

## Prospectus Supplement No. 2

# Erste Group Bank AG

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

## Warrants Programme

This supplement (the "**Supplement**") constitutes a prospectus supplement pursuant to Art 16 (1) of the Directive 2003/71/EC as amended (the "**Prospectus Directive**") and Sec 6 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 16 July 2013 (the "**Original Prospectus**" and together with the supplement No. 1 dated 12 August 2013, the "**Prospectus**") relating to the Warrants Programme (the "**Programme**") of Erste Group Bank AG (the "**Issuer**" or "**Erste Group Bank**").

The Original Prospectus has been approved on 16 July 2013 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 18 December 2013. 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](http://www.erstegroup.com)". Printed copies of this Supplement will be made available free of charge during normal business hours at the registered office of the Issuer, Graben 21, 1010 Vienna, Austria. The Issuer has requested the FMA to provide the competent authorities in other host Member States within the European Economic Area including Croatia, Germany, the Czech Republic, Hungary and Romania 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.

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

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

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

**In accordance with Art 16 of the Prospectus Directive and Sec 6 KMG, investors who have agreed to subscribe for Warrants 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 20 December 2013.**

**This Supplement has been filed to 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 2003/71/EC, as amended. The FMA examines the Supplement only in respect of its completeness, coherence and comprehensibility pursuant to Sec 8a para 1 of the KMG.**

**18 December 2013**

*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 Warrants 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 amended or 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 amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.*

*The distribution of this Supplement and the offering or sale of the Warrants 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 Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may include Warrants in bearer form that are subject to US tax law requirements. Subject to certain exceptions, Warrants may not be offered, sold or delivered within the United States or to US persons. For a description of certain restrictions on offers and sales of Warrants, see "Subscription and Sale" in the Prospectus.*

*Neither this Supplement nor any financial statements supplied in connection with the Programme or any Warrants are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Dealers or the Arrangers that any recipient of this Supplement or any financial statements should purchase the Warrants. Each potential purchaser of Warrants should determine for itself the relevance of the information contained in this Supplement or any financial statements and its purchase of Warrants should be based upon any such investigation as it deems necessary.*

Significant new factors (as referred to in Art 16 (1) of the Prospectus Directive and Sec 6(1) of the KMG) have arisen which in the Issuer's perception are capable of affecting the assessment of the Warrants, and are thus herewith included in the Prospectus as follows:

#### **1. Interim Report for the Third Quarter 2013**

On 30 October 2013, Erste Group Bank AG has published its interim report for the third quarter 2013 which shall be incorporated by reference in the Prospectus. Thus, the following changes apply:

**1.1** In the table relating to the documents incorporated by reference on page 7 of the Original Prospectus the last section below the section on the Audited Consolidated Financial Statements 2012 is deleted and replaced by the following paragraph:

**"English translation of the Unaudited Interim Condensed Consolidated Financial Statements of the Issuer for the third quarter year ended 30 September 2013 – Interim Report Third Quarter 2013 (the "Unaudited Interim Condensed Consolidated Financial Statements 30 September 2013")"**

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**1.2** The first paragraph below the above mentioned table is replaced by the following paragraph:

"For the avoidance of doubt, such parts of the annual reports of the Issuer for the financial years 2012 and 2011 respectively as well as of the interim report for the third quarter 2013 which are not explicitly listed in the table above, are not incorporated by reference into this Prospectus as these parts are either not relevant for the investor or covered elsewhere in this Prospectus."

**1.3** In the section "DOCUMENTS AVAILABLE FOR INSPECTION" on page 8 of the Prospectus, the first list item that is numbered with "(ii)" shall be replaced by the following paragraph:

"the Audited Consolidated Financial Statements 2012 and 2011 as well as the Unaudited Interim Condensed Consolidated Financial Statements 30 September 2013;"

**1.4** In the section "DOCUMENTS AVAILABLE FOR INSPECTION" on page 9 of the Prospectus, the second list item that is numbered with "(iii)" shall be replaced by the following paragraph:

"the Audited Consolidated Financial Statements 2012 and 2011 as well as the Unaudited Interim Condensed Consolidated Financial Statements 30 September 2013 incorporated by reference into this Prospectus."

## **2. Recent developments**

In the section "RECENT DEVELOPMENTS" on Page 191 of the Original Prospectus, after the section with the heading "Capital Increase by way of an Offering of New Shares" the following additional section is inserted:

### **"Write-down requirement on goodwill**

On 17 December 2013, Erste Group Bank announced that the regular annual impairment tests for goodwill carried on Erste Group Bank's balance sheet have resulted in a write-down requirement on goodwill of approximately EUR 350 million (pre-tax), associated primarily with its Romanian subsidiary Banca Comercială Română S.A. (BCR). This is mainly due to higher capital requirements applied in these impairment tests. The write-down will be booked in the fourth quarter year in 2013 and will have no impact on regulatory capital ratios."

## RESPONSIBILITY STATEMENT OF ERSTE GROUP BANK AG

Erste Group Bank AG, with its registered office at Graben 21, A-1010 Vienna, Austria, is solely 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, 18 December 2013

Erste Group Bank AG

as Issuer

*[Name]*

*[Function]*

*[Name]*

*[Function]*