

Prospectus Supplement No. 5

Erste Group Bank AG

(Incorporated as a stock corporation in the Republic of Austria under registered number FN 33209 m)

Warrants Programme

This supplement (the "**Supplement**") constitutes a prospectus supplement pursuant to Art 16 (1) of the Directive 2003/71/EC as amended (the "**Prospectus Directive**") and Sec 6(1) of the Austrian Capital Market Act as amended (*Kapitalmarktgesetz*, the "**KMG**") and is supplemental to, and should be read in conjunction with, the prospectus dated 16 July 2013 (the "**Original Prospectus**") and together with supplement No. 1 dated 12 August 2013, supplement No. 2 dated 18 December 2013, supplement No. 3 dated 13 February 2014 and supplement No. 4 dated 2 April 2014, the "**Prospectus**") relating to the Warrants Programme (the "**Programme**") of Erste Group Bank AG (the "**Issuer**" or "**Erste Group Bank**").

The Original Prospectus has been approved on 16 July 2013 by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*, the "**FMA**").

This Supplement has been filed for approval with the FMA in its capacity as competent authority under the KMG on 26 June 2014. This Supplement has been filed with the Wiener Börse, which has admitted the Programme to the "Amtlicher Handel" (Official Market) and the "Geregelter Freiverkehr" (Second Regulated Market). This Supplement has been published in electronic form on the website of the Issuer under "www.erstegroup.com". Printed copies of this Supplement will be made available free of charge during normal business hours at the registered office of the Issuer, Graben 21, 1010 Vienna, Austria. The Issuer has requested the FMA to provide the competent authorities in other host Member States within the European Economic Area including Croatia, Germany, the Czech Republic, Hungary and Romania with a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Directive and the KMG.

Terms defined in the Prospectus shall have the same meaning when used in this Supplement.

To the extent that there is any inconsistency between a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and b) any other statement in or incorporated by reference in the Prospectus, the statements in a) above will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

In accordance with Art 16 of the Prospectus Directive and Sec 6 KMG, investors who have agreed to subscribe for Warrants after the occurrence of the significant new factors described in this Supplement but before the publication of this Supplement have a right to withdraw their acceptances until, and including 30 June 2014.

This Supplement has been filed with the FMA in its capacity as competent authority under the KMG for approval. The accuracy of the information contained in this Supplement does not fall within the scope of examination by the FMA under applicable Austrian law and the Prospectus Directive. The FMA has examined this Supplement only in respect of its completeness, coherence and comprehensibility pursuant to Sec 8a para 1 of the KMG.

26 June 2014



No person has been authorised to give any information or to make any representation other than those contained in the Prospectus and this Supplement in connection with the issue or sale of the Warrants and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. Neither the delivery of the Prospectus and/or this Supplement nor any sale made in connection therewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Erste Group since the date hereof or the date upon which the Prospectus has been most recently supplemented or that there has been no adverse change in the financial position of the Issuer or the Erste Group since the date hereof or the date upon which the Prospectus has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

*The distribution of this Supplement and the offering or sale of the Warrants in certain jurisdictions may be restricted by law. Persons into whose possession this Supplement comes are required by the Issuer to inform themselves about and to observe any such restriction. The Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may include Warrants in bearer form that are subject to US tax law requirements. Subject to certain exceptions, Warrants may not be offered, sold or delivered within the United States or to US persons. For a description of certain restrictions on offers and sales of Warrants, see "Subscription and Sale" in the Original Prospectus.*

This Supplement does not constitute an offer of, or an invitation by or on behalf of any of the Issuer to subscribe for, or purchase, any Warrants.

Neither the Prospectus, this Supplement nor any financial statements supplied in connection with the Programme or any Warrants are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer that any recipient of the Prospectus, this Supplement or any financial statements should purchase the Warrants. Each potential purchaser of Warrants should determine for itself the relevance of the information contained in the Prospectus, this Supplement or any financial statements and its purchase of Warrants should be based upon any such investigation as it deems necessary.

Significant new factors (as referred to in Art 16 (1) of the Prospectus Directive and Sec 6(1) of the KMG) have arisen which in the Issuer's perception are capable of affecting the assessment of the Warrants, and are thus herewith included in the Prospectus as follows:

1. Financial Information

1.1 On page 7 of the Original Prospectus, in the section entitled "*Documents Incorporated by Reference*", below the paragraph on the Audited Consolidated Financial Statements 2013 (which paragraph was included by means of supplement No. 4), the additional following paragraph shall be included:

"English translation of the Unaudited Interim Condensed Consolidated Financial Statements of the Issuer for the first quarter year ended 31 March 2014 – Interim Report First Quarter 2014 (the "Unaudited Interim Condensed Consolidated Financial Statements 31 March 2014")"

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"

1.2 The first paragraph below the above mentioned table (which paragraph was included by supplement No. 4) shall be replaced by the following paragraph:

"For the avoidance of doubt, such parts of the annual reports of the Issuer for the financial years 2013, 2012 and 2011 respectively as well as of the interim report for the third quarter year in 2013 and the quarterly report for the first quarter year in 2014 which are not explicitly listed in the table above, are not incorporated by reference into this Prospectus as these parts are either not relevant for the investor or covered elsewhere in this Prospectus."

1.3 On page 8 of the Original Prospectus in the section entitled "*Documents Available for Inspection*", the item numbered with "(ii)" in the first list (which item was included by supplement No. 4) shall be replaced by the following paragraph:

"the Audited Consolidated Financial Statements 2013, 2012 and 2011 as well as the Unaudited Interim Condensed Consolidated Financial Statements 30 September 2013 and the Unaudited Interim Condensed Consolidated Financial Statements 31 March 2014;"

1.4 On page 9 of the Original Prospectus in the section entitled "*Documents Available for Inspection*", the item numbered with "(iii)" in the last list (which item was included by supplement No. 4) shall be replaced by the following paragraph:

"the Audited Consolidated Financial Statements 2013, 2012 and 2011 as well as the Unaudited Interim Condensed Consolidated Financial Statements 30 September 2013 and the Unaudited Interim Condensed Consolidated Financial Statements 31 March 2014 incorporated by reference into this Prospectus."

1.5 On page 9 of the Original Prospectus, in the paragraph below the heading "*Significant Changes and Material Adverse Changes*", the last half-sentence (which was included by supplement No. 4) shall be replaced by the following:

"there has been no significant change in the financial or trading position of the Erste Group since 31 March 2014 and no material adverse change in the prospects of the Issuer since 31 December 2013."

1.6 On page 12 of the Original Prospectus, in the right column of item "*Selected historical key financial information*" in B.12, the following table shall be included after the first table (which was included by supplement No. 4):

"

in millions of Euro (rounded)	31 March 2014 unaudited	31 December 2013 as restated ¹⁾
Total liabilities and equity	203,903	200,118
Total equity	15,069	14,785

in millions of Euro (rounded)	31 March 2014 unaudited ¹⁾	31 March 2013 unaudited ¹⁾
Net interest income	1,123.9	1,196.7
Pre-tax result from continuing operations	239.5	310.1
Net result for the period	139.8	243.7
Net result attributable to owners of the parent	103.3	176.6

Source: Unaudited Interim Condensed Consolidated Financial Statements 31 March 2014 with comparative restated financial information for the year ended 31 December 2013

1) As a result of IFRS 10 application on 1 January 2014, Erste Group Bank started with consolidation of 18 investment funds managed by asset management companies of Erste Group. In 2014, as a result of harmonization with Financial Reporting Standards (FINREP) reporting, Erste Group has changed the structure of the line items in the balance sheet and income statement in order to align with EBA requirements. The consolidation has been applied retrospectively. All affected 2013 comparative figures have been restated. For more detailed information on the restatement and the changes in the structure of the line items in the balance sheet and income statement, please see the Unaudited Interim Condensed Consolidated Financial Statements 31 March 2014.

"

1.7 On page 13 of the Original Prospectus, the right column of item "*Statement with regard to no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change*" in B.12 shall be replaced by the following:

"As of the date of the Prospectus, there has been no material adverse change in the prospects of the Issuer since the date of the Audited Consolidated Financial Statements 2013."

1.8 On page 13 of the Original Prospectus, the right column of item "*Description of significant changes in the financial or trading position subsequent to the period covered by the historical financial information*" in B.12 shall be replaced by the following:

"Not applicable. There has been no significant change in the financial position of the Issuer since 31 March 2014."

2. Ratings

2.1 On page 14 of the Original Prospectus, the second paragraph in the right column of B.17 shall be deleted.

2.2 On page 14 of the Original Prospectus, the following table shall replace the table below the text "*Moody's assigned the following ratings*" in B.17:

"

	Long term deposits	Short term deposits	Outlook
Erste Group Bank AG	Baa1	P-2	negative
Public Sec. Cov. Bonds	Aaa	-	-
Mortgage Cov. Bonds	Aaa	-	-
Subordinated	Ba1		negative

"

2.3 On page 33 of the Original Prospectus, in the first paragraph below the heading "*Rating agencies may suspend, downgrade or withdraw a rating of Erste Group Bank or of a country where Erste Group is active, and such action might negatively affect the refinancing conditions for Erste Group Bank, in particular its access to debt capital markets*", the last two sentences shall be replaced by the following two sentences:

"Erste Group Bank's long-term credit ratings are: Standard & Poor's, A (outlook negative), whereas on 10 June 2014, Standard & Poor's has placed the 'A' long-term rating on the Issuer on CreditWatch with negative implications; Moody's, Baa1 (outlook negative); and Fitch, A (outlook negative)."

2.4 On page 189 of the Original Prospectus, the following text shall be inserted below the fifth paragraph ("Negative Outlook"):

"On 10 June 2014, Standard & Poor's has placed the 'A' long-term and the 'A-1' short-term ratings on the Issuer on CreditWatch with negative implications.

'**CreditWatch**' highlights Standard & Poor's opinion regarding the potential direction of a short-term or long-term rating. It focuses on identifiable events and short-term trends that cause ratings to be placed under special surveillance by Standard & Poor's analytical staff. A CreditWatch listing does not mean a rating change is inevitable. The "negative" designation means a rating may be lowered."

2.5 On page 189 of the Original Prospectus, the following table shall replace the table below the text "*Moody's assigned the following ratings*":

"

	Long term deposits	Short term deposits	Outlook
Erste Group Bank AG	Baa1	P-2	negative
Public Sec. Cov. Bonds	Aaa	-	-
Mortgage Cov. Bonds	Aaa	-	-
Subordinated	Ba1	-	negative

"

2.6 On page 189 of the Prospectus, the sentence "**'A'** – *Obligations rated A are judged to be upper-medium grade and are subject to low credit risk*" shall be replaced by the following sentence:

"**'Baa'** — Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics."

3. Change in Segment Reporting

On page 178 of the Original Prospectus, the following sentence shall be added at the end of the first paragraph below the heading "Erste Group's Business Segments":

"As of the beginning of 2014, Erste Group's reporting segments have been changed."

4. Risk Factors

4.1 On page 35 of the Original Prospectus, the following new paragraph shall be inserted after the paragraph starting with "*Changes in Recognition of Own Funds*":

"Privileged Treatment of Exposures to Central Governments or Central Banks of a Third Country. The CRR allows institutions to assign a privileged risk weight to exposures to central governments or central banks of a third country which applies supervisory and regulatory requirements at least equivalent to those applied in the EU. The EU-Commission may adopt a decision as to whether a third country applies supervisory and regulatory arrangements at least equivalent to those applied in the EU. In the absence of such a decision, until 1 January 2015, institutions may continue to apply the treatment to the exposures to the central government or central bank of the third country where the relevant competent authorities had approved the third country as eligible for that treatment before 1 January 2014. However, the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde* – "**FMA**") – as the relevant competent authority for Erste Group – did not approve any third countries as eligible for such privileged treatment. Erste Group has therefore concluded to continue to apply such privileged treatment to those third countries deemed eligible by Erste Group until a respective decision by the EU-Commission (but until 1 January 2015 at the latest). The discontinuation of this privileged treatment would have a negative impact on the amount of RWA and on the capital ratios."

4.2 On page 39 of the Original Prospectus, the following text shall be added at the end of the first paragraph below the heading "*Since a large part of Erste Group's operations, assets and customers are located in CEE countries that are not part of the Eurozone, Erste Group and its customers are exposed to currency risks*":

"Further, the impact of court decisions invalidating clauses used in foreign currency loans, or replacing them with clauses more onerous on the lender, may have negative effects. In a recent decision concerning a dispute of a client with a Hungarian competitor of Erste Bank Hungary, the Hungarian Supreme Court established that the use of the exchange rate gap was unfair and that the official medium exchange rate of the Hungarian National Bank must be used for calculation. This judicial development could have also negative effects on other Hungarian banks, including Erste Bank Hungary, causing additional costs or provisions."

5. German Translation

The following translation of the original summary and the risk factors of the Prospectus has not been approved by the FMA. Further, the FMA did not review its consistency with the original text of the Prospectus.

Die folgende Übersetzung der originalen Zusammenfassung und der Risikofaktoren des Prospekts wurde nicht von der FMA gebilligt. Auch die Übereinstimmung mit dem originalen Text des Prospekts wurde nicht von der FMA geprüft.

5.1 Auf Seite 257 des Original Prospectus wird in der rechten Spalte der Position "*Ausgewählte historische Finanzinformationen*" in B.12 die folgende Tabelle nach der ersten Tabelle (die durch Nachtrag Nr 4 eingefügt wurde) eingefügt:

"

in Millionen Euro (gerundet)	31.3.2014 ungeprüft	31.12.2013 angepasst¹⁾
Summe der Aktiva	203.903	200.118
Kapital	15.069	14.785

in Millionen Euro (gerundet)	31.3.2014 ungeprüft¹⁾	31.3.2013 ungeprüft¹⁾
Zinsüberschuss	1.123,9	1.196,7
Ergebnis vor Steuern aus fortzuführenden Geschäftsbereichen	239,5	310,1
Ergebnis nach Steuern aus fortzuführenden Geschäftsbereichen	139,8	243,7
Eigentümern des Mutterunternehmens zuzurechnendes Periodenergebnis	103,3	176,6

Quelle: Ungeprüfter verkürzter konsolidierter Zwischenbericht der Emittentin zum 31.3.2014 mit vergleichenden angepassten Finanzzahlen für das Geschäftsjahr, welches am 31.12.2013 geendet hat

1) Infolge der Anwendung von IFRS 10 am 1. Jänner 2014 hat die Erste Group Bank mit der Konsolidierung von 18 Fonds, die von ihren Vermögensverwaltungsgesellschaften verwaltet werden, begonnen. Aufgrund der Harmonisierung mit der sog. Financial Reporting Standards (FINREP) Meldung hat die Erste Group in 2014 die Struktur der Posten in der Bilanz und in der Gewinn- und Verlustrechnung geändert, um diese an die EBA Anforderungen anzupassen. Die Konsolidierung wurde retrospektiv angewendet. Alle Vergleichszahlen 2013 wurden entsprechend angepasst. Mehr detaillierte Informationen über die Anpassung und den Änderungen in der Struktur der Posten in der Bilanz und in der Gewinn- und Verlustrechnung sind im Ungeprüften verkürzten konsolidierten Zwischenbericht der Emittentin zum 31.3.2014 enthalten.

„

5.2 Auf Seite 257 des Original Prospectus wird die rechte Spalte der Position *"Erklärung, dass sich die Aussichten des Emittenten seit dem Datum des letzten veröffentlichten geprüften Abschlusses nicht wesentlich verschlechtert haben, oder beschreiben Sie jede wesentliche Verschlechterung"* in B.12 durch folgenden Text ersetzt:

"Zum Datum des Prospekts haben sich die Aussichten der Emittentin seit dem Datum des Geschäftsberichts der Emittentin für das Geschäftsjahr 2013, der den letzten konsolidierten Jahresabschluss der Emittentin enthält, nicht wesentlich verschlechtert."

5.3 Auf Seite 258 des Original Prospectus wird die rechte Spalte der Position *"Beschreibung wesentlicher Veränderungen bei der Finanzlage oder Handelsposition des Emittenten, die nach dem von den historischen Finanzinformationen abgedeckten Zeitraum eingetreten sind"* in B.12 durch folgenden Text ersetzt:

"Entfällt. Es gab keine wesentlichen Veränderungen bei der Finanzlage der Emittentin, die nach dem 31.3.2014 eingetreten sind."

5.4 Auf Seite 259 des Original Prospectus wird der zweite Absatz in der rechten Spalte von B.17 gelöscht.

5.5 Auf Seite 259 des Original Prospectus ersetzt die folgende Tabelle die Tabelle unter dem Text *"Moody's erteilte folgende Ratings"* in B.17:

„

	Langfristige Einlagen	Kurzfristige Einlagen	Ausblick
Erste Group Bank AG	Baa1	P-2	negativ

Öffentliche Pfandbriefe	Aaa	-	-
Hypothekendarlehen	Aaa	-	-
Nachrangig	Ba1	-	negativ

"

5.6 Auf Seite 282 des Prospekts werden die letzten beiden Sätze des zweiten Absatzes nach der Überschrift "*Ratingagenturen können ein Rating der Erste Group Bank oder eines Landes, in dem die Erste Group tätig ist, aussetzen, herabstufen oder zurückziehen, was sich negativ auf die Refinanzierungsbedingungen der Erste Group Bank, insbesondere auf den Zugang zu den Fremdkapitalmärkten, auswirken kann*" durch folgende Sätze ersetzt:

"Die Ratings für langfristige Finanzverbindlichkeiten der Erste Group lauten: Standard & Poor's, A (Ausblick negativ), wobei Standard & Poor's am 10.6.2014 das 'A' Rating für langfristige Finanzverbindlichkeiten der Emittentin auf CreditWatch mit negativer Implikation gesetzt hat; Moody's, Baa1 (Ausblick negativ); und Fitch, A (Ausblick negativ)."

5.7 Auf Seite 284 des Prospekts wird der folgende neue Absatz nach dem Absatz, der mit "*Änderungen in der Anerkennung von Eigenmitteln*" beginnt, eingefügt:

"*Bevorzugte Behandlung von Exposures gegenüber Zentralregierungen oder Zentralbanken eines Drittlandes.* Die CRR erlaubt Instituten, Exposures gegenüber Zentralregierungen oder Zentralbanken von Drittstaaten, die aufsichtliche und regulatorische Anforderungen zumindest gleichwertig mit jenen der EU anwenden, mit einem privilegierten Risikogewicht zu versehen. Die EU-Kommission kann einen Beschluss dahingehend fassen, ob ein Drittland aufsichtliche und regulatorische Anforderungen zumindest gleichwertig mit jenen der EU anwendet. Wenn kein solcher Beschluss gefasst wird, dürfen Institutionen bis 1.1.2015 Exposures gegenüber Zentralregierungen oder Zentralbanken von Drittstaaten weiterhin wie bisher behandeln, wenn die zuständige Behörde vor dem 1.1.2014 das Drittland für eine solche Behandlung als geeignet beurteilt hat. Die FMA, als zuständige Behörde für die Erste Group, hat aber keine Drittstaaten als geeignet für eine solche privilegierte Behandlung bestimmt. Die Erste Group hat daher entschieden, eine solche privilegierte Behandlung auf jene Drittstaaten anzuwenden, die die Erste Group als geeignet ansieht, bis eine entsprechende Entscheidung der EU-Kommission (aber jedenfalls nur bis längstens 1.1.2015) ergeht. Eine Einstellung dieser privilegierten Behandlung hätte einen nachteiligen Einfluss auf den Betrag der RWA und die Kapitalquoten."

5.8 Auf Seite 289 des Prospekts wird der folgende Text am Ende des ersten Absatzes unter der Überschrift "*Da ein großer Teil der Aktivitäten, Vermögenswerte und Kunden der Erste Group auf Länder in Zentral und Osteuropa, die nicht der Eurozone angehören, konzentriert sind, ist die Erste Group Währungsrisiken ausgesetzt*" eingefügt:

"Zudem kann der Einfluss von Gerichtsentscheidungen, die Bestimmungen unwirksam machen, die in Darlehensverträgen mit ausländischer Währung verwendet werden, oder die diese durch Klauseln ersetzen, die für den Darlehensgeber beschwerlicher sind, einen nachteiligen Effekt haben. In einer jüngeren Entscheidung betreffend die Streitigkeit eines Kunden mit einem ungarischen Mittbewerber der Erste Bank Ungarn hat das ungarische Höchstgericht entschieden, dass die Wechselkurslücke nachteilig sei und die offizielle mittlere Wechselkursrate der Ungarischen Nationalbank für die Berechnung verwendet werden müsse. Diese gerichtliche Entwicklung könnte auch nachteilige Auswirkungen auf andere ungarische Banken haben, einschließlich der Erste Bank Ungarn, und zusätzliche Kosten oder Rückstellungen bewirken."

RESPONSIBILITY STATEMENT OF ERSTE GROUP BANK AG

Erste Group Bank AG, with its registered office at Graben 21, A-1010 Vienna, Austria, is solely responsible for the information given in this Supplement.

The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of the knowledge of the Issuer, in accordance with the facts and contains no omission likely to affect its import.

Vienna, 26 June 2014

Erste Group Bank AG

as Issuer

[Name]

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