.	Initial Issue Price: 101.50%, may be adjusted from time to time in accordance with the market price
Indicate the amount of any expenses and taxes specifically charged to the subscriber or purchaser.	Selling concession: not higher than 1.00% of the principal amount, but may be lower depending on the market development during the offer period

PLACING AND UNDERWRITING

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, or the placers in the various countries where the offer takes place.	Diverse Financial Service Provider in Czech Republic

Method of Distribution

☒ Non-Syndicated

☐ Syndicated

Subscription Agreement

Date of Subscription Agreement	Not applicable
General Features of the Subscription Agreement	Not applicable

Details with Regard to the Managers

Managers	Not applicable
☐ Firm Commitment	
☐ Without Firm Commitment	
Stabilising Manager	None

Commissions, Concessions and Estimated Total Expenses

☐ Management and Underwriting Commission
☐ Selling Concession
☐ Other

Total Commission and Concession

LISTING ADMISSION TO TRADING AND DEALING ARRANGEMENTS

Listing	No
☐ Frankfurt am Main	
☐ Regulated Market	
☐ Open Market	
☐ Regulated Market "Bourse de Luxembourg"	
☐ Stuttgart	
☐ Regulated Market	
☐ Open Market	
☐ Vienna	
☐ Official Market	
☐ Second Regulated Market	
☐ Other Stock Exchange	
Date of Admission	Not applicable
Estimate of the total expenses related to the admission to trading	Not applicable
All regulated markets or equivalent markets on which to the knowledge of the Issuer, notes of the same class of the Notes to be offered or admitted to trading are already admitted to trading	Not applicable
Name and address of the entities which have committed themselves to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment	Not applicable

ADDITIONAL INFORMATION

Rating

The Notes have not been rated

Selling Restrictions

TEFRA

☒ TEFRA C

☐ Additional Selling Restrictions	Not applicable

Consent to the Use of the Prospectus

Offer period during which subsequent resale or final placement of the Notes by Dealers and/or further financial intermediaries can be made	For the duration of the validity of the Prospectus
Further conditions for the use of the Prospectus	Not applicable

Signed on behalf of the Issuer

By: Duly authorised	By: Duly authorised

1. SUMMARY

*This summary is made up of disclosure requirements known as elements (the "**Elements**"). These Elements are numbered in sections A – E (A.1 – E.7).*

This summary contains all the Elements required to be included in a summary for this type of securities and the Issuer. As some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and the issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the specification of "Not applicable".

A. Introduction and Warnings

A.1	Warning	This summary (the "**Summary**") should be read as an introduction to the prospectus (the "**Prospectus**") of the Equity Linked Notes Programme (the "**Programme**"). Any decision by an investor to invest in notes issued under the Prospectus (the "**Notes**") should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States of the European Economic Area, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to Erste Group Bank AG ("**Erste Group Bank**"), Graben 21, 1010 Vienna, Austria (in its capacity as issuer under the Programme, the "**Issuer**") who tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such Notes.
A.2	Consent by the Issuer or person responsible for drawing up the Prospectus to the use of the Prospectus for subsequent resale or final placement of securities by financial intermediaries. Indication of the offer period within which	The Issuer consents that (i) all credit institutions pursuant to the Directive 2013/36/EU acting as financial intermediaries subsequently reselling or finally placing the Notes and (ii) each further financial intermediary who is disclosed on the website of the Issuer under "www.erstegroup.com" as an intermediary who is given the Issuer's consent to the use of this Prospectus for the reselling or finally placing of Notes (together, the "**Financial Intermediaries**") are entitled to use the Prospectus during the relevant offer period during which subsequent resale or final placement of the relevant Notes can be made, provided however, that the Prospectus is still valid in accordance with

subsequent resale or final placement of securities by financial intermediaries can be made and for which consent to use the Prospectus is given.	section 6a of the KMG which implements the Prospectus Directive.
Any other clear and objective conditions attached to the consent which are relevant for the use of the Prospectus.	The consent by the Issuer to the use of the Prospectus for subsequent resale or final placement of the Notes by the Financial Intermediaries has been given under the condition that (i) potential investors will be provided with the Prospectus, any supplement thereto and the relevant Final Terms and (ii) each of the Financial Intermediaries ensures that it will use the Prospectus, any supplement thereto and the relevant Final Terms in accordance with all applicable selling restrictions specified in this Prospectus and any applicable laws and regulations in the relevant jurisdiction. In the applicable Final Terms, the Issuer can determine further conditions attached to its consent which are relevant for the use of the Prospectus. The Issuer reserves the right to withdraw its consent to use this Prospectus at any time.
Notice in bold informing investors that, in the event of an offer being made by a financial intermediary, this financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.	**In the event of an offer being made by financial intermediary the financial intermediary shall provide information to investors on the terms and conditions of the offer at the time the offer is made.**

B. The Issuer

B.1	The legal and commercial name of the Issuer:	The legal name of Erste Group Bank is "Erste Group Bank AG", its commercial name is "Erste Group". "**Erste Group**" also refers to Erste Group Bank and its consolidated subsidiaries.
B.2	The domicile and legal form of the Issuer, the legislation under which the Issuer operates and its country or incorporation:	Erste Group Bank is a stock corporation (*Aktiengesellschaft*) organised and operating under Austrian law, registered with the companies register (*Firmenbuch*) at the Vienna Commercial Court (*Handelsgericht Wien*) under the registration number FN 33209m. Erste Group Bank's registered office is in Vienna, Republic of Austria. It has its business address at Graben 21, 1010 Vienna, Austria.
B.4b	Any known trends affecting the Issuer and the industries in which it operates:	The past global financial crisis has led to an increase in regulatory activities at national and international levels to adopt new and more strictly enforce existing regulation for the financial industry in which the Issuer operates. Regulatory changes or enforcement initiatives could further affect the financial industry.

		New governmental or regulatory requirements and changes in levels of adequate capitalisation, liquidity and leverage could lead to increased capital and liquidity requirements or standards. Governmental and central bank action in response to the financial crisis could significantly affect competition and may affect investors of financial institutions.
B.5	If the Issuer is part of a group, a description of the group and the Issuer's position within the group:	Erste Group consists of Erste Group Bank, together with its subsidiaries and participations, including Erste Bank Oesterreich in Austria, Česká spořitelna in the Czech Republic, Banca Comercială Română in Romania, Slovenská sporiteľňa in the Slovak Republic, Erste Bank Hungary in Hungary, Erste Bank Croatia in Croatia, Erste Bank Serbia in Serbia and, in Austria, Salzburger Sparkasse, Tiroler Sparkasse, s-Bausparkasse, other savings banks of the Haftungsverbund, Erste Group Immorent AG, and others. Erste Group Bank operates as the parent company of Erste Group and is the lead bank in the Austrian Savings Banks Sector.
B.9	Where a profit forecast or estimate is made, state the figure:	Not applicable; no profit forecast or estimate has been made.
B.10	A description of the nature of any qualifications in the audit report on the historical financial information:	Not applicable; there are no qualifications.
B.12	Selected historical key financial information:	

in millions of Euro (rounded)	31 December 2013 audited	31 December 2012 audited
Total liabilities and equity	199,876	213,824
Total equity	14,781	16,339
Net interest income	4,858	5,235
Pre-tax profit/loss	374	801
Net profit/loss for the year	196	631
Net profit/loss for the year attributable to owners of the parent	61	483

Source: Audited Consolidated Financial Statements 2013 and 2012

in millions of Euro (rounded)	30 September 2014 unaudited	31 December 2013 as restated[1)]
Total liabilities and equity	196,973	200,118
Total equity	13,652	14,785
in millions of Euro (rounded)	**30 September 2014 unaudited[1)]**	**30 September 2013 unaudited[1)]**
Net interest income	3,369.6	3,515.8
Pre-tax result from continuing operations	-955.5	598.0
Net result for the period	-1,389.3	567.0
Net result attributable to owners of the parent	-1,484.0	430.6

Source: Unaudited Interim Condensed Consolidated Financial Statements 30 September 2014 with comparative restated financial information for the year ended 31 December 2013

1) As a result of IFRS 10 application on 1 January 2014, Erste Group started with consolidation of 18 investment funds managed by asset management companies of Erste Group. The consolidation has been applied retrospectively. All affected 2013 comparative figures have been restated. In 2014, Erste Group changed the structure of its balance sheet, income statement and some explanatory notes, in order to provide more reliable and relevant information about its financial position and performance. The new structure has also been introduced in order to generate synergies in addressing the new IFRS-based Financial Reporting regulatory requirements ("FINREP"). For more detailed information on the restatement and the changes in the structure of the line items in the balance sheet and income statement, please see the Unaudited Interim Condensed Consolidated Financial Statements 30 September 2014.

"in millions of Euro (rounded)	31 December 2014 audited	31 December 2013 restated *)
Total liabilities and equity	196,287	200,118
Total equity	13,443	14,785
Net interest income	4,495	4,685
Pre-tax result from continuing operations	-803	378
Net result for the period	-1,313	200
Net result attributable to owners of the parent	-1,442	60

Source: Audited Consolidated Financial Statements 2014

*) Adoption of IFRS 10 led to retrospective consolidation of several entities and additionally the new implemented structure of Income Statement and Balance Sheet resulted in retrospective changes in the presentation.

	Statement with regard to no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change:	There has been no material adverse change in the prospects of the Issuer since the date of the Audited Consolidated Financial Statements 2014.
	Description of significant changes in the financial or trading position subsequent to the period covered by the historical financial information:	Not applicable. There has been no significant change in the financial position of the Issuer since 31 December 2014.
B.13	Description of any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency:	Not applicable; there are no recent events particular to the Issuer that are to a material extent relevant to the evaluation of the Issuer's solvency.
B.14	If the Issuer is part of a group, any dependency upon other entities within the group:	The Issuer is the parent company of Erste Group and thus dependent on the business results of the operations of all of its affiliates, subsidiaries and group companies.
B.15	A description of the Issuer's principal activities:	It provides a full range of banking and financial services, including deposit and current account products, mortgage and consumer finance, investment and working capital finance, private banking, investment banking, asset management, project finance, international trade finance, trading, leasing and factoring.
B.16	To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control.	As of 31 December 2014, 30.0% of the shares in Erste Group Bank were attributable to DIE ERSTE Österreichische Spar-Casse Privatstiftung ("**Erste Stiftung**") which held 10.8% directly and 9.3% indirectly (including voting rights of DIE ERSTE österreichische Spar-Casse Privatstiftung, savings banks, savings banks foundations and Wiener Städtische Wechselseitige Versicherungsverein), and 9.9% of the shares in Erste Group Bank were held by CaixaBank, S.A. which are also attributable to Erste Stiftung. The free float amounts to 70.0% (of which 4.1% were held by UNIQA Versicherungsverein Privatstiftung, Vienna, Austria, 4.0% were held by Harbor International Fund, 4.1% were held by Lone Pine Capital, 47.2% by institutional investors, 9.6% by retail investors and 1.0% by Erste Group's employees) (all numbers are rounded).

B.17	Credit ratings assigned to an issuer or its debt securities at the request or with the cooperation of the issuer in the rating process:	Credit rating assigned to the Notes: Not applicable; the Notes are not rated. Credit rating assigned to the Issuer as of 1 April 2015: Standard & Poors assigned the following ratings:

Long Term deposits	CreditWatch/Outlook	Short Term deposits
A-	Watch Negative	A-2

Moody's assigned the following ratings:

Long Term deposits	Outlook	Short Term deposits
Baa2	Review f. upgrade	P-2

Fitch assigned the following ratings:

Long Term deposits	Outlook	Short Term deposits
A	negative	F1

C. Securities

C.1	Description of the type and the class of the securities being offered and/or admitted to trading, including any security identification number:	**Class and Type** The Notes are issued in bearer form and are represented by a Permanent Global Note. Definitive Notes and coupons will not be issued. **Issuance in Series** The Notes are issued as Series number 159, Tranche number 1. **Security Identification Numbers** ISIN: AT0000A1E0T9 WKN: EB0JFC
C.2	Currency of the securities issue:	The Notes are issued in Czech Koruna.
C.5	Description of any restrictions on the free transferability of the securities:	Not applicable. The Notes are freely transferable.
C.8	Description of the rights attached to the securities	The Notes will pay a redemption amount as further specified in C.15

	including ranking and limitation to those rights:	**Status** The Notes constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* among themselves and (subject to any applicable statutory exceptions and without prejudice to the aforesaid) the payment obligations of the Issuer under the Notes rank *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, present and future. **Acceleration** In case of an event of default, each Holder shall be entitled to declare its Notes due and demand immediate redemption thereof at the redemption amount(s) together with accrued interest (if any) to (but excluding) the date of repayment.
C.9	- Interest Rate	**Interest Rate** The Notes have no periodic payments of interest.
	- Maturity date including repayment procedures	**Maturity Date** The Maturity Date of the Notes is 04.06.2018. **Repayment procedures** Payment of the relevant redemption amount shall be made to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.
	- Indication of yield	The yield cannot be disclosed in advance (i) as it depends on the development of one or more underylings or (ii) as certain payments are effectuated as bullet payments.
	- Name of representative of Holders	**Name of representative of Holders** No Joint Representative has been appointed in the General Conditions.
C.10	Explanation how the value of the investment is affected in the case the Notes have a derivative component in the interest payment	Not applicable. The Notes have no derivative component in the interest payment.
C.11	Indication as to whether the securities offered are or will be the object of an application for admission to trading, with a view to their distribution in a regulated market or other equivalent markets with indication of the markets in question:	Not applicable, this individual issue will not be listed.
C.15	A description of how the	The payment of the redemption amount (as specified below) and consequently the value of the Notes is linked to the performance

	value of the investment is affected by the value of the underlying instrument(s), unless the securities have a denomination of at least EUR 100 000.	of the underlying basket of Shares. The Notes will be redeemed at an amount equal to the sum of (i) 100.00 *per cent.* of the Principal Amount per Note and (ii) the product of (x) the Principal Amount per Note and (y) the Bonus Interest Rate. The "**Bonus Interest Rate**" equals the sum of (i) the **"Weighted Base Interest Rate1"** which equals the product of (a) the 7.5 *per cent.* and (b) the result of the division of (x) the number of Valuation Dates in the Observation Period on which the closing price of all underlying Shares is equal to or above the respective Strike Price of the respective underlying Share by (y) the overall number of Valuation Dates in the Observation Period and (ii) the **"Weighted Base Interest Rate2**" which equals the product of (a) the 3.75 *per cent.* and (b) the result of the division of (x) the number of Valuation Dates on which the closing price of all underlying Shares is equal to or above 80.00 *per cent.* of the Strike Price (the "**Barrier**") of the respective underlying Share and the closing price of at least one underlying Share is below its Strike Price by (y) the overall number of Valuation Dates in the Observation Period. The Observation Period and the Strike Price will be determined in the Terms and Conditions of the Notes as set out in the Final Terms for the Notes.
C.16	The expiration or maturity date of the derivative securities - the exercise date or final reference date.	**Maturity Date** The Maturity Date of the Notes is 04.06.2018. **Exercise Date** Not applicable. The Notes do not need to be exercised by the holders. **Valuation Date (Final Reference Date)** Not applicable.
C.17	A description of the settlement procedure of the derivative securities.	All payments under the Notes shall be made by the Issuer to the Clearing System for on-payment to the depositary banks of the holders of the Notes.
C.18	A description of how the return on derivative securities takes place.	Payment of a cash amount on the Maturity Date.
C.19	The exercise price or the final reference price of the underlying.	Not applicable
C.20	A description of the type of the underlying and where the information on the underlying can be found.	**Type**: Share Basket

Share issuer	ISIN	Type	Exchange	Scree n

				Page
TELSTRA CORP LTD	AU000000TLS2	Common Share	Australian Securities Exchange (ASX)	Reuters TLS.AX
KYOCERA CORP	JP3249600002	Common Share	Tokyo Stock Exchange	Reuters 6971.T
FUJITSU LTD	JP3818000006	Common Share	Tokyo Stock Exchange	Reuters 6702.T
CANON INC	JP3242800005	Common Share	Tokyo Stock Exchange	Reuters 7751.T
INDITEX	ES0148396007	Common Share	Madrid Stock Exchange	Reuters ITX.MC
PEPSICO INC	US7134481081	Common Share	New York Stock Exchange	Reuters PEP.N
GOODYEAR TIRE & RUBBER CO	US3825501014	Common Share	NASDAQ	Reuters GT.OQ
Facebook Inc	US30303M1027	Common Share	NASDAQ	Reuters FB.OQ
Gilead Sciences Inc	US3755581036	Common Share	NASDAQ	Reuters GILD.OQ
LVMH	FR0000121014	Common Share	Paris Stock Exchange (Euronext)	Reuters LVMH.PA
BRIDGESTONE CORP	JP3830800003	Common Share	Tokyo Stock Exchange	Reuters 5108.T
COLGATE - PALMOLIVE CO	US1941621039	Common Share	New York Stock Exchange	Reuters CL.N
VISA Inc.	US92826C8394	Common Share	New York Stock Exchange	Reuters V.N
Verizon Communications Inc	US92343V1044	Common Share	New York Stock Exchange	Reuters VZ.N
Henkel AG & Co KGaA	DE0006048432	Peference Share	German Stock Exchange (Xetra)	Reuters HNKG_p.DE
Fresenius SE & Co KGaA	DE0005785604	Common Share	German Stock Exchange (Xetra)	Reuters FREG.DE
Continental AG	DE0005439004	Common Share	German Stock Exchange (Xetra)	Reuters CONG.DE
Bayerische Motoren Werke AG	DE0005190003	Common Share	German Stock Exchange (Xetra)	Reuters BMWG.DE
CARLSBERG AS-B	DK0010181759	Common Share	Copenhagen Stock Exchange (OMX AB)	Reuters CARLb.CO
Total S.A.	FR0000120271	Common Share	Paris Stock Exchange	Reuters TOTF.

			(Euronext)	PA
TYSON FOODS INC	US9024941034	Common Share	New York Stock Exchange	Reuters TSN.N

Information on the underlying Basket of Shares can be obtained on the Screen Pages indicated above**.**

D. Risks

D.2 Key information on the key risks that are specific to the Issuer

Risks related to the business of Erste Group

- Difficult macroeconomic and financial market conditions may have a material adverse effect on Erste Group's business, financial condition, results of operations and prospects.
- Erste Group has been and may continue to be affected by the European sovereign debt crisis, and it may be required to take impairments on its exposures to the sovereign debt of certain countries.
- Erste Group has experienced and may in the future continue to experience a deterioration in credit quality, particularly as a result of financial crises or economic downturns.
- Erste Group is subject to significant counterparty risk, and defaults by counterparties may lead to losses that exceed Erste Group's provisions.
- Erste Group's hedging strategies may prove to be ineffective.
- Erste Group is exposed to declining values of the collateral supporting commercial and residential real estate loans.
- Market fluctuations and volatility may adversely affect the value of Erste Group's assets, reduce profitability and make it more difficult to assess the fair value of certain of its assets.
- Erste Group is subject to the risk that liquidity may not be readily available.
- Rating agencies may suspend, downgrade or withdraw a rating of Erste Group Bank and/or a local entity that is part of Erste Group or a country where Erste Group is active, and such action might negatively affect the refinancing conditions for Erste Group Bank, in particular its access to debt capital markets.
- New governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could subject Erste Group to increased capital requirements or standards and require it to obtain additional capital or liquidity in the future.
- Risk of changes in the tax framework, in particular regarding bank tax and the introduction of a financial transaction tax.
- The Issuer may not be able to meet the minimum requirement for own

funds and eligible liabilities.

- In future, the Issuer will be obliged to contribute amounts to the Single Resolution Fund and ex ante funds to Deposit Guarantee Schemes.
- In future, the Issuer may be obliged to stop proprietary trading and/or separate certain trading activities from its core banking business.
- Erste Group's risk management strategies, techniques and internal control procedures may leave it exposed to unidentified or unanticipated risks.
- Erste Group's business entails operational risks.
- Any failure or interruption in or breach of Erste Group's information systems, and any failure to update such systems, may result in lost business and other losses.
- Erste Group may have difficulty recruiting new talent or retaining qualified employees.
- Erste Group Bank may be required to provide financial support to troubled banks in the Haftungsverbund, which could result in significant costs and a diversion of resources from other activities.
- Changes in interest rates are caused by many factors beyond Erste Group's control, and such changes can have significant adverse effects on its financial results, including net interest income.
- Since a large part of Erste Group's operations, assets and customers are located in CEE countries that are not part of the Eurozone, Erste Group is exposed to currency risks.
- Erste Group may be unable to achieve the return to profitability of Erste Group Bank.
- A change of the ECB's collateral standards could have an adverse effect on the funding of Erste Group and access to liquidity.
- Erste Group operates in highly competitive markets and competes against large international financial institutions as well as established local competitors.
- Erste Group Bank's major shareholder may be able to control shareholder actions.
- Compliance with anti-money laundering, anti-corruption and anti-terrorism financing rules involve significant costs and efforts and non-compliance may have severe legal and reputational consequences.
- Changes in consumer protection laws as well as the application or interpretation of such laws might limit the fees and other pricing terms that Erste Group may charge for certain banking transactions and might allow consumers to claim back certain of those fees already paid in the past.
- The integration of potential future acquisitions may create additional challenges.

Risks related to the markets in which Erste Group operates

- The departure of any one or more countries from the Eurozone could have unpredictable consequences for the financial system and the greater economy, potentially leading to declines in business levels, write-downs of assets and losses across Erste Group's business.

- Erste Group operates in emerging markets that may experience rapid economic or political changes, either of which may adversely impact its financial performance and results of operations.
- Committed EU funds may not be released or further aid programmes may not be adopted by the EU and/or international credit institutions.
- Loss of customer confidence in Erste Group's business or in banking businesses generally could result in unexpectedly high levels of customer deposit withdrawals, which could have a material adverse effect on the Group's results, financial condition and liquidity.
- Liquidity problems experienced by certain CEE countries may adversely affect the broader CEE region and could negatively impact Erste Group's business results and financial condition.
- Governments in countries in which Erste Group operates may react to financial and economic crises with increased protectionism, nationalisations or similar measures.
- Erste Group may be adversely affected by slower growth or recession in the banking sector in which it operates as well as slower expansion of the Eurozone and the EU.
- The legal systems and procedural safeguards in many CEE countries and, in particular, in the Eastern European countries are not yet fully developed.
- Applicable bankruptcy laws and other laws and regulations governing creditors' rights in various CEE countries may limit Erste Group's ability to obtain payments on defaulted loans and advances.
- Erste Group may be required to participate in or finance governmental support programs for credit institutions or finance governmental budget consolidation programmes, including through the introduction of banking taxes and other levies.

D.3, D.6 **Key information on the key risks that are specific to the securities**

RISK WARNING: Investors should be aware that they may lose the value of their entire investment or part of it, as the case may be. However, each investor's liability is limited to the value of his investment (including incidental costs).

Risk factors relating to shares or a share Basket as reference asset

- Factors having a negative effect on the performance of the shares may also affect the value and Redemption Amount of the Notes.
- Notes relating to shares do not take into account any dividends and other distributions.
- Holders of securities do not have any claims against the share issuer.

- Certain events in relation to the share may result in an adjustment or early redemption of the Notes.

Risk factors relating to conflicts of interest

The Issuer may engage in activities that could involve certain conflicts of interest and may affect the value of the Notes.

Risks related to the pricing of the Notes

- The issue price of the Notes may include a margin on the mathematical (fair) value of the Notes.
- Since the Issuer will, when determining the price of the securities on the secondary market, also take into account, in particular, the subscription fee (*agio*), the spread between bid and ask prices as well as commission and other fees in addition to the mathematical (fair) value of the Notes, the prices quoted by the Issuer may considerably deviate from the fair market value of the Notes.

Risks related to Notes generally

- In the event that any Notes are redeemed prior to their maturity, a Holder of such is exposed to risks that the Notes will be redeemed at the fair market value and the risk that he may only be able to reinvest the redemption proceeds in notes with a lower yield (Risk of Early Redemption).
- The General Conditions of the Notes provide for resolutions of Holders, certain rights of a Holder may be amended or reduced or even cancelled by way of resolutions, which could affect the Holder negatively.
- The General Conditions of the Notes provide for the appointment of a Joint Representative, a Holder may be deprived of its individual right to pursue and enforce its rights under the relevant Terms and Conditions of the Notes against the Issuer
- An Austrian court can appoint a trustee (*Kurator*) for the Notes to exercise the rights and represent the interests of Holders on their behalf in which case the ability of Holders to pursue their rights under the Notes individually may be limited.
- Under the European Union Savings Directive, if a payment were to be made or collected through a paying agent in a state which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Notes as a result of the imposition of such withholding tax (No gross-up).
- Credit ratings of Notes may not adequately reflect all risks of the investment in such Notes and may be suspended, downgraded or withdrawn which could have an adverse effect on the market value and trading price of the Notes.
- The Notes are governed by Austrian law, and changes in applicable laws, regulations or regulatory policies may have an adverse effect on the Issuer, the Notes and the Holders.
- The Notes may be subject to write down or conversion to equity upon the occurrence of a certain trigger event, which may result in Holders losing some

or all of their investment in the Notes (statutory loss absorption).

Risks related to the market generally

- Holders in the Notes are exposed to the risk of partial or total failure of the Issuer to make interest and/or redemption payments under the Notes.
- Holders in the Notes assume the risk that the credit spread of the Issuer widens resulting in a decrease in the price of the Notes.
- The Holder may be exposed to the risk that due to future money depreciation (inflation), the real yield of an investment may be reduced.
- There can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, a Holder may not be able to sell his Notes at fair market prices.
- No conclusion may be drawn from the indicated Aggregate Principal Amount in case of "up to" Notes.
- There is a risk that trading in the Notes or underlyings will be suspended, interrupted or terminated, which may have an adverse effect on the price of such Notes.
- Holders are exposed to the risk of an unfavourable development of market prices of their Notes which materialises if the Holder sells the Notes prior to the final maturity of such Notes.
- Exchange rate risks may occur, if a Holder's financial activities are denominated in a currency or currency unit other than the Specified Currency in which the Issuer will make principal and interest payments. Furthermore, government and monetary authorities may impose exchange controls that could adversely affect an applicable exchange rate.
- If a loan or credit is used to finance the acquisition of the Notes, the loan or credit may significantly increase the amount of a loss.
- Incidental costs related in particular to the purchase and sale of the Notes may have a significant impact on the profit potential of the Notes.
- Holders have to rely on the functionality of the relevant clearing system.
- Holders should note that the applicable tax regime may change to the disadvantage of the Holders and therefore, the tax impact of an investment in the Notes should be carefully considered.
- Legal investment considerations may restrict certain investments.

Risks related to FATCA

Payments, including principal, on the Notes to Holders and beneficial owners of interests in the Notes that (i) fail to comply with tax certifications or identification requirements (including providing a waiver of any laws prohibiting the disclosure of such information to a taxing authority) or (ii) are financial institutions that fail to comply with the U.S. Foreign Account Tax Compliance Act or any analogous provisions of non-U.S. laws, including any voluntary agreements entered into with a taxing authority pursuant thereto, may be subject to a withholding tax of 30 percent. The Issuer will not be obligated to make any additional payments in respect of any such amounts withheld by the Issuer or an intermediary paying agent.

E. Offer

E.2b	Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks:	The net proceeds from the issue of any Notes will be used by the Issuer for its general funding purposes and for making profit, which are also the reasons for the offer.
E.3	Description of the terms and conditions of the offer:	**Aggregate principal amount** up to CZK 3,000,000,000 **Initial Issue price** 101.50% **Minimum/Maximum subscription size** Minimum subscription size CZK 10,000 **Type of distribution** Diverse Financial Service Provider in Czech Republic Non-Syndicated **Other or further conditions** Not applicable
E.4	Description of any interest that is material to the issue/offer including conflicting interest:	The Issuer may from time to time act in other capacities with regard to the Notes, such as calculation agent which allow the Issuer to calculate the value of the Underlying or any other reference asset or determine the composition of the Underlying, which could raise conflicts of interest where securities or other assets issued by the Issuer itself or a group company can be chosen to be part of the Underlying, or where the Issuer maintains a business relationship with the issuer or obligor of such securities or assets. The Issuer may from time to time engage in transactions involving the Underlying for its proprietary accounts and for accounts under its management. Such transactions may have a positive or negative effect on the value of the Underlying or any other reference asset and consequently upon the value of the Notes. The Issuer may issue other derivative instruments in respect of the Underlying and the introduction of such competing products into the marketplace may affect the value of the Notes. The Issuer may use all or some of the proceeds received from the sale of the Notes to enter into hedging transactions which may affect the value of the Notes. The Issuer may acquire non-public information with respect to the Underlying, and the Issuer does not undertake to disclose any

		such information to any Noteholder. The Issuer may also publish research reports with respect to the Underlying. Such activities could present conflicts of interest and may affect the value of the Notes.
E.7	Estimated expenses charged to the investor by the Issuer or the offeror:	Selling Concession: not higher than 1.00% of the Principal Amount