

Vienna, 29 April 2009

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Erste Group successfully places Participation Capital with private and institutional investors

- **EUR 540 million have been subscribed for by private and institutional investors**
- **Return on the Participation Capital will amount to 8.0% per annum*)**
- **No limitation on dividends on ordinary shares of Erste Group**

During the Subscription and Offer Period from 15 to 29 April 2009 Participation Capital in a nominal amount of EUR 540 million has been subscribed for by private and institutional investors.

Thus, Erste Group Bank AG's goal of placing Participation Capital in a nominal amount of at least EUR 400 million with private and institutional investors has been exceeded. In accordance with the Agreement in Principle concluded with the Republic of Austria, the dividend on the Participation Capital will amount to 8.0% per annum*) and Erste Group's distribution policy with regard to dividend payments on its ordinary shares will not be restricted in future business years.

The Republic of Austria has already subscribed for Participation Capital in a nominal amount of EUR 1.0 billion in March 2009 and will subscribe for additional Participation Capital in accordance with the Agreement in Principle.

The volume of the Participation Capital will in aggregate amount to approximately EUR 1.75 billion.

Subsequently, an amount of up to EUR 1 billion of Hybrid Capital is intended to be issued by Erste Bank der oesterreichischen Sparkassen AG, a 100% subsidiary of Erste Group, to the Republic of Austria.

As previously announced, the aggregate volume of Participation and Hybrid Capital shall therefore amount to EUR 2.7 billion on a consolidated basis of Erste Group.

This notice does neither constitute an offer of securities nor a solicitation to place an offer of securities. A prospectus (the "Prospectus") approved by the Austrian Financial Markets Authority has been published on 14 April 2009. Interested persons may obtain a copy of the Prospectus free of charge during the office hours at the office of Erste Group Bank AG, Graben 21, A-1010 Vienna (lounge, information desk) or from the website of the Group (www.erstegroup.com). The Participation Capital Securities have already been subscribed for. This notice may not be published or distributed in the United States, Canada, Japan and/or Australia. The Participation Capital Securities and the Subscription Rights have not been and will not be registered under the United States Securities Act of 1933 as amended (the "US-Securities Act") and may not be offered or sold in the United States without such registration or an exemption of the registration requirement according to the US-Securities Act.

*) Dividend of 8.0% per annum for the business years 2009 to 2014, for the business year 2015 and the following business years step-up up to a maximum of EURIBOR plus 10% *per annum*.

The dividend payable on the Participation Capital must be covered by the annual profits of Erste Group Bank AG and may thus be omitted.