

Agenda Item 7

The Management Board and the Supervisory Board propose that the general meeting passes the following resolution:

RESOLUTION

„Revocation of the existing authorized capital according to the resolution of the general meeting from 19th May 2006 to the extent not already used

and

Authorization of the Management Board, until 12th May 2015 to increase the registered capital with the consent of the Supervisory Board – also in several tranches – by an amount of up to EUR 200,000,000 by issuing up to 100,000,000 shares as follows, whereas the type of shares, the issue price, the terms and conditions and – to the extent provided for – the exclusion of the subscription rights will be determined by the Management Board with the consent of the Supervisory Board:

- a) by issuing shares against cash contribution without the exclusion of the subscription rights of shareholders; however, if the capital increase serves for the issue of shares to employees, senior employees and members of the Management Board of the Company or a Group Company, by excluding the subscription rights of shareholders;
- b) by issuing shares against contribution in kind, excluding the subscription rights of shareholders.

This authorization replaces the existing authorized capital according to section 5 of the articles of association. The articles of association will be amended in section 5 according to the annexed wording with the amendments highlighted.“

JUSTIFICATION

Erste Group Bank AG intends to provide for the possibility to satisfy eventual future capital requirements originating from changes of the law in whole or in part by capital increases. Moreover, further growth, for which the acquisition of other companies or stakes in companies may be necessary, should be safeguarded. For both purposes it will be necessary to supply the Company with additional equity.

With the resolution of the general meeting from 19th May 2006 so-called authorized capital was granted, whereby the Management Board was authorized for a period of five years after the registration of the amendment of the articles of association, thus until 5th July 2011, to increase the registered capital – also in several tranches – by an amount of up to EUR 180,000,000.

The Management Board has used this authorization in 2006 by resolving an increase of the registered capital of EUR 12,574,472, and in the fourth quarter of 2009 by resolving an increase of the registered capital of EUR 120,000,000, each with the consent of the Supervisory Board.

Therefore, the original authorized capital of EUR 180 million has been consumed by more than two thirds; furthermore, the above mentioned authorization of the Management Board expires on 5th July 2011.

In order to provide the Management Board together with the Supervisory Board with utmost flexibility, new authorized capital in the above mentioned amount and for a new period of five years shall be resolved. The current authorized capital shall be revoked to the extent not already used.

Please refer to the report of the Management Board concerning the possible exclusion of the subscription rights in connection with the issue of shares from authorized capital.

Regarding the resolution an amendment of section 5 of the articles of association is necessary. The articles of association will be annexed with the proposed amendments highlighted.