

Erste Group Bank AG

(Incorporated as a stock corporation in the Republic of Austria under registered number FN 33209 m)

Equity Linked Notes Programme

This supplement (the "**Supplement**") constitutes a prospectus supplement pursuant to Article 16 (1) of the Directive 2003/71/EC as amended (the "**Prospectus Directive**") and § 6 (1) of the Austrian Capital Market Act as amended (*Kapitalmarktgesetz*, the "**KMG**") and is supplemental to, and should be read in conjunction with, the prospectus dated 10 February 2016 (the "**Original Prospectus**" and together with Prospectus Supplement No. 1 dated 31 March 2016, the "**Prospectus**") relating to the Equity Linked Notes Programme (the "**Programme**") of Erste Group Bank AG (the "**Issuer**" or "**Erste Group Bank**").

The Original Prospectus has been approved on 10 February 2016 by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*, the "**FMA**").

This Supplement has been filed for approval with the FMA in its capacity as competent authority under the KMG on 19 May 2016. This Supplement has been filed with the Wiener Börse, which has admitted the Programme to the "*Amtlicher Handel*" (Official Market) and the "*Geregelter Freiverkehr*" (Second Regulated Market). This Supplement has been published in electronic form on the website of the Issuer under "www.erstegroup.com/de/Capital-Markets/Prospekt/Anleihen".

The Issuer has requested the FMA to provide the competent authorities in other host Member States within the European Economic Area including Croatia, the Czech Republic, Germany, Hungary, Romania and the Slovak Republic with a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Directive and the KMG.

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

To the extent that there is any inconsistency between a) any statement in this Supplement or any statement incorporated by reference in the Prospectus by this Supplement and b) any other statement in or incorporated by reference in the Prospectus, the statements mentioned 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.

In accordance with Article 16 of the Prospectus Directive and § 6 KMG, investors who have agreed to subscribe for Notes after the occurrence of the significant new factors described in this Supplement but before the publication of this Supplement have a right to withdraw their acceptances until, and including, 23 May 2016.

This Supplement has been filed with the FMA in its capacity as competent authority under the KMG for approval. The accuracy of the information contained in this Supplement does not fall within the scope of examination by the FMA under applicable Austrian law and the Prospectus Directive. The FMA has examined this Supplement only in respect of its completeness, coherence and comprehensibility pursuant to § 8a (1) KMG.

No person has been authorised to give any information or to make any representation other than those contained in the Prospectus and this Supplement 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. Neither the delivery of the Prospectus and/or this Supplement nor any sale made in connection therewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Erste Group since the date hereof or the date upon which the Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or the Erste Group since the date hereof or the date upon which the Prospectus has been most recently 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 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 except in certain transactions permitted by US tax regulations and the Securities Act. For a description of certain restrictions on offers and sales of Notes, see "Subscription and Sale" in the Prospectus.*

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

Neither the Prospectus, 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 the Issuer that any recipient of the Prospectus, 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 the Prospectus, this Supplement or any financial statements and its purchase of Notes should be based upon any such investigation as it deems necessary.

Significant new factors and/or inaccuracies (as referred to in Article 16 (1) of the Prospectus Directive and § 6(1) KMG) have arisen which in the Issuer's perception are capable of affecting the assessment of the Notes, and are thus herewith included in the Prospectus as follows:

1. AMENDMENTS TO THE SECTION ENTITLED "1. SUMMARY" COMMENCING ON PAGE 12 OF THE ORIGINAL PROSPECTUS

In element 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:" commencing on page 16 of the Original Prospectus, in the right column the second paragraph shall be replaced by the following paragraph and the second row of the table after the sentence "Standard & Poor's assigned the following ratings:" shall be replaced by the following row:

"Credit ratings assigned to the Issuer as of 19 May 2016:"

"Senior Unsecured Long-Term BBB+ stable"

2. AMENDMENTS TO THE SECTION ENTITLED "2. RISK FACTORS" COMMENCING ON PAGE 39 OF THE ORIGINAL PROSPECTUS

In the risk factor entitled "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." commencing on page 45 of the Original Prospectus the last sentence of the first paragraph shall be replaced by the following sentence:

"Erste Group Bank's long-term credit ratings are: Standard & Poor's, BBB+ (outlook stable); Moody's, Baa2 (outlook positive); and Fitch, BBB+ (outlook stable)."

3. AMENDMENTS TO THE SECTION ENTITLED "6. ERSTE GROUP BANK AG" COMMENCING ON PAGE 250 OF THE ORIGINAL PROSPECTUS

In the subsection entitled "6.6 CREDIT RATINGS" commencing on page 265 of the Original Prospectus, the second row of the table after the sentence "Standard & Poor's assigned the following ratings:" shall be replaced by the following row and the paragraph before the sentence "Moody's assigned the following ratings:" shall be replaced by the following paragraph:

"Senior Unsecured Long-Term BBB+ stable"

"Outlook" — A Standard & Poor's rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future CreditWatch action. Positive means that a rating may be raised, negative means that a rating may be lowered and stable means that a rating is not likely to change."

4. AMENDMENTS TO THE SECTION ENTITLED "GERMAN TRANSLATIONS OF THE SUMMARY AND THE RISK FACTORS" COMMENCING ON PAGE 315 OF THE ORIGINAL PROSPECTUS

The following translation of selected sections of the original summary and the risk factors of the Prospectus has not been approved by the FMA. Further, the FMA did not review its consistency with the original text of the Prospectus.

Die folgende Übersetzung von ausgewählten Abschnitten der originalen Zusammenfassung und der Risikofaktoren des Prospekts wurde nicht von der FMA gebilligt. Auch die Übereinstimmung mit dem originalen Text des Prospekts wurde nicht von der FMA geprüft.

- 4.1 Im Element B.17 "Die Ratings, die im Auftrag der Emittentin oder in Zusammenarbeit mit ihr beim Ratingverfahren für die Emittentin oder ihre Schuldtitel erstellt wurden:", das auf Seite 319 des Original Prospekts beginnt, wird in der rechten Spalte der zweite Absatz durch folgenden Absatz ersetzt und die zweite Zeile der Tabelle nach dem Satz "Standard & Poor's erteilte folgende Ratings:" durch folgende Zeile ersetzt:**

"Der Emittentin wurden zum 19. Mai 2016 folgende Ratings zugewiesen:"

"Senior Ungesicherte Langfristige Einlagen BBB+ stabil"

- 4.2 Im Risikofaktor mit dem Titel "Ratingagenturen können ein Rating der Erste Group Bank und/oder einer lokalen Einheit, die Teil der Erste Group ist, oder eines Landes, in dem die Erste Group tätig ist, aussetzen, herabstufen oder zurückziehen, was sich negativ auf die Refinanzierungsbedingungen der Erste Group Bank, insbesondere auf den Zugang zu den Fremdkapitalmärkten, auswirken kann.", der auf Seite 351 des Original Prospekts beginnt, wird der letzte Satz des ersten Absatzes durch folgenden Satz ersetzt:**

"Die Ratings für langfristige Finanzverbindlichkeiten der Erste Group lauten: Standard & Poor's, BBB+ (Ausblick stabil); Moody's, Baa2 (Ausblick positiv); und Fitch, BBB+ (Ausblick stabil)."

RESPONSIBILITY STATEMENT OF ERSTE GROUP BANK AG

Erste Group Bank AG, with its registered office at Am Belvedere 1, A-1100 Vienna, Austria, is responsible for the information given in this Supplement.

The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of the knowledge of the Issuer, in accordance with the facts and contains no omission likely to affect its import.

Vienna, 19 May 2016

Erste Group Bank AG
as Issuer

Stefan Dörfler

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Head of Group Markets Origination and
Funding