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## Erste Group Memory Express Note on Euro iStoxx Transatlantic 100 EW Decrement 2018-2023 SNP Series 32

|                                     |  |
|-------------------------------------|--|
| <b>Issuer</b>                       | Erste Group Bank AG  |
| <b>Seniority</b>                    | Senior unsecured notes   |
| <b>Issuer Rating</b>                | A (S&P), A3 (Moody's), A- (Fitch)  |
| <b>ISIN</b>                         | AT0000A20B14   |
| <b>German WKN</b>                   | EB0FFR   |
| <b>Public Offer in</b>              | Slovakia   |
| <b>Start of Subscription Period</b> | 20.03.2018   |
| <b>Issue Date</b>                   | 29.03.2018   |
| <b>Maturity Date</b>                | 29.04.2023   |
| <b>Currency</b>                     | Euro (EUR)   |
| <b>Principal Amount</b>             | Tap Issue, up to EUR 50,000,000  |
| <b>Principal Amount per Note</b>    | EUR 1,000  |
| <b>Initial Issue Price</b>          | 100.00 per cent.<br>Issue price may adjust to market conditions continuously.  |
| <b>Issue Surcharge</b>              | Up to 2.00 per cent.   |
| <b>Selling concession</b>           | Up to 2.00 per cent.   |
| <b>Interest Rate</b>                | <p>The interest rate is equal to the sum of (i) 4.20 per cent. of the Principal Amount per Note ("Basic Rate of Interest") and (ii) the product of (x) 4.20 per cent. of the Principal Amount per Note ("Memory Rate of Interest") and (y) the number of all Interest Payment Dates prior to the relevant Interest Payment Date, on which no interest and also no Memory Rate of Interest has been paid.</p> <p>(i) If the Closing Price of the Reference Asset on the Valuation Date immediately preceding the relevant Interest Payment Date is equal to or greater than the Coupon Barrier, interest will be paid, or</p> <p>(ii) otherwise no interest will be paid on such Interest Payment Date.</p> |
| <b>Payment Dates</b>                | Annually on 29.04. in each year, starting on 29.04.2019, subject to adjustment with Following Business Day Convention The interest amount shall not be adjusted accordingly.   |
| <b>Reference Asset</b>              |  |

| Name of the Index | Index Sponsor | Single or Multi-Exchange- | Exchange | Screen Page |
|-------------------|---------------|---------------------------|----------|-------------|
|-------------------|---------------|---------------------------|----------|-------------|

|   |            | Index                   |  |                     |
|---|------------|-------------------------|--|---------------------|
| Euro ISTOXX®<br>Transatlantic 100 EW<br>Decrement Index | STOXX Ltd. | Multi Exchange<br>Index | various<br>exchanges /<br>trading<br>platforms | Reuters<br>.IXTEWDP |

|                                 |   |
|---------------------------------|---|
| <b>Strike Price</b>             | 100.00 per cent. of the Closing Price on 28.03.2018   |
| <b>Coupon Barrier</b>           | 65.00 per cent. of the Strike Price.  |
| <b>Redemption Barrier</b>       | 100.00 per cent. of the Strike Price  |
| <b>Final Redemption Barrier</b> | 65.00 per cent. of the Strike Price   |
| <b>Valuation Dates</b>          | Valuation Dates are respectively 5 Business Days prior to the following Early Redemption Date. The Last Valuation Date is on 24.04.2023.  |
| <b>Early Redemption</b>         | If the Closing Price of the Reference Asset is equal or greater than the Redemption Barrier on one of the Valuation Dates, which is not the Last Valuation Date, each Note will be redeemed by the Issuer at the Early Redemption Amount on the Early Redemption Date following the relevant Valuation Date.  |
| <b>Early Redemption Amount</b>  | 100.00 per cent.  |
| <b>Early Redemption Dates</b>   | Early Redemption Dates occur annually in each case on the 29.04. of each year commencing on 29.04.2019 and ending on 29.04.2022.  |
| <b>Redemption Amount</b>        | <p>If early redemption has not occurred and</p> <ul style="list-style-type: none"> <li>if the Closing Price of the Reference Asset on the Last Valuation Date is equal or greater than the Final Redemption Barrier, each Note will be redeemed on 29.04.2023 by an amount equal to the product of the Principal Amount per Note and 100.00 per cent.</li> <li>otherwise each Note will be redeemed on 29.04.2023 at an amount, which corresponds to the product of (x) the Principal Amount per Note and (y) the performance of the Reference Asset, and is calculated by using the formula below: <math display="block">\text{Principal Amount per Note} * \frac{\text{Closing Price of the Last Valuation Date}}{\text{Strike Price}}</math> </li> </ul> |
| <b>Performance</b>              | <p>"Performance" is an amount expressed as a percentage which is equal to the result of dividing (i) the Closing Price of the Reference Asset on the Valuation Date or the Last Valuation Date, as applicable by (ii) the Strike Price of the relevant Reference Asset, and is calculated by using the following formula:</p> $\frac{\text{Closing Price on the (Last) Valuation Date}}{\text{Strike Price}}$   |
| <b>Business Days</b>            | TARGET  |
| <b>Listing</b>                  | Stuttgart Stock Exchange (Open Market)  |
| <b>Documentation</b>            | Structured Notes Programme (SNP), approved on 05.09.2017  |
| <b>Calculation Agent</b>        | Erste Group Bank AG   |
| <b>Paying Agent</b>             | Erste Group Bank AG   |

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all supplements thereof (together: "Prospectus"). If a transaction is entered into, the terms and conditions of the transaction will be reflected in the Prospectus which will supersede and replace this indicative Term Sheet in its entirety. The Notes are governed by and shall be construed in accordance with Austrian Law.

A Base Prospectus has been drawn up and approved by the Austrian Financial Markets Authority (FMA) in accordance with Directive 2003/71/EC of the European Parliament and of the Council, the Commission Regulation (EC) no. 809/2004. The Base Prospectus has been notified by the FMA to the Authorities in Germany, Croatia, Czech Republic, Hungary, Slovakia and Romania according to section 8b of the Austrian Capital Market Act and to the respective authorities in the countries where the product is subject to public offers. The Final Terms are deposited with the FMA. The complete information on the Financial Instrument (Base Prospectus, Final Terms, supplements, if any, customer information under MiFID) can be obtained free of charge upon request at the issuer's registered office at Am Belvedere 1, 1100 Vienna during regularly business hours. An electronic version of the Prospectus is available at the website of Erste Group Bank AG [www.erstegroup.com](http://www.erstegroup.com) <<http://www.erstegroup.com>>.

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