

## Final Terms dated 4<sup>th</sup> August 2010

### Erste Group Bank AG

Issue of Erste Group Subordinated CMS-linked Notes 2010 - 2017

under the **€30,000,000,000 Debt Issuance Programme**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Prospectus dated 8 June 2010 and the supplement to the Prospectus dated 9 June 2010 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the supplement to the Prospectus are available for viewing at <http://www.erstegroup.com> and during normal business hours at Börsegasse 14, 1010 Vienna and copies may be obtained from Erste Group Bank AG, Börsegasse 14, 1010 Vienna and on <http://www.erstegroup.com>.

### PART A - CONTRACTUAL TERMS

1	Issuer:	Erste Group Bank AG
2	(i) Series Number:	960
	(ii) Tranche Number:	1
	(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).	
3	Specified Currency or Currencies:	Euro
4	Aggregate Nominal Amount of Notes:	
	(i) Series:	Euro 1,500,000
	(ii) Tranche:	Euro 1,500,000
5	Issue Price:	100 % of the Aggregate Nominal Amount
6	(i) Specified Denominations:	Euro 100,000
	(ii) Calculation Amount:	Specified Denomination
7	(i) Issue Date:	06 August 2010
	(ii) Interest Commencement Date:	Issue Date
8	Maturity Date:	21 Februar 2017
9	Interest Basis:	5-years-EUR-ISDA-EURIBOR Swap Rate – 11:00 Floating Rate

<b>10</b>	Redemption/Payment Basis:	Redemption at par
<b>11</b>	Change of Interest or Redemption/Payment Basis:	Not applicable
<b>12</b>	Put/Call Options:	Not applicable
<b>13</b>	(i) Status of the Notes:	Subordinated Capital
	(ii) Date Board approval for issuance of Notes obtained:	according to Overall Planning Approval of Management Board dated 16 November 2009 and Supervisory Board dated 16 December 2009
<b>14</b>	Method of distribution:	Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

<b>15</b>	<b>Fixed Rate Note Provisions</b>	Not Applicable
<b>16</b>	<b>Floating Rate Note Provisions</b>	Applicable
	(i) Interest Period(s):	Each period from (and including) an Interest Payment Date to (but excluding) the next Interest Payment Date, the first Interest Period shall be the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date
	(ii) Specified Interest Payment Dates:	21 Februar in each year in arrears in accordance with the Business Day Convention below.
	(iii) First Interest Payment Date	21 Februar 2011 (short first interest period) in accordance with the Business Day Convention below.
	(iv) Business Day Convention:	Following Business Day Convention
	(v) Business Centre(s):	TARGET
	(vi) Manner in which the Rate(s) of Interest is/are to be determined:	ISDA Determination
	(vii) Party responsible for calculating the Rate(s) of interest and/or Interest Amount(s) (if not the [Agent]):	Erste Group Bank AG
	(viii) Screen Rate Determination:	
	- Reference Rate:	Not Applicable
	- Interest Determination Date(s):	Not Applicable
	- Relevant Screen Page:	Not Applicable
	(ix) ISDA Determination:	
	- Floating Rate Option:	EUR-ISDA-EURIBOR Swap Rate-11:00 am Frankfurt time
	- Designated Maturity:	5 years

	- Reset Date:	First day of each Interest Accrual Period
	(x) Margin(s):	Not Applicable
	(xi) Minimum Rate of Interest:	Not Applicable
	(xii) Maximum Rate of Interest:	Not Applicable
	(xiii) Day Count Fraction:	30/360, unadjusted
	(xiv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	Not Applicable
<b>17</b>	<b>Zero Coupon Note Provisions</b>	Not Applicable
<b>18</b>	<b>Index-linked Interest Note/other variable-linked interest Note Provisions</b>	Not Applicable
<b>19</b>	<b>Dual Currency Note Provisions</b>	Not Applicable
<b>PROVISIONS RELATING TO REDEMPTION</b>		
<b>20</b>	<b>Call Option</b>	Not Applicable
<b>21</b>	<b>Put Option</b>	Not Applicable
<b>22</b>	<b>Final Redemption Amount of each Note</b>	
	In cases where the Final Redemption Amount is Index-Linked or other variable-linked:	Not Applicable
<b>23</b>	<b>Redemption of Reverse Convertible Notes (Cash-or-Share Notes, Cash-or-Fund Notes, Cash-or-Commodity Notes, Cash-or-Currency Notes, Cash-or-Future Notes)</b>	Not Applicable
<b>24</b>	<b>Early Redemption Amount</b>	According to Clause 6 of the Terms and Conditions of the Notes
	Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

25	Form of Notes:	Notes governed by Austrian law: Bearer Notes: Temporary Global Note exchangeable for a Permanent Global Note which is not exchangeable for Definitive Notes.
26	New Global Note	No
27	Financial Centre(s) or other special provisions relating to Payment Dates:	TARGET
28	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
29	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
30	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
31	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
32	Consolidation provisions:	Not Applicable
33	Other final terms:	Not Applicable
<b>DISTRIBUTION</b>		
34	(i) If syndicated, names of Managers	Not Applicable
	(ii) Stabilising Manager(s) (if any):	Not Applicable
35	If non-syndicated, name of Dealer:	Erste Group Bank AG Graben 21, A-1010 Wien
36	U.S. Selling Restrictions	TEFRA D
37	Additional selling restrictions:	Not Applicable
38	Jurisdiction and Governing Law:	Austrian
39	Binding language:	English

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on the Vienna Stock Exchange of the Notes described herein pursuant to the €30,000,000,000 Debt Issuance Programme of Erste Group Bank AG.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Erste Group Bank AG as the Issuer.

By:  
Authorised Officer

By:  
Authorised Officer

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: Vienna
- (ii) Admission to trading: Application is expected to be made by the Issuer for the Notes to be admitted to trading on the Vienna Stock Exchange.
- (iii) Estimate of total expenses related to admission to trading: Max. EUR 2,900

### 2. RATINGS

- Ratings: In General Notes have the following ratings:
- S&P:  
Long term: A  
Short term A-1
- Moody's:  
Senior Unsecured: Aa3  
ST Bank Deposit Rating: P-1
- Fitch:  
Long term: A  
Short term: F1

### 3. NOTIFICATION

The Commission de surveillance du secteur financier (CSSF - Luxembourg) has provided the Finanzmarktaufsichtbehörde (FMA – Austria), Bundesanstalt für Finanzdienstleistungsaufsicht (Bafin - Germany), Commissione Nazionale per le Società e la Borsa (CONSOB – Italy), Malta Financial Services Authority (MFSA – Malta), Commission de surveillance du secteur financier (CSSF - Luxembourg), Hungarian Financial Supervisory Authority (PSZÁF - Hungary), Czech Securities Commission (SEC - Czech Republic), National Bank of Slovakia (NBS - Slovak Republic), Securities Market Agency (Slovenia) and Romanian National Securities Commission (Romania) with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Prospectus Directive

### 4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save as discussed in “Subscription and Sale”, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

### 5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: See “Use of Proceeds” wording in Prospectus
- (ii) Estimated net proceeds: Not Applicable
- (iii) Estimated total expenses: Max. EUR 3,000

**6. Fixed Rate Notes only - YIELD**

Indication of yield: Not Applicable

**7. *Index-linked or Equity-linked or Fund-linked or Credit-linked or Commodity-linked or Future-linked or other variable-linked Notes only* - PERFORMANCE OF INDEX/FORMULA/UNDERLYING EQUITY/FUND/CREDIT EVENT/COMMODITY/FUTURE/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Historical information can be obtained from Bloomberg or Reuters

**8. *Dual Currency Notes only* - PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

Not Applicable

**9. OPERATIONAL INFORMATION**

- (i) ISIN Code: AT000B004817
- (ii) Common Code: Not Applicable
- (iii) Clearing system(s)
  - a) for International Notes: Euroclear Bank S.A./N.V./Clearstream Banking, Société Anonyme
  - b) for Domestic Notes: OeKB and Euroclear Bank S.A./N.V. / Clearstream Banking, Société Anonyme through an account held with OeKB
- (iv) Delivery: Delivery against payment
- (v) Names and addresses of initial Paying Agent(s): Erste Group Bank AG, Graben 21, A-1010 Wien
- (vi) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (vii) Intended to be held in a manner which would allow Eurosystem eligibility. No