

Erste Group redeems third Government Guaranteed bond

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Erste Group Bank AG ('Erste Group') redeemed on 23 January 2012 the third bond issued in 2009 with a guarantee of the Republic of Austria. The volume of the three-year bond was EUR 1.5 billion. The bond featured an annual coupon of 3% and was acquired by national and international institutional investors (mainly banks; asset manager and central banks). The guarantee of the Republic of Austria covered the principal repayment and interest on the bond. For the guarantee, the Republic of Austria received EUR 42.9 million from Erste Group.

Overall, Erste Group has placed bonds with a total volume of EUR 4.05 billion issued in 2009 under the guarantee scheme of the Republic of Austria. The maturities were from two to five years. Of the total of four bonds, three have already matured to date. The last five-year bond issue with a volume of one billion matures at the end of February 2014. The bonds served the refinancing of the banking business of Erste Group. In total, Erste Group paid the Republic of Austria guarantee fees of EUR 100 million.