

Investment opportunity in Norwegian krone with 4.75% interest

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The solid budget situation and the attractive economic conditions make Norway an appealing investment outside of the currency union. The Norwegian krone is also profiting from this development.

Erste Group is offering a five-year fixed-income bond in Norwegian krone starting immediately. The interest is 4.75% p.a. and the bond is denominated in NOK 10,000.00 (approx. EUR 1,300.00). Maturity is from 30 August 2011 to 30 August 2016. The minimum investment is NOK 30,000.00 (approx. EUR 3,900.00). Due to the Austrian ISIN both the purchase and custody fees are lower than those of issuers of foreign bonds in Norwegian krone.

About the country and its development: Norway has not incurred any new debt in the past eleven years and has reported a budget surplus of more than ten percent almost every year. Norway has the highest living standards worldwide and ranks at the top in per capita income. A specialty of the country is the state-run pension fund, which now has a value of EUR 525 billion and is financed by oil exports. Norway is the 13th largest oil-producing country and covers around 3% of global oil demand.

The bond is issued in Norwegian krone and will be repaid at maturity in the same currency. Therefore, investors from the European currency area must also take the development of the Norwegian krone into account.



Terms

ISIN:	AT000B006150
Issuer:	Erste Group AG
Start of issue:	8 August 2011
Currency:	Norwegian krone (NOK)
Denomination:	NOK 10,000.00 (approx. EUR 1,300.00)
Minimum volume:	NOK 30,000.00 (approx. EUR 3,900.00)
Maturity:	30 Aug. 2011 – 30 Aug. 2016
Coupon:	4.75%
Redemption:	at 100% of nominal value
Issue price:	100.50% + 1% AGA (constant adjustment to market)
Sales commission:	Max. 2.00%

The term sheet with all of the details is available at:

