

## Final Terms dated 12 April 2013

### Erste Group Bank AG

Tap Issue of Erste Group Credit Linked Note on Volkswagen AG 2013-2021

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 31 May 2012 and the supplement to the Prospectus dated 11 June 2012 and 20 September 2012 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended (which includes the amendments made by the Directive 2010/73/EU (the "2010 PD Amending Directive") to the extent implemented in the Relevant Member State) (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:                                       | 1159   |
|    | (ii) Tranche Number:                                     | 1  |
| 3  | Specified Currency or Currencies:                        | EUR  |
| 4  | Aggregate Nominal Amount of Notes:                       |  |
|    | (i) Series:  | Tap issue ("Daueremission") up to EUR 150,000,000  |
|    | (ii) Tranche:  |  |
| 5  | Issue Price:   | Initially 100% of the Specified Denomination and fixed thereafter by the Issuer according to prevailing market conditions.     |
| 6  | (i) Specified Denominations:                             | EUR 100,000  |
|    | (ii) Calculation Amount:                                 | Specified Denomination   |
| 7  | (i) Issue Date:  | 16 April 2013  |
|    | (ii) Interest Commencement Date:                         | Issue Date   |
| 8  | Maturity Date:   | 20 April 2021  |
| 9  | Interest Basis:  | 3.41 % p.a. Fixed Rate   |
| 10 | Redemption/Payment Basis:                                | Redemption at par subject to the redemption provisions in case of a Credit Event below   |
| 11 | Change of Interest or Redemption/Payment Basis:          | Not Applicable   |
| 12 | Put/Call Options:  | Not Applicable   |
| 13 | (i) Status of the Notes:                                 | Senior   |
|    | (ii) Date Board approval for issuance of Notes obtained: | According to Overall Planning Approval of Management Board dated 20 November 2012 and Supervisory Board dated 12 December 2012 |

14 Method of distribution: Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

|    |   |   |
|----|---|---|
| 15 | <b>Fixed Rate Note Provisions</b>   | Applicable  |
|    | (i) Rate(s) of Interest:  | 3.41 % per annum  |
|    | (ii) Interest Payment Date(s):  | 20 April, every year, commencing 20 April 2014 (long first coupon period) each subject to adjustment in accordance with the Following Business Day Convention.<br>Subject to Section 3.9 of the Credit Derivatives Definitions, if a Credit Event Determination Date occurs, no further interest will be calculated or paid from the Interest Payment Date or, as the case may be the Issue Date, immediately preceding the Credit Event Determination Date and any failure to pay any such interest does not constitute an Event of Default by the Issuer. |
|    | (iii) Fixed Coupon Amount(s)  | Not Applicable  |
|    | (iv) Broken Amount(s):  | Not Applicable  |
|    | (v) Day Count Fraction:   | 30/360 unadjusted   |
|    | (vi) Interest Determination Dates:  | Not Applicable  |
|    | (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:  | Not Applicable  |
| 16 | <b>Floating Rate Note Provisions</b>  | Not Applicable  |
| 17 | <b>Zero Coupon Note Provisions</b>  | Not Applicable  |
| 18 | <b>Index-linked Interest Note/other variable-linked interest Note Provisions</b>  | Credit-linked Interest Note   |
|    | (i) Index/Formula/Other variable:   | Subject to Section 3.9 of the 2003 ISDA Credit Derivatives Definitions, upon the occurrence of a Credit Event and satisfaction of the Conditions to Settlement with respect to the Reference Entity (for further details see 22) the Notes cease to bear interest from the last Specified Interest Payment Date prior to the Event Determination Date and Noteholders are not entitled to claim any interest from this date on.   |
|    | (ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Agent)   | Erste Group Bank AG   |
|    | (iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:  | Not Applicable  |
|    | (iv) Interest Determination Date(s):  | See 15  |
|    | (v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: | See 15  |

|   |                |
|---|----------------|
| (vi) Interest or calculation period(s): | See 15         |
| (vii) Specified Interest Payment Dates: | See 15         |
| (viii) Business Day Convention:         | See 15         |
| (ix) Business Centre(s):                | TARGET, London |
| (x) Minimum Rate/Amount of Interest:    | Not applicable |
| (xi) Maximum Rate/Amount of Interest:   | Not applicable |
| (xii) Day Count Fraction:               | See 15         |

**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:

Final Redemption Amount will be 100% of the Specified Denomination, provided that upon the occurrence of a Credit Event and the satisfaction of the Conditions to Settlement with respect to the Reference Entity, each Note will be immediately redeemed in accordance with the Settlement Provisions set out below.

(i) Index/Formula/other variable: see Annex 2

- Reference Entity: see Annex 2

- Reference Obligations: see Annex 2

- All Guarantees: Applicable

- Reference Price: 100%

- Obligations: Obligation Category: Borrowed Money  
Obligation Characteristics: None

- Conditions to Settlement: Shall be deemed to be satisfied by the occurrence of an Event Determination Date to the extent that such Event Determination Date is not subsequently reversed prior to the Auction Final Price Settlement Date, a Valuation Date or the Scheduled Termination Date.

- Credit Events: **Bankruptcy**

#### **Failure to Pay**

Grace Period Extension: Not Applicable

Payment Requirement: USD 1,000,000 (or its equivalent in the Obligation Currency as of the occurrence of the relevant Credit Event).

#### **Restructuring**

Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation: Applicable.

Default Requirement: USD 10,000,000 (or its equivalent in the Obligation Currency as of the

occurrence of the relevant Credit Event)

- Credit Event Notice: Means a notice as determined in accordance with the provisions of Section 3.3 of the ISDA Credit Derivatives Definitions.
  - Event Determination Date: Means the date as determined in accordance with the provisions of Section 1.8 of the 2003 ISDA Credit Derivatives Definitions.
  - Calculation Agent City: Vienna
  - Business Day Convention for all purposes other than the Calculation and payment of Coupons: Following Business Day Convention, provided that the Effective Date and the Scheduled Termination Date both as defined in the 2003 ISDA Credit Derivatives Definitions shall not be subject to adjustment in accordance with any Business Day Convention.
  - 2003 ISDA Definitions: The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions, as supplemented by the May 2003 Supplement to the 2003 ISDA Credit Derivatives Definitions, and as further supplemented by the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement, each as published by the International Swaps and Derivatives Association, Inc. as of the Trade Date (together the "2003 ISDA Definitions"), are incorporated into the Final Terms for the purpose of this series. All terms applied and not specifically defined in these Final Terms or the Prospectus, are to be construed in accordance with the 2003 ISDA Definitions. The 2003 ISDA Definitions can be obtained by ISDA under [www.isda.org](http://www.isda.org) or, if requested, are available for inspection during usual business hours at the specified offices of each of the Issuer.
- (ii) Party responsible for calculating the Final Redemption Amount (if not the Agent): Erste Group Bank AG
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: Upon the occurrence of a Credit Event and satisfaction of the Conditions to Settlement with respect to the Reference Entity the Issuer will redeem the Notes by payment of the Cash Settlement Amount in accordance with the Settlement Provisions below.
- Settlement Provisions:** Cash Settlement  
Settlement will be made in accordance with the time schedule and settlement procedures of the "Terms relating to the Auction Settlement" in Article XII of the 2003 ISDA. Definitions.
- In the case of a Credit Event in respect of the Reference Entity the Issuer is entitled to redeem the Notes and pay the Cash Settlement Amount to the Noteholders on the Cash Settlement Date.
- Cash Settlement Amount: An amount equalling the Specified Denomination

|           |  |   |
|-----------|--|---|
|           |  | multiplied by the Final Price.  |
|           | - Final Price  | The price of a Reference Obligation expressed as a percentage, as determined by the Issuer in accordance with the "Terms relating to Auction Settlement" in Article XII of the 2003 ISDA Definitions. |
|           | - Cash Settlement Date   | Deemed to be the date falling 3 BUSINESS DAYS after determination of the Final Price.   |
|           | - Settlement Currency:   | EUR   |
|           | <b>- Deliverable Obligations</b>   |   |
|           | - Deliverable Obligations Categories:  | Bond or Loan  |
|           | - Deliverable Obligations Characteristics:   | Not Subordinated<br>Specified Currency – Standard Specified Currencies<br>Not Contingent<br>Assignable Loan<br>Consent Required Loan<br>Maximum Maturity: 30 years<br>Transferable<br>Not Bearer      |
|           | - Partial Cash Settlement due to Impossibility or Illegality:  | Not Applicable  |
|           | - Partial Cash Settlement of Assignable Loans:   | Not Applicable  |
|           | - Partial Cash Settlement of Participation:  | Not Applicable  |
|           | (iv) Determination Date(s):  | Details see above   |
|           | (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: | Details see above   |
|           | (vi) Payment Date:   | Details see above   |
|           | (vii) Minimum Final Redemption Amount:   | Not Applicable  |
|           | (viii) Maximum Final Redemption Amount:  | Not Applicable  |
| <b>23</b> | <b>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)</b>                            | Not Applicable  |
| <b>24</b> | <b>Early Redemption Amount</b>   |   |

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):

With respect to each Note, the Early Redemption Amount payable on redemption in accordance with Condition 6(b) or following an Event of Default pursuant to Condition 10 shall be an amount in EUR equal to the market value of such Note on the date of redemption, adjusted to account fully for any losses, expenses and costs to the Issuer (or any of its affiliates) of unwinding any underlying or related hedging and funding arrangements, all as determined by the Calculation Agent in its sole and absolute discretion.

**24a)** Redemption for Regulatory Reasons Not Applicable

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

|           |   |   |
|-----------|---|---|
| <b>25</b> | Form of Notes:  | Notes governed by Austrian law:<br>Bearer Notes:<br>Permanent Global Note not exchangeable for Definitive Notes   |
| <b>26</b> | New Global Note   | No  |
| <b>27</b> | Financial Centre(s) or other special provisions relating to Payment Dates:  | TARGET, London  |
| <b>28</b> | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):   | No  |
| <b>29</b> | 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  |
| <b>30</b> | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:  | Not Applicable  |
| <b>31</b> | Redenomination, renominalisation and reconventioning provisions:  | Not Applicable  |
| <b>32</b> | Consolidation provisions:   | Not Applicable  |
| <b>33</b> | Other final terms:  | References in the 2003 ISDA Definitions to: "Seller" shall be deemed to be references to the Noteholder; "Buyer" shall be deemed to be references to the Issuer; "Credit Derivative Transaction" shall be deemed to be references to the Notes; "Confirmation" shall be deemed to be references to the Final Terms; "Scheduled Termination Date" shall be deemed to be references to the Maturity Date; "Effective Date" shall be deemed to be references to the Issue Date; "Trade Date" shall be deemed to be references to Issue Date.;<br><b>In the event of any inconsistency between the 2003</b> |

**ISDA Definitions and the Final Terms, the Final Terms will prevail.**

Exercise Amount:

Where the Conditions to Settlement are met and Restructuring is the only Credit Event specified, Exercise Amount shall mean the amount specified by the Issuer in accordance with Section 3.9 of the 2003 ISDA Definitions.

#### **DISTRIBUTION**

|           |                                       |                     |
|-----------|---------------------------------------|---------------------|
| <b>34</b> | (i) If syndicated, names of Managers  | Not Applicable      |
|           | (ii) Stabilising Manager(s) (if any): | Not Applicable      |
| <b>35</b> | If non-syndicated, name of Dealer:    | Erste Group Bank AG |
| <b>36</b> | U.S. Selling Restrictions             | TEFRA C             |
| <b>37</b> | Additional selling restrictions:      | Not Applicable      |
| <b>38</b> | Jurisdiction and Governing Law:       | Austrian            |
| <b>39</b> | Binding language:                     | English             |
| <b>40</b> | Domestic or International Notes       | Domestic            |

#### **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 is expected to be made by the Issuer 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

### 2. RATINGS

- Ratings: The Notes to be issued have not been rated.

### 3. NOTIFICATION

The CSSF has provided the competent authorities of Austria, Germany, the Czech Republic, Hungary, the Slovak Republic and 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: Not Applicable
- (iii) Estimated total expenses: Max. EUR 3,500

### 6. Fixed Rate Notes only - YIELD

- Indication of yield: Not Applicable

### 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

*The performance as well as the volatility of these Notes depends on the credit standing and future economic development of the Reference Entity underlying these Notes. Credit curves and related data showing past economic development and credit assessment of the underlying Reference Entity may be obtained from financial information providers like Bloomberg or Reuters.*

*If a Credit Event (as defined in the Final Terms of these Notes) occurs the Notes will be redeemed early, the accrual of interest will cease as of the final Specified Interest Payment Date prior to the Event Determination Date and the Noteholders will receive, instead of the Nominal Amount, the Cash Settlement Amount on the Cash Settlement Date. In this case the*



*Final Price of the Obligations will likely be considerably lower than the outstanding nominal amount of the Notes and liquidity of these Obligations may be restricted. So a Noteholder has to face losses and may even lose its total investment.*

**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:   | AT000B007893   |
| (ii) Common Code:  | Not Applicable   |
| (iii) Clearing system(s)   |  |
| a) for International Notes:  | Euroclear Bank S.A./N.V./Clearstream Banking, Société Anonyme  |
| b) for Domestic Notes:   | OeKB and Euroclear Bank S.A./N.V. / Clearstream Banking, Société Anonyme through an account held with OeKB |
| (iv) Delivery:   | Delivery against payment   |
| (v) Names and addresses of initial Paying Agent(s):                              | Erste Group Bank AG, Graben 21, 1010 Vienna  |
| (vi) Names and addresses of additional Paying Agent(s) (if any):                 | Not Applicable   |
| (vii) Names and addresses of Delivery Agent(s) (if not BNP Paribas)              | Erste Group Bank AG  |
| (viii) Intended to be held in a manner which would allow Eurosystem eligibility. | No   |

## **Annex 1**

### **Additional Disclosures and Representations:**

(i) The Issuer has not made any representation whatsoever with respect to the Reference Entity, any Reference Obligation, any Obligation, any Deliverable Obligation, any underlying Obligor or any underlying Obligation on which it is relying or is entitled to rely.

(ii) The Reference Entity is not involved in the issuance of the Notes in any way and has no obligation to consider the interests of the Noteholders in taking any corporate actions that might affect the value of the Notes. The Reference Entity may, and is entitled to, take actions that will adversely affect the value of the Notes. The purchase price paid for the Notes is paid to the Issuer and not to the Reference Entity, and the Notes do not represent a direct investment in any Obligation of the Reference Entity or otherwise give the Noteholders any rights in the debt obligations of the Reference Entity. As an owner of a Note, Noteholders will not have special voting rights or rights to receive distributions or any other rights that holders of debt obligations of the Reference Entity may have.

(iii) There is no guarantee, protection or assurance for purchasers of the Notes in respect of the credit or performance of the Reference Entity, Reference Obligation or Obligations. Neither the Issuer nor any of its affiliates makes any representation as to the future performance of the Notes either in absolute terms or relative to other investments.

(iv) The Issuer and its affiliates are not responsible for any Reference Entity's public disclosure of information.

(v) For the avoidance of doubt, breach of representations set out above does not constitute an event that would entitle Noteholders to terminate the Notes under the terms and conditions of this Note.

## Annex 2

| <b>Reference Entity</b> | <b>Rating of Reference Entity (Moody's / S&amp;P / Fitch) as of 15/02/2013</b> | <b>Issuer of the Reference Obligation</b> | <b>Reference Obligation</b> | <b>ISIN of the Reference Obligation</b> |
|-------------------------|--|---|-----------------------------|---|
| Volkswagen AG           | A3, A-, A-   | VOLKSWAGEN INTL FIN NV                    | VW 2% 26/3/21               | XS0909788290                            |