

## 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(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 15 July 2015 (the "**Original Prospectus**", or 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 15 July 2015 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 11 August 2015. 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/OS-Zertifikate\\_ab2006](http://www.erstegroup.com/de/Capital-Markets/Prospekt/OS-Zertifikate_ab2006)".

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 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.

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 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 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, 13 August 2015.**

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 Sec 8a para 1 of the 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 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 Notes, and are thus herewith included in the Prospectus as follows:

**1. AMENDMENTS TO THE SECTION ENTITLED "DOCUMENTS INCORPORATED BY REFERENCE" COMMENCING ON PAGE 7 OF THE ORIGINAL PROSPECTUS**

**1.1 On page 7 of the Original Prospectus, after the table with regard to the Unaudited Interim Condensed Consolidated Financial Statements 31 March 2015, the following table shall be inserted:**

**"English translation of the Unaudited Interim Condensed Consolidated Financial Statements of the Issuer for the first half year ended 30 June 2015 – Interim Report First Half Year 2015 (the "Unaudited Interim Condensed Consolidated Financial Statements 30 June 2015")**

Condensed Statement of Comprehensive Income	17 - 19
Condensed Balance Sheet	20
Condensed Statement of Changes in Equity	21
Condensed Cash Flow Statement	22
Condensed notes to the Financial Statements of Erste Group for the period from 1 January to 30 June 2015	22 - 60"

**1.2 The last paragraph commencing on page 7 of the Original Prospectus, shall be replaced by the following paragraph:**

"For the avoidance of doubt, such parts of the annual reports of the Issuer for the financial years 2014 and 2013 respectively as well as of the quarterly report for the first quarter year in 2015 and the interim report for the first half year 2015 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."

**2. AMENDMENTS TO THE SECTION ENTITLED "DOCUMENTS AVAILABLE FOR INSPECTION" COMMENCING ON PAGE 8 OF THE ORIGINAL PROSPECTUS**

**2.1 On page 8 of the Original Prospectus, list paragraph "(i)" shall be replaced by the following list paragraph:**

"(i) the Audited Consolidated Financial Statements 2014 and 2013, the Unaudited Interim Condensed Consolidated Financial Statements 31 March 2015 and the Unaudited Interim Condensed Consolidated Financial Statements 30 June 2015 incorporated by reference into this Prospectus;"

**3. AMENDMENTS TO THE SECTION ENTITLED "SOURCES OF INFORMATION" ON PAGE 9 OF THE ORIGINAL PROSPECTUS**

**3.1 On page 9 of the Original Prospectus, the first sentence of the first paragraph shall be replaced by the following sentence:**

"Unless otherwise stated, statistical and other data provided in this Prospectus has been extracted from the Audited Consolidated Financial Statements 2014 and the Annual Report thereon, the Unaudited Interim Condensed Consolidated Financial Statements 31 March 2015 and the Unaudited Interim Condensed Consolidated Financial Statements 30 June 2015."

**4. AMENDMENTS TO THE SECTION ENTITLED "SIGNIFICANT CHANGES AND MATERIAL ADVERSE CHANGES" ON PAGE 9 OF THE ORIGINAL PROSPECTUS**

**4.1 On page 9 of the Original Prospectus, the paragraph is replaced by the following paragraph:**

"Except as disclosed under "Current Regulatory Topics" starting on page 193, and "Recent Developments" on page 195 of this Prospectus, there has been no significant change in the financial position of the Erste Group since 30 June 2015 and no material adverse change in the prospects of the Issuer since 31 December 2014."

**5. AMENDMENTS TO THE SECTION ENTITLED "1. SUMMARY" COMMENCING ON PAGE 11 OF THE ORIGINAL PROSPECTUS**

**5.1 In element B.12 the following table shall be added to the end of the subsection entitled "Selected historical key financial information" on page 14 of the Original Prospectus:**

<b>"in millions of Euro (rounded)</b>	<b>30 June 2015 unaudited</b>	<b>31 December 2014 audited</b>
Total liabilities and equity	197,532	196,287
Total equity	14,015	13,443
<b>in millions of Euro (rounded)</b>	<b>30 June 2015 unaudited</b>	<b>30 June 2014 unaudited</b>
Net interest income	2,211.9	2,243.6
Pre-tax result from continuing operations	964.1	-541.5
Net result for the period	690.7	-877.1
Net result attributable to owners of the parent	487.2	-929.7

Source: Unaudited Interim Condensed Consolidated Financial Statements as of 30 June 2015 with comparative financial information for the first half year in 2014 and the year ended 31 December 2014, respectively"

**5.2 In element B.12, in the subsection entitled "Description of significant changes in the financial or trading position subsequent to the period covered by the historical financial information" commencing on page 14 of the Original Prospectus, the paragraph in the right column shall be replaced by the following paragraph:**

"Not applicable. There has been no significant change in the financial position of the Issuer since 30 June 2015."

**6. AMENDMENTS TO THE SECTION ENTITLED "2. RISK FACTORS" COMMENCING**

## ON PAGE 30 OF THE ORIGINAL PROSPECTUS

- 6.1 On page 41 of the Original Prospectus, in the risk factor entitled "The Issuer is obliged to contribute amounts to the Single Resolution Fund and to the *ex ante* financed deposit guarantee fund." the last sentence of the second paragraph is replaced by the following:

"According to the Austrian Deposit Guarantee and Investor Protection Act (*Bundesgesetz über die Einlagensicherung und Anlegerentschädigung bei Kreditinstituten – ESAEG*), as adopted by the Austrian parliament which implements the DGSD in Austria, the deposit guarantee fund must be established until 3 July 2024, whereas credit institutions have to pay a half year's contribution in 2015."

7. **AMENDMENTS TO THE SECTION ENTITLED "5. ERSTE GROUP BANK AG" COMMENCING ON PAGE 181 OF THE ORIGINAL PROSPECTUS**

- 7.1 In the subsection entitled "5.6 RECENT DEVELOPMENTS" commencing on page 195 of the Original Prospectus, the content from the sub-heading beginning with "Erste Group's outlook as presented in the interim report..." (including) to the sub-heading "Discontinued minimum exchange rate of CHF against EUR" (excluding) is replaced by the following:

"Erste Group's outlook as presented in the interim report for the first half year 2015 is as follows:

### **Operating environment anticipated to be conducive to credit expansion**

Real GDP growth is expected to be between 2% and 4% in all major CEE markets, except Croatia, driven by solid domestic demand. For Austria, a real GDP growth below 1% is forecast.

### **Return on tangible equity (ROTE) expected at 8 to 10% in 2015 (tangible equity at the year-end 2014: EUR 8.4 billion)**

Operating result is expected to decline in the mid-single digits on the back of lower but sustainable operating results in Hungary (due to FX conversion related effects of lower average volume) and Romania (lower unwinding impact) as well as the persistent low interest rate environment.

For 2015, loan growth in the low single digits and a decline in risk costs to about EUR 0.9-1.1 billion are anticipated. Banking levies are expected to amount to about EUR 360 million, including parallel contributions to national as well as European bank resolution and deposit insurance funds. Related discussions with the Austrian government are still ongoing.

### **Risks to guidance**

Consumer protection initiatives such as a potential CHF borrower support scheme in Croatia as well as geopolitical risks could have negative economic impacts."

8. **AMENDMENTS TO THE SECTION ENTITLED "GERMAN TRANSLATIONS" COMMENCING ON PAGE 253 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.**

- 8.1 Im Element B.12 wird die folgende Tabelle an das Ende des Unterabschnitts "Ausgewählte historische Finanzinformationen" auf Seite 256 des Original Prospekts angefügt:

<b>"in Millionen Euro (gerundet)</b>	<b>30.6.2015 ungeprüft</b>	<b>31.12.2014 geprüft</b>
Summe der Verbindlichkeiten und Eigenkapital	197.532	196.287
Gesamtes Eigenkapital	14.015	13.443

  

<b>in Millionen Euro (gerundet)</b>	<b>30.6.2015 ungeprüft</b>	<b>30.6.2014 ungeprüft</b>
Zinsüberschuss	2.211,9	2.243,6
Ergebnis vor Steuern aus fortzuführenden Geschäftsbereichen	964,1	-541,5
Periodenergebnis	690,7	-877,1
Eigentümern des Mutterunternehmens zuzurechnendes Periodenergebnis	487,2	-929,7

Quelle: Ungeprüfter verkürzter konsolidierter Zwischenbericht zum 30.6.2015 mit vergleichenden Finanzzahlen für das erste Halbjahr 2015 bzw für das Geschäftsjahr, welches am 31.12.2014 geendet hat"

- 8.2 Im Element B.12 im Unterabschnitt "Beschreibung wesentlicher Veränderungen bei der Finanzlage oder Handelsposition der Emittentin, die nach dem von den historischen Finanzinformationen abgedeckten Zeitraum eingetreten sind" auf Seite 256 des Original Prospekts, wird der Absatz in der rechte Spalten durch folgenden Absatz ersetzt:

"Nicht anwendbar; es gab keine wesentlichen Veränderungen bei der Finanzlage der Emittentin, die nach dem 30.6.2015 eingetreten sind."

- 8.3 Im Risikofaktor "Die Emittentin ist verpflichtet, Beiträge an den Einheitlichen Abwicklungsfonds und an den ex-ante finanzierten Einlagensicherungsfonds abzuführen.", der auf Seite 284 des Original Prospekts beginnt, wird der letzte Satz des zweiten Absatzes wie folgt ersetzt:

"Gemäß dem Bundesgesetz über die Einlagensicherung und Anlegerentschädigung bei Kreditinstituten (ESAEG), welches vom Parlament beschlossen wurde und die DGSD in Österreich umsetzt, muss der Einlagensicherungsfonds bis 3. Juli 2024 aufgebaut werden, wobei 2015 die Kreditinstitute einen Beitrag in Höhe eines halben

Jahresbeitrags zahlen müssen."

# **RESPONSIBILITY STATEMENT OF ERSTE GROUP BANK AG**

Erste Group Bank AG, with its registered office at Graben 21, A-1010 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, 11 August 2015

Erste Group Bank AG  
as Issuer

Helmut Rauth

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Markets

Stefan Dörfler

Head of Group Capital Markets