

Final Terms dated 8 April 2011

Erste Group Bank AG

Issue of EUR 750,000,000 4.25% Notes due 12 April 2016

under the **€30,000,000,000 Debt Issuance Programme**

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Prospectus dated 8 June 2010 and the supplements to the Prospectus dated 9 June 2010 and 29 March 2011 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the supplements to the Prospectus are available for viewing at <http://www.erstegroup.com> and during normal business hours at Börsegasse 14, 1010 Vienna and copies may be obtained from Erste Group Bank AG, Börsegasse 14, 1010 Vienna and on <http://www.erstegroup.com>.

1	Issuer:	Erste Group Bank AG
2	(i) Series Number:	1031
	(ii) Tranche Number:	1
3	Specified Currency or Currencies:	EUR
4	Aggregate Nominal Amount of Notes:	
	(i) Series:	EUR 750,000,000.00
	(ii) Tranche:	EUR 750,000,000.00
5	Issue Price:	99.722 per cent. of the Aggregate Nominal Amount
6	(i) Specified Denominations:	EUR 100,000
	(ii) Calculation Amount:	EUR 100,000
7	(i) Issue Date:	12 April 2011
	(ii) Interest Commencement Date:	12 April 2011
8	Maturity Date:	12 April 2016
9	Interest Basis:	4.250 per cent. <i>per annum</i> Fixed Rate (further particulars specified below)
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	Put/Call Options:	Not Applicable
13	(i) Status of the Notes:	Senior
	(iii) Date Board approval for issuance of Notes obtained:	according to Overall Planning Approval of Management Board dated 25 November 2010, Strategy Committee of the Supervisory Board passed on 1 December 2010 and Supervisory Board dated 15 December 2010
14	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15	Fixed Rate Note Provisions	Applicable
-----------	-----------------------------------	------------

	(i) Rate of Interest:	4.250 per cent. <i>per annum</i> payable annually in arrear
	(ii) Interest Payment Dates:	12 April in each year from and including 12 April 2012, adjusted in accordance with Following Business Day Convention
	(iii) Fixed Coupon Amount[(s)]:	Not Applicable
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/Actual (ICMA), Unadjusted
	(vi) Interest Determination Dates:	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16	Floating Rate Note Provisions	Not Applicable
17	Zero Coupon Note Provisions	Not Applicable
18	Index-linked Interest Note/other variable-linked interest Note Provisions	Not Applicable
19	Dual Currency Note Provisions	Not Applicable
PROVISIONS RELATING TO REDEMPTION		
20	Call Option	Not Applicable
21	Put Option	Not Applicable
22	Final Redemption Amount of each Note	
	In cases where the Final Redemption Amount is Index-Linked or other variable-linked:	Not Applicable
23	Redemption of Reverse Convertible Notes (Cash-or-Share Notes, Cash-or-Fund Notes, Cash-or-Commodity Notes, Cash-or-Currency Notes, Cash-or-Future Notes)	Not Applicable
24	Early Redemption Amount	
	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	According to Clause 6 of the Terms and Conditions of the Notes
GENERAL PROVISIONS APPLICABLE TO THE NOTES		
25	Form of Notes:	Bearer
		Temporary Global Note exchangeable for Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note

26	New Global Note	Yes
27	Financial Centre or other special provisions relating to Payment Dates:	TARGET
28	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
29	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
30	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
31	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
32	Consolidation provisions:	Not Applicable
33	Other final terms:	Not Applicable

DISTRIBUTION

34 (i) If syndicated, names of Managers Joint Lead Managers:

CITIGROUP GLOBAL MARKETS LIMITED
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
England

ERSTE GROUP BANK AG
Graben 21
1010 Vienna
Austria

SOCIÉTÉ GÉNÉRALE
29 Boulevard Haussmann
75008 Paris
France

UNICREDIT BANK AG
Arabellastrasse 12
D-81925, Munich
Germany

Co-lead Managers:

BAWAG P.S.K. BANK FÜR ARBEIT UND

WIRTSCHAFT UND ÖSTERREICHISCHE
POSTSPARKASSE AKTIENGESELLSCHAFT
Georg-Coch-Platz 2
1018 Vienna
Austria

BAYERISCHE LANDESBANK
Brienner Str. 18
D-80333 München
Germany

CAIXA D'ESTALVIS I PENSIONS DE BARCELONA
"la Caixa"
Originación y Distribución
Avda. Diagonal, 621-629
08028-Barcelona
Spain

DZ BANK AG DEUTSCHE ZENTRAL-
GENOSSENSCHAFTSBANK, FRANKFURT AM MAIN
Platz der Republik
60265 Frankfurt am Main
Germany

RAIFFEISEN BANK INTERNATIONAL
AKTIENGESELLSCHAFT
Am Stadtpark 9
1030 Vienna
Austria

	(ii) Stabilising Manager(s) (if any):	Not Applicable
35	If non-syndicated, name of Dealer:	Not Applicable
36	U.S. Selling Restrictions	Reg S Compliance Category 2, TEFRA D
37	Additional selling restrictions:	Not Applicable
38	Jurisdiction and Governing Law:	English
39	Binding language:	English
40	Domestic or International Notes	International

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Vienna Stock Exchange of the Notes described herein pursuant to the €30,000,000,000 Debt Issuance Programme of Erste Group Bank AG.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Erste Group Bank AG as the Issuer.

By:

Authorised Officer

By:

Authorised Officer

PART B - OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing: Vienna, *Geregelter Freiverkehr*
- (ii) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Vienna Stock Exchange
- (iii) Estimate of total expenses related to admission to trading: max EUR 2,900.00

2. RATINGS

Ratings: Notes have the following Ratings in general:

S & P: A

Moody's: A1

Fitch: A

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

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulations unless the rating is provided by a credit rating agency established and operating in the European Union before 7 June 2010 and which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

3. NOTIFICATION

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

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- | | |
|---------------------------------|---|
| (i) Reasons for the offer: | See "Use of Proceeds" wording in Prospectus |
| (ii) Estimated net proceeds: | EUR 746,040,000 |
| (iii) Estimated total expenses: | EUR 3,000 |

6. Fixed Rate Notes only - YIELD

- | | |
|----------------------|---|
| Indication of yield: | 4.313 per cent. <i>per annum</i> |
| | Calculated as the effective interest rate on the Notes on the Issue Date by reference to the internal rate of return. |
| | The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. |

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

Not Applicable.

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

Not Applicable.

9. OPERATIONAL INFORMATION

- | | |
|--|--|
| (i) ISIN Code: | XS0616431689 |
| (ii) Common Code: | 061643168 |
| (iii) Clearing system(s) | |
| a) for International Notes: | Euroclear Bank S.A./N.V./Clearstream Banking, Société Anonyme |
| b) for Domestic Notes: | Not Applicable. |
| (iv) Delivery: | Delivery against payment |
| (v) Names and addresses of initial Paying Agent: | BNP Paribas Securities Services,
Luxembourg Branch
33 rue de Gasperich
Howald-Hesperange
2085 Luxembourg |
| (vi) Names and addresses of additional Paying Agent(s) (if any): | Not Applicable. |
| (vii) Intended to be held in a manner which | Yes |

would allow Eurosystem eligibility.

Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, either upon issue, or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.