

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 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 15 July 2015 (the "**Original Prospectus**") and together with Prospectus Supplement No. 1 dated 11 August 2015, 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 31 March 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/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 Article 16 of the Prospectus Directive and § 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, 4 April 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 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 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 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 except in certain transactions permitted by US tax regulations and the Securities Act. For a description of certain restrictions on offers and sales of Warrants, 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 Warrants.

Neither the Prospectus, 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 the Issuer that any recipient of the Prospectus, 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 the Prospectus, 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 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 Warrants, 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 Audited Consolidated Financial Statements of the Issuer for the financial year ended 31 December 2015 – Annual Report 2015 (the "Audited Consolidated Financial Statements 2015")

| | |
|---|------------|
| Consolidated Income Statement | 111 - 112 |
| Consolidated Balance Sheet | 113 |
| Consolidated Statement of Changes in Total Equity | 114 |
| Cash Flow Statement | 115 |
| Notes to the Consolidated Financial Statements | 116 - 273 |
| Auditors' Report | 274 - 275" |

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 Audited Consolidated Financial Statements 2015, 2014 and 2013 respectively as well as of the Unaudited Interim Condensed Consolidated Financial Statements 31 March 2015 and of the Unaudited Interim Condensed Consolidated Financial Statements 30 June 2015 which are not explicitly listed in the tables 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. Any information not listed above but included in the documents incorporated by reference is given for information purposes only."

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, the list item "(i)" shall be replaced by the following list item:

"(i) the Audited Consolidated Financial Statements 2015, 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 ("<https://www.erstegroup.com/en/Investors/Reports>");"

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 2015 and the Annual Reports 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" starting on page 195 of this Prospectus, there has been no significant change in the financial or trading position of the Erste Group since 31 December 2015 and no material adverse change in the prospects of the Issuer since the date of the Audited Consolidated Financial Statements 2015."

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

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

| "in millions of Euro (rounded) | 31 December 2015 audited | 31 December 2014 audited |
|---|-------------------------------------|-------------------------------------|
| Total liabilities and equity | 199,743 | 196,287 |
| Total equity | 14,807 | 13,443 |
| Net interest income | 4,445 | 4,495*) |
| Pre-tax result from continuing operations | 1,639 | -728*) |
| Net result for the period | 1,275 | -1,249*) |
| Net result attributable to owners of the parent | 968 | -1,383*) |

Source: Audited Consolidated Financial Statements 2015

*) The figures as of 31 December 2014 are restated according to IAS 8."

5.2 In element B.12, in the subsection entitled "Statement with regard to no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change" on page 14 of the Original Prospectus, the paragraph in the right column shall be replaced by the following paragraph:

"There has been no material adverse change in the prospects of the Issuer since the date of the Audited Consolidated Financial Statements 2015."

- 5.3 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 15 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 31 December 2015."

6. **AMENDMENTS TO THE SECTION ENTITLED "AUDIT AND AUDITORS' REPORTS" ON PAGE 202 OF THE ORIGINAL PROSPECTUS**

- 6.1 On page 202 of the Original Prospectus, the first paragraph is replaced by the following paragraph:

"Sparkassen-Prüfungsverband Prüfungsstelle (statutory auditor, two current directors of which are members of "Kammer der Wirtschaftstreuhänder Österreich") at Am Belvedere 1, A-1100 Vienna, and Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (a member of "Kammer der Wirtschaftstreuhänder Österreich") at Wagramer Straße 19, A-1220 Vienna, have audited the German language consolidated financial statements of Erste Group Bank as of 31 December 2015, 2014 and 2013 and issued unqualified audit opinions for the Audited Consolidated Financial Statements 2015 (dated 26 February 2016), 2014 (dated 27 February 2015) and 2013 (dated 28 February 2014). The financial year of Erste Group Bank is the calendar year."

7. **AMENDMENTS TO THE SECTION ENTITLED "GLOSSARY AND LIST OF ABBREVIATIONS" COMMENCING ON PAGE 242 OF THE ORIGINAL PROSPECTUS**

- 7.1 On page 242 of the Original Prospectus, after the row with regard to the Audited Consolidated Financial Statements 2014 the following row shall be inserted:

| | |
|---|---|
| "Audited Consolidated Financial Statements 2015" | the English translation of the audited consolidated annual financial statements of Erste Group Bank AG for the financial year ended 31 December 2015" |
|---|---|

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 in der rechten Spalte die folgende Tabelle am Ende des Unterabschnitts "Ausgewählte historische Finanzinformationen" auf Seite 256 des Original Prospekts ergänzt:**

| "in Millionen Euro (gerundet) | 31.12.2015 geprüft | 31.12.2014 geprüft |
|--|-------------------------------|-------------------------------|
| Summe der Verbindlichkeiten und Eigenkapital | 199.743 | 196.287 |
| Gesamtes Eigenkapital | 14.807 | 13.443 |
| Zinsüberschuss | 4.445 | 4.495*) |
| Ergebnis vor Steuern aus fortzuführenden Geschäftsbereichen | 1.639 | -728*) |
| Periodenergebnis | 1.275 | -1.249*) |
| Eigentümern des Mutterunternehmens zuzurechnendes Periodenergebnis | 968 | -1.383*) |

Quelle: Geprüfter konsolidierter Jahresabschluss der Emittentin für das Geschäftsjahr 2015

*) Die Zahlen zum 31.12.2014 wurden gemäß IAS 8 angepasst."

- 8.2 Im Element B.12 im Unterabschnitt "Erklärung, dass sich die Aussichten der Emittentin seit dem Datum des letzten veröffentlichten geprüften Abschlusses nicht wesentlich verschlechtert haben, oder beschreiben Sie jede wesentliche Verschlechterung" auf Seite 256 des Original Prospekts, wird der Absatz in der rechten Spalte durch den folgenden Absatz ersetzt:**

"Die Aussichten der Emittentin haben sich seit dem Datum des geprüften Konzernabschlusses für das Geschäftsjahr 2015 nicht wesentlich verschlechtert."

- 8.3 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", der auf Seite 256 des Original Prospekts beginnt, wird der Absatz in der rechten Spalte durch den folgenden Absatz ersetzt:**

"Nicht anwendbar. Es gab keine wesentlichen Veränderungen bei der Finanzlage der Emittentin seit dem 31.12.2015."

9. AMENDMENTS TO SEVERAL SECTIONS IN THE ORIGINAL PROSPECTUS

- 9.1 In the entire Original Prospectus the English address details "Graben 21, A-1010, Vienna, Austria", "Graben 21, 1010 Vienna, Austria" and "Graben 21, A-1010 Vienna, Austria" shall be replaced by the following address details stated in the first line and the German address details "Graben 21, 1010 Wien, Österreich" and "Graben 21 1010 Wien Österreich" shall be replaced by the following address details stated in the second line:**

"Am Belvedere 1, A-1100 Vienna, Austria"

"Am Belvedere 1, 1100 Wien, Österreich"

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, 31 March 2016

Erste Group Bank AG
as Issuer

Stefan Dörfler

Head of Group Markets

Bernhard Leder

Head of Group Markets Origination and
Funding