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FINANZMARKTAUFSICHT
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1090 Wien, Otto-Wagner-Platz 5

**Prospectus Supplement No. 2
dated 08 January 2014**

Oberbank AG

(incorporated as a stock corporation under the laws of the Republic of Austria; registered number FN 79063w)
relating to the

OBERBANK AG EUR 550,000,000 DEBT ISSUANCE PROGRAMME

for the issuance of Notes in bearer form
(with the option to increase the total volume to up to EUR 650,000,000)
dated 08 March 2013

This prospectus supplement No. 2 (the „Supplement“) constitutes a prospectus supplement pursuant to Art 16 (1) of the Directive 2003/71/EC as amended by Directive 2010/73/EC (the “Prospectus Directive”) and section 6 of the Austrian Capital Market Act (Kapitalmarktgesetz) (the “Capital Market Act”) and is supplemental to, and should be read in conjunction with the prospectus relating to the EUR 550,000,000 Debt Issuance Programme (the “Programme”) of Oberbank AG (the “Issuer”) dated 08 March 2013 as amended by the supplement No. 1 of 28 October 2013 and (the “Original Prospectus”).

The Original Prospectus was approved on 08 March 2013 by the Austrian Financial Market Authority (Finanzmarktaufsichtsbehörde, the “FMA”).

This Supplement was published, deposited with the Oesterreichische Kontrollbank Aktiengesellschaft and filed for approval with the FMA in its capacity as competent authority in accordance with the Austrian Capital Market Act on 08 January 2014. The Issuer has requested the FMA to provide the competent authorities of Germany and the Czech Republic with notifications concerning the approval of this Supplement.

Terms defined in the Original Prospectus shall have the same meaning when used in this Supplement, if there is no indication to the contrary.

To the extent that there is any inconsistency between any statement in this Supplement and any other statement in or contemplated by reference in the Original Prospectus, the statements in the Supplement will prevail.

In accordance with Art 16 of the Prospectus Directive and section 6 of the Capital Market Act investors who have already agreed to purchase or subscribe for the Notes before the Supplement is published shall have the right, exercisable within two working days after the publication of the Supplement, to withdraw their acceptances, provided that the new factor, mistake or inaccuracy described in this Supplement arose before the final closing of the offer to the public and the delivery of the Notes.

The accuracy of the information contained in this Supplement does not fall within the scope of examination by the FMA under applicable Austrian law. The FMA examines the Supplement only in respect of its completeness, coherence and comprehensibility pursuant to section 8a (1) of the Capital Market Act.

Responsibility Statement

The Issuer accepts the responsibility for the information contained in this Supplement. Having taken all reasonable care to ensure that such is the case, the information contained in the 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.

IMPORTANT NOTICE

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

No person has been authorised to give any information or to make any representations other than those contained in this Supplement in connection with the issuance or sale of the Notes and, if given or made such information or representations must not be relied upon as having been authorised by the Issuer.

Selling Restrictions

The distribution of this Supplement and the offering or sale of the Notes 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 Notes have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act") and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Prospectus, see "Selling Restrictions" of the Original Prospectus.

Significant new factors

The following significant new factors relating to the information contained in the Original Prospectus have arisen which are capable of affecting the assessment of the Notes, and are thus herewith included in the Original Prospectus as follows:

On 08 January 2014 the Issuer has decided to issue Notes, which should constitute Tier 2 instruments according to Article 63 CRR (as defined in point 3 below). On these grounds, the Original Prospectus, in particular its provisions regarding the New Style Tier 2 Notes, is amended as follows:

1. In section "DEFINITIONS" on page 6 of the Original Prospectus the definition of "BWG" shall be replaced as follows:

"BWG The Austrian Banking Act (*Bankwesengesetz*). The information in the Prospectus relating to the Notes is based on the Austrian Banking Act as in force until the end of 31 December 2013."

2. In section "DEFINITIONS" on page 6 of the Original Prospectus the definition of "CRD IV" shall be replaced as follows:

"CRD IV Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC as amended."

3. In section "DEFINITIONS" on page 6 of the Original Prospectus the definition of "CRR" shall be replaced as follows:

"CRR Regulation (EU) No 575/2013 of the European Parliament and the council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 as amended. This Regulation enters into force on 1 January 2014."

4. In section "DEFINITIONS" on pages 6 et seq of the Original Prospectus the definition of "Distributable Profits" shall be deleted without replacement.

5. In section "DEFINITIONS" on pages 7 et seq of the Original Prospectus the definition of "Net Losses" shall be deleted without replacement.

6. In section "SUMMARY", "Section C - Securities", in element C.8 the following information on page 16 of the Original Prospectus

"[In the case of all Notes except Supplementary Capital Notes:

The Issuer has the obligation to pay the Noteholder at least 100% of the nominal amount upon maturity.]

[In the case of Supplementary Capital Notes:

Holders of the Supplementary Capital Notes shall participate in the Net Losses of the Issuer, which is a statutory requirement for Supplementary Capital Notes. The Notes may therefore be redeemed below their nominal amount and in the worst case the Noteholders will lose their entire investment.]"

shall be replaced as follows:

"The Issuer has the obligation to pay the Noteholder at least 100% of the nominal amount upon maturity."

7. In section "SUMMARY", "Section C - Securities", in element C.8 the information from (and including) "[In the case of Supplementary Capital Notes insert:" on page 16 of the

Original Prospectus to (and excluding) "[Market disruption and adjustment:" on page 18 of the Original Prospectus shall be replaced as follows:

"[In case of subordinated Notes insert:

[If the Issuer has an ordinary termination right:

The Issuer may terminate the Notes with the approval of the FMA after five years from the date of issuance with a notice period of [number] bank trading days [in part or in full/ in full, (but not in part)] at [their nominal amount / [number]% of their nominal amount / [amount] [currency] per Note] [plus interest accrued to the redemption date] on [[date(s)] / the next interest date] ("date of redemption").]

The Issuer may terminate the Notes with the approval of the FMA with a notice period of [number] bank trading days [in part or in full/ in full, (but not in part)] at [their nominal amount / [number]% of their nominal amount / [amount] [currency] per Note] [plus interest accrued to the redemption date] [on [date(s)] / on the next interest date / at any time] ("date of redemption"), if

- (i) there is a change in the regulatory classification of the Notes that would be likely to result in their exclusion from own funds or reclassification as a lower quality form of own funds, and both the following conditions are met: (x) the FMA considers such a change to be sufficiently certain; and (y) the Issuer demonstrates to the satisfaction of the FMA that the regulatory reclassification of the Notes was not reasonably foreseeable at the time of their issuance; or (ii) there is a change in the applicable tax treatment of the Notes which the Issuer demonstrates to the satisfaction of the FMA is material and was not reasonably foreseeable at the time of their issuance;*
- and (i) earlier than or at the same time of repayment the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; and (ii) the Issuer has demonstrated to the satisfaction of the FMA that the own funds of the Issuer would, following the repayment, exceed the requirements laid down in Article 92 (1) of the CRR and the combined buffer requirement as defined in point (6) of Article 128 of the CRD IV by a margin that the FMA may consider necessary on the basis of Article 104 (3) of the CRD IV.*

Noteholders have no right to termination.]"

8. In section "SUMMARY", "Section C - Securities", in element C.8 the information from (and including) "[In the case of Subordinated Notes in terms of sec 45 (4) BWG ...]" to the end of this element C.8. on page 20 of the Original Prospectus shall be replaced as follows:

"[In case of subordinated Notes:

In case of insolvency or liquidation of the Issuer subordinated Notes will be settled after the claims of all non-subordinated creditors. Subordinated Notes of Oberbank AG constitute direct, unconditional, subordinated and unsecured obligations of the Issuer, ranking pari passu among themselves and pari passu with all other present and future unsecured and subordinated obligations of the Issuer. Subordinated Notes constitute Tier 2 Instruments in terms of article 63 of the CRR.]"

9. In section "SUMMARY", "Section C - Securities", in element C.9 the following information on page 21 of the Original Prospectus

"[In the case of Subordinated Notes insert:

In the case of liquidation or insolvency of the Issuer, the Notes can only be satisfied after the claims of the other non-subordinated creditors.]

[In the case of Supplementary Capital Notes insert:

The Notes may only be repaid before a possible liquidation of the Issuer given the prorated deduction of Net Losses incurred until their maturity. In the case of liquida-

tion or insolvency of the Issuer, the Notes can only be satisfied after the claims of the other non-subordinated creditors.]"

shall be replaced as follows:

"[In the case of subordinated Notes insert:

In the case of liquidation or insolvency of the Issuer, the Notes can only be satisfied after the claims of the other non-subordinated creditors.]"

10. In section "SUMMARY", "Section C - Securities", the heading "C.15 to C.20 are only applicable in case of Supplementary Capital Notes" and the elements C.15 to C.20 on page 23 of the Original Prospectus shall be deleted without replacement.

11. In section "SUMMARY", "Section D - Risks", in element D.3 the risk factor "[- Noteholders of subordinated Notes and Supplementary Capital Notes are exposed to the risk of a statutory loss participation]" on page 25 of the Original Prospectus shall be replaced as follows:

"[- Noteholders of subordinated Notes are exposed to the risk of a statutory loss participation]"

12. In section "SUMMARY", "Section D - Risks", in element D.3 between the risk factors "[- Risk that the processing of Notes transactions via clearing systems defaults]" and "[- Risk of partial or total losses in case of derivative Notes]" on page 25 of the Original Prospectus the following risk factor shall be inserted:

"[- Risk that a repurchase of subordinated Notes by the Issuer is legally not permitted]"

13. In section "SUMMARY", "Section D - Risks", element D.6 on page 26 of the Original Prospectus shall be deleted without replacement.

14. In section "SUMMARY", "Section E - Offer", element E.2b on page 26 of the Original Prospectus shall be replaced as follows:

E.2b	Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks.	<p>[In case of subordinated Notes insert: The proceeds will be applied by the Issuer to fulfill its own funds requirements.]</p> <p>[In case of Covered Notes and Senior Notes insert: The proceeds will be applied by the Issuer for its strategic liquidity demand.]</p> <p>[The proceeds will also be used for [.].]</p>
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15. In section "SUMMARY IN GERMAN LANGUAGE", "Abschnitt C - Wertpapiere", in element C.8 the following information on page 35 of the Original Prospectus

"[Im Fall von allen Schuldverschreibungen mit Ausnahme von Ergänzungskapital-Schuldverschreibungen:

Der Emittent hat die Verpflichtung, den Anleihegläubigern bei Fälligkeit zumindest 100% des Nominale zurückzuzahlen.]

[Im Fall von Ergänzungskapital-Schuldverschreibungen:

Inhaber von Ergänzungskapital-Schuldverschreibungen nehmen an den Nettoverlusten des Emittenten teil, was eine gesetzliche Anforderung bei Ergänzungskapital-Schuldverschreibungen ist. Die Schuldverschreibungen können daher unter ihrem Nominalbetrag getilgt werden und im schlimmsten Fall verlieren die Anleihegläubiger ihre gesamte Investition.]"

shall be replaced as follows:

“Der Emittent hat die Verpflichtung, den Anleihegläubigern bei Fälligkeit zumindest 100% des Nominale zurückzuzahlen.”

16. In section “SUMMARY IN GERMAN LANGUAGE”, “Abschnitt C - Wertpapiere”, in element C.8 the information from (and including) “[Im Fall von Ergänzungskapital-Schuldverschreibungen einfügen:” on page 35 of the Original Prospectus to (and excluding) “[Marktstörungen und Anpassungsregeln:” on page 38 of the Original Prospectus shall be replaced as follows:

„[Bei nachrangigen Schuldverschreibungen einfügen:

[Wenn der Emittent ein ordentliches Kündigungsrecht hat:

Der Emittent ist berechtigt, die Schuldverschreibungen mit Genehmigung der FMA nach Ablauf von fünf Jahren seit dem Zeitpunkt der Emission unter Einhaltung einer Kündigungsfrist von [Zahl] Bankarbeitstagen [insgesamt oder teilweise / insgesamt (aber nicht teilweise)] [zum Nominale / zu [Zahl]% vom Nominale / zu [Betrag] [Währung] je Stück] [zuzüglich bis zum Rückzahlungstermin aufgelaufener Zinsen] [zum [Datumsangabe(n)] / zum nächsten Zinstermin] („Rückzahlungstermin“) zu kündigen.]

Der Emittent ist berechtigt, die Schuldverschreibungen mit Genehmigung der FMA unter Einhaltung einer Kündigungsfrist von [Zahl] Bankarbeitstagen [insgesamt oder teilweise / insgesamt (aber nicht teilweise)] [zum Nominale / zu [Zahl]% vom Nominale / zu [Betrag] [Währung] je Stück] [zuzüglich bis zum Rückzahlungstermin aufgelaufener Zinsen] [zum [Datumsangabe(n)] / zum nächsten Zinstermin / jederzeit] („Rückzahlungstermin“) zu kündigen, wenn

- (i) sich die aufsichtsrechtliche Einstufung der Schuldverschreibungen ändert, was wahrscheinlich zu ihrem Ausschluss aus den Eigenmitteln oder ihrer Neueinstufung als Eigenmittel geringerer Qualität führen würde und die beiden folgenden Voraussetzungen erfüllt sind: (x) die FMA hält es für ausreichend sicher, dass eine solche Änderung stattfindet, und (y) der Emittent hat der FMA hinreichend nachgewiesen, dass zum Zeitpunkt der Emission der Schuldverschreibungen die aufsichtsrechtliche Neueinstufung nicht vorherzusehen war; oder (ii) sich die geltende steuerliche Behandlung der Schuldverschreibungen ändert und der Emittent der FMA hinreichend nachweist, dass diese wesentlich ist und zum Zeitpunkt der Emission der Schuldverschreibungen nicht vorherzusehen war;
- und der Emittent (i) die Schuldverschreibungen zuvor oder gleichzeitig mit der Rückzahlung durch Eigenmittelinstrumente zumindest gleicher Qualität zu Bedingungen ersetzt, die im Hinblick auf die Ertragsmöglichkeiten des Emittenten nachhaltig sind und (ii) der FMA hinreichend nachgewiesen hat, dass seine Eigenmittel nach der Rückzahlung die Anforderungen nach Artikel 92 Abs 1 der CRD IV (wie im Prospekt definiert) und die kombinierte Kapitalpufferanforderung im Sinne des Absatzes (6) von Artikel 128 der CRD IV um eine Spanne übertreffen, die die FMA auf der Grundlage des Artikels 104 Abs 3 der CRD IV gegebenenfalls für erforderlich hält.

Schuldverschreibungsgläubiger haben kein Kündigungsrecht.]”

17. In section “SUMMARY IN GERMAN LANGUAGE”, “Abschnitt C - Wertpapiere”, in element C.8 the information from (and including) “[Im Fall von nachrangigen Schuldverschreibungen im Sinne des § 45 (4) BWG, ...” to the end of this element C.8 on page 40 of the Original Prospectus shall be replaced as follows:

„[Im Fall von nachrangigen Schuldverschreibungen:

Nachrangige Schuldverschreibungen werden im Falle der Liquidation oder der Insolvenz des Emittenten erst nach den Forderungen aller anderen nicht nachrangigen Gläubiger befriedigt. Nachrangige Schuldverschreibungen der Oberbank AG begründen unmittelbare, unbedingte, nachrangige und unbesicherte Verbindlichkeiten des Emittenten, die untereinander und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nachrangigen Verbindlichkeiten des Emittenten gleichrangig

sind. Nachrangige Schuldverschreibungen gelten als Tier 2 Instrumente im Sinne von Artikel 63 der CRR.]“

18. In section “SUMMARY IN GERMAN LANGUAGE”, “Abschnitt C - Wertpapiere”, in element C.9 the following information on page 41 of the Original Prospectus

„[Im Fall von Nachrangigen Schuldverschreibungen einfügen:

Im Falle der Liquidation oder der Insolvenz des Emittenten können die Schuldverschreibungen erst nach den Forderungen der anderen nicht nachrangigen Gläubiger befriedigt werden.]

[Im Fall von Ergänzungskapital-Schuldverschreibungen einfügen:

Die Schuldverschreibungen dürfen vor Liquidation nur unter anteiligem Abzug der während der Laufzeit angefallenen Nettoverluste zurückgezahlt werden. Im Falle der Liquidation oder der Insolvenz des Emittenten können die Schuldverschreibungen erst nach den Forderungen der anderen nicht nachrangigen Gläubiger befriedigt werden.]“

shall be replaced as follows:

“[Im Falle von nachrangigen Schuldverschreibungen einfügen:

Im Falle der Liquidation oder der Insolvenz des Emittenten werden die Schuldverschreibungen erst nach den Forderungen aller anderen nicht nachrangigen Gläubiger befriedigt.]“

19. In section “SUMMARY IN GERMAN LANGUAGE”, “Abschnitt C - Wertpapiere”, the heading “C.15 bis C.20 sind nur anwendbar im Fall von Ergänzungskapital-Schuldverschreibungen” on page 43 of the Original Prospectus and the elements C.15 on page 43 of the Original Prospectus to C.20 on page 44 of the Original Prospectus shall be deleted without replacement.

20. In section “SUMMARY IN GERMAN LANGUAGE”, “Abschnitt D - Risiken”, in element D.3 the risk factor “[- Anleihegläubiger von nachrangigen Schuldverschreibungen und Ergänzungskapital-Schuldverschreibungen sind dem Risiko einer gesetzlichen Verlustbeteiligung ausgesetzt.]” on page 46 of the Original Prospectus shall be replaced as follows:

“[- Anleihegläubiger von nachrangigen Schuldverschreibungen sind dem Risiko einer gesetzlichen Verlustbeteiligung ausgesetzt.]”

21. In section “SUMMARY IN GERMAN LANGUAGE”, “Abschnitt D - Risiken”, in element D.3 between the risk factors “[- Risiko aufgrund von Fehlern bei der Abwicklung von An- und Verkäufen über Clearing-Systeme]” and “[- Risiko des teilweisen oder gesamten Verlusts bei derivativen Schuldverschreibungen]” on page 46 of the Original Prospectus the following risk factor shall be inserted:

“[- Risiko, dass ein Rückkauf der nachrangigen Schuldverschreibungen durch den Emittenten gesetzlich nicht zulässig ist]”

22. In section “SUMMARY IN GERMAN LANGUAGE”, “Abschnitt D - Risiken”, element D.6 on page 47 of the Original Prospectus shall be deleted without replacement.

23. In section “SUMMARY IN GERMAN LANGUAGE”, “Abschnitt E - Angebot”, element E.2b on page 47 of the Original Prospectus shall be replaced as follows:

E.2b	Gründe für das Angebot und Zweckbestimmung der Erlöse, sofern diese nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken liegt.	<p>[Im Falle von nachrangigen Schuldverschreibungen einfügen: Die Erlöse werden vom Emittenten für die Erfüllung seiner Eigenmittelerfordernisse verwendet.]</p> <p>[Im Falle von Fundierten Schuldverschreibungen und nicht nachrangigen Schuldverschreibungen einfügen: Die Erlöse dienen dem strategischen Liquiditätsbedarf des</p>
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		Emittenten.] [Die Erlöse werden zusätzlich für [] verwendet.]
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24. In section "SUMMARY IN CZECH LANGUAGE", "Oddíl C – Cenné papíry", in element C.8 the following information on page 56 of the Original Prospectus

"[V případě všech dluhopisů s výjimkou Doplnkových kapitálových dluhopisů:

Emitent má po skončení platnosti povinnost zaplatit Držiteli dluhopisů alespoň 100 % nominální hodnoty.]

[V případě všech dluhopisů s výjimkou Doplnkových kapitálových dluhopisů:

Držitelé Doplnkových kapitálových dluhopisů se budou podílet na Čisté ztrátě Emitenta, což je základním předpokladem Doplnkových kapitálových dluhopisů. Dluhopisy tedy mohou být splaceny za cenu nižší než je jejich nominální hodnota a v nejhorsím případě přijdou Držitelé Dluhopisů o celou svou investici.]"

shall be replaced as follows:

"Emitent má po splatnosti povinnost zaplatit Držiteli dluhopisů alespoň 100 % nominální hodnoty."

25. In section "SUMMARY IN CZECH LANGUAGE", "Oddíl C – Cenné papíry", in element C.8 the information from (and including) "[V případě Doplnkových kapitálových dluhopisů vložte:" on page 56 of the Original Prospectus to (and excluding) "[Narušení trhu a úprava:" on page 58 of the Original Prospectus shall be replaced as follows:

"[V případě podřízených Dluhopisů vložte:

[Emitent může požadovat předčasné splacení v následujících případech:

Emitent může předčasně splatit Dluhopisy se souhlasem FMA (rakouský dozorový úřad) po pěti letech od data jejich vydání, a to po upozornění [číslo] bankovních obchodních dnů předem, [zčásti nebo zcela / zcela (ale ne zčásti)] za [jejich jmenovitou hodnotu / [číslo]% jejich jmenovité hodnoty / [částka] [měna] za jeden Dluhopis] [plus výnos narostlý ke dni splacení] k [[datum/data] / následujícímu dni výplaty úroku] ("datum splacení")]

Emitent může předčasně splatit Dluhopisy se souhlasem FMA (rakouský dozorový úřad), a to po upozornění [číslo] bankovních obchodních dnů předem, [zčásti nebo zcela / zcela (ale ne zčásti)] za [jejich jmenovitou hodnotu / [číslo]% jejich jmenovité hodnoty / [částka] [měna] za jeden Dluhopis] [plus výnos narostlý ke dni splacení] k [[datum/data] / následujícímu dni výplaty úroku] ("datum splacení"), pokud

- (i) nastala změna v regulatorní klasifikaci Dluhopisů, která by mohla vést k jejich vynětí z vlastních zdrojů nebo k tomu, že vlastní zdroje budou vyhodnoceny jako méně kvalitní, a zároveň budou splněny obě níže uvedené podmínky: (x) FMA (rakouský dozorový úřad) posoudí takovou změnu jako dostatečně určitou a (y) Emitent ke spokojenosti FMA prokáže, že taková změna v regulatorní klasifikaci Dluhopisů nebyla rozumně předvídatelná v době jejich vydání; nebo (ii) nastala změna v daňovém režimu Dluhopisů, o které Emitent ke spokojenosti FMA prokáže, že je podstatná a že nebyla rozumně předvídatelná v době vydání Dluhopisů;
- a (i) nejpozději v době splacení Emitent nahradí Dluhopisy nástroji představujícími jeho vlastní zdroje, které mají nejméně stejnou nebo vyšší kvalitu za podmínek udržitelné příjmové kapacity Emitenta; a (ii) Emitent ke spokojenosti FMA prokáže, že jeho vlastní zdroje po splacení takových Dluhopisů přesáhnou požadavky stanovené v čl. 92(1) CRR a kombinované

požadavky na záložní zdroje stanovené v čl. 128 (6) CRD IV včetně přírážky, kterou FMA bude považovat za přiměřenou podle čl. 104(3) CRD IV.

Držitelé Dluhopisů nemají právo požadovat předčasné splacení.]”

26. In section “SUMMARY IN CZECH LANGUAGE”, “Oddíl C – Cenné papíry”, in element C.8 the information from (and including) “ [V případě Podřízených dluhopisů ve smyslu oddílu 45 (4) BWG ...” to the end of this element C.8. on page 60 of the Original Prospectus shall be replaced as follows:

“[V případě podřízených Dluhopisů vložte:

V případě insolvence nebo likvidace Emitenta budou podřízené Dluhopisy vypořádány po pohledávkách všech nepodřízených věřitelů. Podřízené dluhopisy Oberbank AG představují přímé, bezpodmínečné, nezajištěné a podřízené závazky Emitenta s rovnocenným (*pari passu*) postavením mezi sebou a vůči všem ostatním současným i budoucím podřízeným a nezajištěným závazkům Emitenta. Podřízené Dluhopisy představují nástroje tzv. Tier 2 ve smyslu čl. 63 CRR.]”

27. In section “SUMMARY IN CZECH LANGUAGE”, “Oddíl C – Cenné papíry”, in element C.9 the following information on page 61 of the Original Prospectus

“[V případě Podřízených dluhopisů vložte:

V případě likvidace či insolvence Emitenta lze nároky z Dluhopisů uspokojit až po nárocích jiných nepodřízených věřitelů.]

[V případě Doplnkových kapitálových dluhopisů vložte:

Dluhopisy lze splatit jen před možnou likvidací Emitenta vzhledem k poměrnému odpočtu Čistých ztrát vzniklých až do splatnosti. V případě likvidace či insolvence Emitenta lze nároky z Dluhopisů uspokojit až po nárocích jiných nepodřízených věřitelů.]”

shall be replaced as follows:

“[V případě podřízených Dluhopisů vložte:

V případě likvidace či insolvence Emitenta lze nároky z Dluhopisů uspokojit až po nárocích jiných nepodřízených věřitelů.]”

28. In section “SUMMARY IN CZECH LANGUAGE”, “Oddíl C – Cenné papíry”, the heading “C.15 až C.20 se vztahují pouze k Doplnkovým kapitálovým dluhopisům” and the elements C.15 to C.20 on page 63 of the Original Prospectus shall be deleted without replacement.

29. In section “SUMMARY IN CZECH LANGUAGE”, “Oddíl D – Rizika”, in element D.3 the risk factor “[– Držitelé Podřízených dluhopisů a Doplnkových kapitálových dluhopisů čelí riziku podílu na ztrátě vyplývajícím ze zákona]” on page 65 of the Original Prospectus shall be replaced as follows:

“[– Držitelé podřízených Dluhopisů jsou vystaveni riziku zákonného podílu na ztrátě]”

30. In section “SUMMARY IN CZECH LANGUAGE”, “Oddíl D – Rizika”, in element D.3 between the risk factors “[– Riziko, že zpracování transakcí s Dluhopisy ve zúčtovacích systémech selže]” and “[– Riziko částečných či úplných ztrát v případě derivátových Dluhopisů]” on pages 65 et seq of the Original Prospectus the following risk factor shall be inserted:

“[– Riziko, že předčasné splacení podřízených Dluhopisů není právně přípustné]”

31. In section “SUMMARY IN CZECH LANGUAGE”, “Oddíl D – Rizika”, element D.6 on page 66 of the Original Prospectus shall be deleted without replacement.

32. In section “SUMMARY IN CZECH LANGUAGE”, “Oddíl E – Nabídka”, element E.2b on page 66 of the Original Prospectus shall be replaced as follows:

E.2b	Důvody nabídky a využití výnosů, pokud se nejedná o dosažení zisku a/nebo zajištění jistých rizik.	<p>[V případě podřízených Dluhopisů vložte:</p> <p>Výnosy budou použity Emitentem k naplnění požadavků na jeho vlastní zdroje.]</p> <p>[V případě Krytých dluhopisů a Seniorních dluhopisů vložte:</p> <p>Výnosy budou použity Emitentem pro jeho strategické likviditní potřeby.</p> <p>[Výnosy budou taktéž využity k [].]</p>
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33. In section "RISK FACTORS", "Risk factors regarding the legal framework" the risk factor "Risk of increased administrative expenses and refinancing costs due to the implementation of Basel II and Basel III" on pages 72 et seq of the Original Prospectus shall be replaced as follows:

"Risk of increased administrative expenses and refinancing costs due to the implementation of Basel II and Basel III

Basel II, along with the extensive CRD (Capital Requirements Directive) revisions, provides for a risk-adequate calculation of own funds requirements, the introduction of adequate risk management systems, the monitoring of those systems by financial market authorities, and greater transparency by means of stricter disclosure requirements for credit institutions. Since 1 January 2008, under the standardised approach in accordance with the provisions of Basel II, the Issuer reports to the Austrian National Bank. Due to Basel II and the extensive CRD revisions, the Issuer has higher administrative expenses and management costs.

The new regulations through implementation of CRD IV and CRR for credit institutions in Basel III, in particular regarding own funds requirements, can have effects on the recognition of equity components (most importantly with regard to core equity) since not all capital components previously considered as core capital will also be recognized as core capital in the future. As a consequence, the Issuer may have to create additional own funds, which could in turn lead to higher costs for the Issuer and, therefore, can have an adverse effect on the Issuer's business, financial condition and results of operation. In addition, stricter internal liquidity management requirements for banks are expected.

There is also the risk that the Basel III provisions could be modified in the future and that additional expenses and costs could arise for the Issuer as a result. This can have an adverse effect on the Issuer's business, financial condition and results of operation.

Effects of CRD IV and CRR

By means of CRD IV and CRR, the European legislator intends to address in particular the following issues: new definition of capital resources, increase of liquidity requirements, introduction of a maximum leverage (relationship of capital to risk positions), new calculation of counterparty risk; introduction of a capital buffer beyond the minimum capital requirements as well as special provisions for system-relevant institutions. In addition, measures to increase corporate governance and transparency as well as limitations on remuneration of certain functions also fall within the scope of CRD IV/CRR.

CRR directly applies to credit institutions and investment firms within the EU and thus also directly applies in Austria. CRR relates primarily to those legal areas by which specific rules for establishing quantitative regulatory practices shall be prescribed. This in particular includes rules dealing with minimum equity requirements and liquidi-

ty requirements, leverage-ratio, capital requirements regarding counterparty risks and limits for large exposures. CRR, in particular, provides for a gradual increase of the minimum requirements regarding core capital (Common Equity Tier 1 capital) from currently 2% of the risk-weighted assets ("RWA") to 4.5%. The minimum requirements for Tier 1-capital (Common Equity Tier 1 and Additional Tier 1) shall be increased from currently 4% to 6%. The total capital ratio must amount to at least 8%.

The introduction of new capital buffers is regulated in the CRD IV, which – being a EU Directive – has to be implemented into national law. In the future, the capital conservation buffer of 2.5% of the RWA shall remain as a permanent capital buffer. Also, CRD IV provides for the following additional capital buffers: (i) counter-cyclical capital buffer (gradually increasing in steps of 0.25%) up to 2.5% of the RWA in the respective member state, (ii) systemic risk buffer of (simplified) 3% (starting 1 January 2015) up to 5% (or higher), (iii) buffer of globally system-relevant institutions (GSRI buffer) and (iv) buffer of other system-relevant institutions (O-SRI buffer).

CRR introduces stricter rules on whether equity instruments are eligible. Certain components of the Issuer's equity base of the issuer that have until now been eligible will not entirely be eligible in the future.

On a European and national level, for the Issuer, the implementation of Basel III via CRD IV and CRR leads to an increase in costs. This could have a negative effect on the Issuer's asset status, its incomes and its financial position. The described rules are applicable as of 1 January 2014."

34. In section "RISK FACTORS", "Risk factors regarding the Notes" the risk factor "Risks due to payment defaults and the Issuer's creditworthiness (Issuer Risk, Credit Risk, Credit Spread Risk)" on page 75 of the Original Prospectus shall be replaced as follows:

"Risks due to payment defaults and the Issuer's creditworthiness (Issuer Risk, Credit Risk, Credit Spread Risk)

The Issuer Risk or Credit Risk is the risk of the partial or full default on agreed-upon interest or redemption payments the Issuer is to make to the Noteholders. The lower the creditworthiness of the Issuer, the higher the Credit Risk or default risk will be. The realisation of the Credit Risk can lead to full or partial default on interest and/or full (total loss) or partial (partial loss) default on redemption payments.

The Noteholders are subject to the risk of partial or full default on interest payments even if bankruptcy or liquidation procedures are not initiated over the Issuer's assets. Noteholders of subordinated Notes are subject to the risk that, in the case of liquidation or bankruptcy of the Issuer, their claims will only be satisfied after those of other, non-subordinated creditors.

The credit spread is the mark-up the Issuer must pay a creditor for the credit risk accepted. Credit spreads are treated as mark-ups to actual risk-free interest rates or as markdowns to prices. Credit Spread Risk is the risk that the Issuer's credit spread changes. If the Issuer's credit spread increases, there is a loss in price during the term of the Notes."

35. In section "RISK FACTORS", "Risk factors regarding the Notes" the risk factor "Risk of losses due to the subordination of Notes" on pages 75 et seq of the Original Prospectus shall be replaced as follows:

"Risk of losses due to the subordination of Notes

In the case of subordinated Notes, claims in the case of liquidation or bankruptcy of the Issuer are satisfied only after the claims of other non-subordinated creditors. In the case of liquidation or bankruptcy of the Issuer, (i) claims of Noteholders of subordinated Notes will only be satisfied after those of other, non-subordinated creditors, (ii) the price of the Notes may drop if the negative circumstances of the Issuer are made known, and (iii) sale prior to maturity may only be possible with loss of capital.

Investors must keep in mind that termination of subordinated Notes by the Noteholders is excluded. This means that Noteholders must hold the Notes until maturity – if they cannot be sold.”

36. In section “RISK FACTORS”, “Risk factors regarding the Notes” the risk factor “Noteholders of subordinated Notes and Supplementary Capital Notes are exposed to the risk of a statutory loss participation” on page 76 of the Original Prospectus shall be replaced as follows:

“Noteholders of subordinated Notes are exposed to the risk of a statutory loss participation

Currently, discussions, initiatives and review processes dealing with loss absorbency and bail-in rules are and have been on-going at various levels (Basel Committee on Banking Supervision, European Commission, Austrian National Bank and the Austrian Financial Markets Authority) which may result in significant changes in the regulatory framework for capital and debt instruments of credit institutions. However, the exact scope of such regulations and requirements is still in discussion and not yet codified.

On 13 January 2011 the Basel Committee on Banking Supervision published minimum requirements for regulatory capital to ensure loss absorbency at the point of non-viability for banks.

In addition, on 27 June 2013 the European Council agreed on a proposal for a new Directive on the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (“Proposal for a Directive of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directives 77/91/EEC and 82/891/EC, Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC and 2011/35/EC and Regulation (EU) No 1093/2010” or Recovery and Resolution Directive (“RRD”).

The objective of the proposed directive is in particular to equip the authorities with uniform and effective instruments and powers. This shall enable them to avoid bank crises by taking preventive measures, to maintain financial stability and to keep a low risk of the tax payer having to pay for insolvency losses. The exact wording of the RRD’s provisions is being discussed during the current legislative period. At the date of this Prospectus, the RRD has not yet been enacted.

The RRD includes proposals to give the competent regulator and/or authority the power to write down the share capital of a credit institution and to write down or to convert into equity its relevant capital instruments (i.e. the own funds instruments of the credit institution) if certain conditions are met. The depreciation or conversion of capital instruments can be exerted individually or jointly with the use of settlement engines. The conditions for depreciation or conversion are satisfied, if (i) the competent supervisory authority establishes that the credit institution is only economically viable, if depreciation or conversion is applied to the relevant capital instruments; (ii) if the credit institution – with the exception of few special regulations – is in need of a publicly funded extraordinary financial support. The RRD includes proposals to require the competent regulator and/or authority to be given the following resolution powers (the “resolution tools”):

- to transfer to an investor shares, other instruments of ownership and/or all specified assets, rights or liabilities of the credit institution (the “sale of business tool”), and/or
- to transfer all or specified assets, rights or liabilities of the credit institution to a bridge institution which is wholly owned by public authorities (the “bridge institution tool”), and/or

- to transfer assets, rights or liabilities to a legal entity which is wholly owned by public authorities for the purpose of sale or otherwise ensuring that the business is wound down in an orderly manner, to be applied in conjunction with another resolution tool (the "asset separation tool"), and/or
- to exercise the write down or conversion powers (i) to recapitalise an institution to the extent sufficient to restore its ability to comply with the conditions for authorisation and to carry on the activities for which it is authorised or (ii) to convert into own funds – or reduce the nominal value – of claims or debt instruments transferred to a bridge institution with the aim of providing capital for such bridge institution (the "bail-in tool").

Pursuant to the RRD, the resolution tools would be applicable

- if the credit institution is in breach or there are objective elements to support a determination that the institution will be in breach, in the near future, of the requirements for continuing authorisation in a way that would justify the withdrawal of the authorisation by the competent authority including but not limited to because the institution has incurred or is likely to incur losses that will deplete all or a significant amount of its own funds;
- if the assets of the institution are or there are objective elements to support a determination that the assets of the institution will be, in the near future, less than its liabilities;
- if the institution is or there are objective elements to support a determination that the institution will be, in the near future, unable to pay its debts as they fall due; or
- if extraordinary public financial support is required.

In addition, it is necessary that when considering time constraints and other relevant circumstances, according to reasonable discretion it is highly unlikely that within a reasonable time frame, the drop out of the institution could be prevented by other measures stemming from the private sector or the authorities than by a measure of settlement of the institution, and that the settlement measures are required in the public interest.

If enacted as currently proposed, the RRD would require Member States to apply the national law, regulations and administrative provisions adopted to comply with the RRD within 12 months. However, provisions adopted to implement the resolution tools would be applied by Member States within four years. RRD sets out a minimum set of resolution tools. Member States may, however, retain specific national tools and powers to deal with failing institutions if those additional powers are consistent with the principles and objectives of the resolution framework pursuant to the RRD and do not pose obstacles to effective group resolution. The Austrian Parliament may also decide to implement the RRD or other rules that entail similar write-down or resolution tools already prior.

On 31 January 2013, Austria has published the Federal Law on bank intervention and restructuring ("BIRG") in the Federal Law Gazette Nr 160/2013. This law is based on RRD. The abovementioned write down tool and the bail-in tool, however, are not provided for in BIRG. The BIRG will enter into force on 1 January 2014.

It is possible that the supervisory powers resulting from the laws implementing Basel III are exercised in such a way so that Notes participate in the Issuer's losses.

Such legal provisions and/or regulatory measures may severely affect the rights of the holders of subordinated Notes, may result in the loss of the entire investment in the event of non-viability or resolution of the Issuer, and may have a negative impact on the market value of the subordinated Notes also prior to non-viability or resolution."

37. In section "RISK FACTORS", "Risk factors regarding the Notes" the risk factor "Risk that Noteholders must participate in the Issuer's Net Losses in case of Supplementary Capital Notes" on pages 76 et seq of the Original Prospectus shall be deleted without replacement.
38. In section "RISK FACTORS" at the end of the subsection "Risk factors regarding the Notes" on page 78 of the Original Prospectus directly above the subsection "Additional risks of derivative Notes" the following new risk factor shall be inserted:

"Risk that a repurchase of subordinated Notes by the Issuer is legally not permitted

Subordinated Notes may only be repurchased by the Issuer – if the Issuer decides to do so in its sole discretion – in accordance with applicable laws. Currently, the applicable laws provide that a repurchase of subordinated Notes by the issuer is permitted – pursuant to the CRR – only after until a period of five years after the date of issuance and only with the approval of the FMA. Noteholders should therefore not rely on that the Issuer will or can repurchase subordinated Notes and bear the risk to remain invested in the subordinated Notes until the end of their term.

In this context, it must be noted that there is a risk that market making may not be allowed by the Issuer: In a narrow interpretation of the CRR, which is applicable and takes precedence from 1 January 2014, the approval of the FMA would be necessary prior to every purchase of own subordinated Notes by the Issuer, whereby a repurchase during the first five years after the date of issuance would be generally inadmissible.

Article 63 CRR provides that subordinated Notes can constitute Tier 2 instruments and also determines conditions for their eligibility. Pursuant to Article 63 lit b) CRR the instruments must not be purchased by the issuing institution itself. Article 63 lit j) CRR stipulates that *„the instruments [...] may repurchased [...] early only where the conditions laid down in Article 77 are met, and not before five years after the date of issuance [...] except their regulatory classification changes (Article 78 (4) CRR). Article 77 CRR lays down the obligation of the institutions to obtain "prior permission of the competent authority" for certain actions. Said Article lists as such actions requiring approval (lit b) also the repurchase of instruments of supplementary capital.*

The interpretation of the above mentioned provisions of the CRR is difficult and allows to conclude that (i) before every single (mutual and unilateral) repurchase of subordinated Notes by the Issuer the approval of the authority is required and that (ii) during the first five years after the date of issuance repurchase is not permitted at all. This would render every form of market making for own subordinated Notes impossible for the Issuer. This could lead to a decrease of the market liquidity. If market making is excluded for own subordinated Notes in the future by the Issuer, this may have a material adverse effect on the marketability of such subordinated Notes and may cause that the subordinated Notes cannot be sold at a reasonable price or only with a delay. Without market making, Noteholders could sell their subordinated Notes only via stock exchanges during trading hours, provided such Notes have been listed and there is sufficient liquidity in the market. Please also see risk factor "Risk that Noteholders will not be able to sell their Notes or to sell them at the desired time and/or price".

39. In section "DESCRIPTION OF THE PROGRAMME", "Types of Notes" the paragraph starting with "Except for Supplementary Capital Notes, the Issuer..." on page 83 of the Original Prospectus shall be replaced as follows:

"The Issuer has the obligation to pay the Noteholders at least 100% of the nominal value upon maturity with respect to all types of Notes."

40. In section "DESCRIPTION OF THE PROGRAMME", "Interest Periods and Interest Rates" the subsection "Conditions for Payment of Interest" on page 87 of the Original Prospectus shall be deleted without replacement.

41. In section "DESCRIPTION OF THE PROGRAMME" the subsection "Redemption" on pages 87 et seqq of the Original Prospectus shall be replaced as follows:

"Redemption"

The Notes issued under this Programme will have a specific term as specified in the Final Terms.

Business Day Convention for Redemption Payments and Termination Rights

If a redemption date falls on a day that is not a bank trading day – as defined below – the due date for the redemption shall be postponed to the following bank trading day. The Noteholder shall have no rights to receive interest or other amounts for this postponed payment. Bank trading day in connection with this convention may be defined as follows in the Final Terms:

- A bank trading day is a day (other than a Saturday or Sunday) on which the bank counters of the paying agent are open to customers; or
- A bank trading day is any day on which all relevant areas of the TARGET2 system are operational.

Notes issued under this Programme can have the following redemption conditions as specified in the Final Terms:

- Full Redemption
- Without ordinary and additional termination rights for the Issuer and the Noteholders
- With ordinary termination rights for the Issuer and/or the Noteholders
- With additional termination rights for the Issuer under certain circumstances
- Redemption in case of Index Linked Notes
- Termination in case of subordinated Notes

Any termination declared by Noteholders must be in writing.

Full Redemption

If full redemption is specified in the Final Terms, the Issuer agrees to redeem the relevant Notes on the redemption date at the respective redemption amount, provided that the Notes have not already been paid back early, called or returned and have been cancelled. The respective Final Terms specify the:

- Maturity Date, i.e. the date on which the redemption payment is made
- Redemption Amount
 - At the nominal amount
 - At [●]%
 - At [●] [EUR, other currency] per Note

With ordinary termination rights for the Issuer and/or the Noteholders

The Final Terms may specify that the Issuer and/or the Noteholders may have ordinary termination rights according to the following terms:

- The Issuer may terminate in full
- The Issuer may terminate the Notes only partially
- Individual Noteholders can terminate their Notes in full or partially

In case ordinary termination rights apply, the Final Terms will specify the following:

- Notice Period, i.e. the period of time between the receipt of the termination notice and the termination's effective date
- Termination Date(s), on which the termination shall become effective
- How redemption shall occur:

- In Full
- In [●] partial payments
- Redemption Amount(s)
 - At the nominal amount
 - At [●]%
 - At [●] [EUR, other currency] per Note
- Specification whether or not accrued interest will be paid together with the redemption amount
- Where and when a termination by the Issuer will be published:
 - On the Issuer's website
 - In the Official Gazette of the Wiener Zeitung
 - Publication Date [●]

With additional termination rights for the Issuer under certain circumstances

The Final Terms may specify that the Issuer may have additional termination rights according to the following terms:

- The Issuer may terminate in full
- The Issuer may terminate the Notes only partially

In case additional termination rights apply, the Final Terms will specify the following:

- Termination reasons:
 - Tax Gross-Up (as defined below under Tax Gross-Up)
 - Change of material legal provisions affecting the issuance
- Notice Period, i.e. the period of time between the receipt of the termination notice and the termination's effective date
- Termination Date(s), on which the termination shall become effective
- Whether the Issuer shall be entitled to full or partial termination:
 - Only full termination
 - Partial termination possible
- How redemption shall occur:
 - In Full
 - In [●] partial payments
- Specification whether or not accrued interest will be paid together with the redemption amount
- Redemption amount in case of Notes dependent on an underlying:
 - At the nominal amount
 - At [●]%
 - At [●] [EUR, other currency] per Note
- Where and when a termination by the Issuer will be published:
 - On the Issuer's website
 - In the Official Gazette of the Wiener Zeitung
 - Publication Date [●]

Redemption in case of Index Linked Notes

In case of Index Linked Notes the redemption amount is calculated as follows: The repayment amount (*RB*) is composed of the nominal amount (*NB*) and a percentage (*P*) of the increase in value, or the average increase in value of the index (*IndexPerformance*). The increase in the index's value depends on the value changes of the index between the start observation date ("*o*") and the end observation date, or in the case of averaging the further observation dates ("*k*"). In each case the closing price of the index at the respective dates will be relevant for the calculation of the redemption amount. The Notes are redeemed at least at their nominal amount.

- *Formula with a Cap in case average index values are not included:*

$$RB = NB \times \min[\max(100\% + IndexPerformance \times P; 100\%), Cap]$$

$$IndexPerformance = \frac{Index_k}{Index_o} - 1$$

- Formula with a Cap in case average index values are included:

$$RB = NB \times \min[\max(100\% + IndexPerformance \times P; 100\%), Cap]$$

$$IndexPerformance = \frac{1}{n} \times \sum_{k=1}^n IndexLevel_k - 1$$

$$IndexLevel_k = \frac{Index_k}{Index_o}$$

- Formula without a Cap in case average index values are not included:

$$RB = NB \times \max(100\% + IndexPerformance \times P; 100\%)$$

$$IndexPerformance = \frac{Index_k}{Index_o} - 1$$

- Formula without a Cap in case average index values are included:

$$RB = NB \times \max(100\% + IndexPerformance \times P; 100\%)$$

$$IndexPerformance = \frac{1}{n} \times \sum_{k=1}^n IndexLevel_k - 1$$

$$IndexLevel_k = \frac{Index_k}{Index_o}$$

n = number of valuation days

o = start observation date of the relevant index

k = end observation date or further observation dates, in case of averaging, of the relevant index

Cap = possible maximum redemption amount

For Index Linked Notes the Final Terms will specify the following:

- Description of the underlying of the Notes
- With respect to the above formula, specification of the participation on value Increase of the relevant index (" P ")
- With respect to the above formula, specification of the start observation date of the relevant index (" o ")
- With respect to the above formula, specification of the further and end observation date of the relevant index (" k ")
- With respect to the above formula, specification of the number of observation dates (" n ")
- With respect to the above formula, whether or not average index values shall apply
- Maximum Redemption Amount:
 - [Amount] [EUR; other currency] per Note
 - [●]% of the nominal amount
- Date of Calculation of Redemption Amount
- Where and when the interest rate and redemption amount shall be published:
 - On the Issuer's website
 - In the Official Gazette of the Wiener Zeitung
 - Publication Date [●]"

Termination in case of subordinated Notes

The Issuer may extraordinarily terminate the Notes with the approval of the FMA if

- (i) there is a change in the regulatory classification of the Notes that would be likely to result in their exclusion from own funds or reclassification as a lower quality form of own funds, and both the following conditions are met: (x) the

FMA considers such a change to be sufficiently certain; and (y) the Issuer demonstrates to the satisfaction of the FMA that the regulatory reclassification of the Notes was not reasonably foreseeable at the time of their issuance; or (ii) there is a change in the applicable tax treatment of the Notes which the Issuer demonstrates to the satisfaction of the FMA is material and was not reasonably foreseeable at the time of their issuance;

- and (i) earlier than or at the same time of repayment the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; and (ii) the Issuer has demonstrated to the satisfaction of the FMA that the own funds of the Issuer would, following the repayment, exceed the requirements laid down in Article 92 (1) of the CRR and the combined buffer requirement as defined in point (6) of Article 128 of the CRD IV by a margin that the FMA may consider necessary on the basis of Article 104 (3) of the CRD IV.

In addition, the Final Terms may specify an ordinary termination right for the Issuer. In this case, the Issuer is entitled to terminate the Notes not before five years after the date of issuance and only with the approval of the FMA.

On both cases – i.e. in case of extraordinary termination and ordinary termination by the Issuer – the Noteholders have no right to termination.

For subordinated Notes the Final Terms will specify the following:

- Whether the Issuer is entitled to ordinary termination
- Notice Period, i.e. the period of time between the receipt of the termination notice and the termination's effective date
- Termination Date(s), on which the termination shall become effective; or specification that Issuer may terminate at any time
- Whether the Issuer shall be entitled to full or partial termination:
 - Only full termination
 - Partial termination possible
- How redemption shall occur:
 - In Full
 - In [●] partial payments
- Specification whether or not accrued interest will be paid together with the redemption amount
- Redemption amount
 - At the nominal amount
 - At [●]% of the nominal amount
 - At [●] [EUR, other currency] per Note
- Where and when a termination by the Issuer will be published:
 - On the Issuer's website
 - In the Official Gazette of the Wiener Zeitung
 - Publication Date [●]"

42. In section "DESCRIPTION OF THE PROGRAMME", "Status of the Notes", all information from (and including) "- Subordinated Notes in terms of sec 45 (4) BWG" on page 90 of the Original Prospectus to the end of this subsection "Status of the Notes" on page 93 of the Original Prospectus shall be replaced as follows:

"- Subordinated Notes

In case of insolvency or liquidation of the Issuer subordinated Notes will be settled after the claims of all non-subordinated creditors. Subordinated Notes of Oberbank AG constitute direct, unconditional, subordinated and unsecured obligations of the Issuer, ranking pari passu among themselves and pari passu with all other present and future unsecured and subordinated obligations of the Issuer. Subordinated Notes constitute Tier 2 Instruments in terms of article 63 of the CRR.

The assessment of the regulatory eligibility of the subordinated Notes as Tier 2 Instruments pursuant to article 63 of the CRR does not fall within the scope of examination by the FMA under applicable Austrian law. There is the risk that the subordinated Notes are not eligible as Tier 2 Instruments pursuant to article 63 of the CRR.

The status of the Notes will be specified in the Final Terms."

43. In section "DESCRIPTION OF THE PROGRAMME" the subsection "Use of Proceeds" on page 94 of the Original Prospectus shall be replaced as follows:

"Use of Proceeds

The proceeds from issuances of subordinated Notes under the Programme will be applied by the Issuer to fulfill its own funds requirements. The proceeds from all other kinds of Notes will be applied by the Issuer for its strategic liquidity demand. The Final Terms will specify if proceeds shall be used for specific other purposes."

44. In section "TERMS AND CONDITIONS OF THE NOTES"; "§ 3 Status and Ranking / § 3 Status und Rang" all information from (and including) "[In the case of subordinated and supplementary capital Notes insert: / [Bei nachrangigen und Ergänzungskapital-Emissionen einfügen:" to the end of this § 3 on page 97 of the Original Prospects shall be replaced as follows:

[In the case of subordinated Notes:

In case of insolvency or liquidation of the Issuer subordinated Notes will be settled after the claims of all non-subordinated creditors.

Subordinated Notes constitute direct, unconditional, subordinated and unsecured obligations of the Issuer, ranking pari passu among themselves and pari passu with all other present and future unsecured and subordinated obligations of the Issuer.

Subordinated Notes constitute Tier 2 Instruments in terms of article 63 of the CRR.

Note to the Holders: Reference is made to the risk of a statutory loss participation as more fully described in the Prospectus (see section RISK FACTORS, risk factor "Noteholders of subordinated Notes are ex-

[Im Fall von nachrangigen Schuldverschreibungen:

Nachrangige Schuldverschreibungen werden im Falle der Liquidation oder der Insolvenz des Emittenten erst nach den Forderungen aller anderen nicht nachrangigen Gläubiger befriedigt.

Nachrangige Schuldverschreibungen der Oberbank AG begründen unmittelbare, unbedingte, nachrangige und unbesicherte Verbindlichkeiten des Emittenten, die untereinander und mit allen anderen gegenwärtigen und zukünftigen nicht besicherten und nachrangigen Verbindlichkeiten des Emittenten gleichrangig sind.

Nachrangige Schuldverschreibungen gelten als Tier 2 Instrumente im Sinne von Artikel 63 der CRR.

Hinweis für Schuldverschreibungsgläubiger: Es wird auf das Risiko einer gesetzlichen Verlustbeteiligung hingewiesen, das ausführlicher im Prospekt beschrieben ist (siehe Abschnitt RISK FACTORS, Risikofaktor

posed to the risk of a statutory loss participation“).]

“Noteholders of subordinated Notes are exposed to the risk of a statutory loss participation“).]

45. In section “TERMS AND CONDITIONS OF THE NOTES”, “§ 5 Interest / § 5 Verzinsung” all information from (and including) “[In the case of supplementary capital Notes insert: / [Im Falle von Ergänzungskapital-Schuldverschreibungen einfügen:” on page 105 of the Original Prospectus to the end of this § 5 on page 106 of the Original Prospectus shall be deleted without replacement.
46. In section “TERMS AND CONDITIONS OF THE NOTES”, “§ 6 Term and redemption, [redemption amount] / § 6 Laufzeit und Tilgung, [Rückzahlungsbetrag]“ the paragraphs starting with “[in the case of Subordinated Notes insert: / Im Falle von nachrangigen Wertpapieren einfügen:” on page 106 of the Original Prospectus and starting with “[In the case of Supplementary Capital Notes insert: / [Im Falle von Ergänzungskapital-Schuldverschreibungen einfügen:” on page 107 of the Original Prospectus shall be deleted without replacement.
47. In section “TERMS AND CONDITIONS OF THE NOTES”, “§ 9 Termination / § 9 Kündigung” all information from (and including) “[In the case of Supplementary Capital Notes insert: / [Im Falle von Ergänzungskapital-Schuldverschreibungen einfügen” on page 111 of the Original Prospectus to (and excluding) “[if Additional termination rights for the Issuer under certain circumstances shall apply insert: / [Wenn zusätzliche Kündigungsrechte der Emittentin aus bestimmten Gründen gelten einfügen” on page 114 of the Original Prospectus shall be replaced as follows:

[Termination in case of subordinated Notes:

[If the Issuer has an ordinary termination right:

The Issuer may terminate the Notes with the approval of the FMA after five years from the date of issuance with a notice period of [number] bank trading days [in part or in full/ in full, (but not in part)] at [their nominal amount / [number]% of their nominal amount / [amount] [currency] per Note] [plus interest accrued to the redemption date] on [[date(s)] / the next interest date] (“date of redemption”).]

The Issuer may terminate the Notes with the approval of the FMA with a notice period of [number] bank trading days [in part or in full/ in full, (but not in part)] at [their nominal amount / [number]% of their nominal amount / [amount] [currency] per Note] [plus interest accrued to the redemption date] [on [date(s)] / on the next interest date / at any time] (“date of redemption”), if

[Kündigung bei nachrangigen Schuldverschreibungen:

[Wenn der Emittent ein ordentliches Kündigungsrecht hat:

Der Emittent ist berechtigt, die Schuldverschreibungen mit Genehmigung der FMA nach Ablauf von fünf Jahren seit dem Zeitpunkt der Emission unter Einhaltung einer Kündigungsfrist von [Zahl] Bankarbeitstagen [insgesamt oder teilweise / insgesamt (aber nicht teilweise)] [zum Nominale / zu [Zahl]% vom Nominale / zu [Betrag] [Währung] je Stück] [zuzüglich bis zum Rückzahlungstermin aufgelaufener Zinsen] [zum [Datumsangabe(n)] / zum nächsten Zinstermin] („Rückzahlungstermin“) zu kündigen.]

Der Emittent ist berechtigt, die Schuldverschreibungen mit Genehmigung der FMA unter Einhaltung einer Kündigungsfrist von [Zahl] Bankarbeitstagen [insgesamt oder teilweise / insgesamt (aber nicht teilweise)] [zum Nominale / zu [Zahl]% vom Nominale / zu [Betrag] [Währung] je Stück] [zuzüglich bis zum Rückzahlungstermin aufgelaufener Zinsen] [zum [Datumsangabe(n)] / zum nächsten Zinstermin / jederzeit]

- („Rückzahlungstermin“) zu kündigen, wenn
- (i) there is a change in the regulatory classification of the Notes that would be likely to result in their exclusion from own funds or reclassification as a lower quality form of own funds, and both the following conditions are met: (x) the FMA considers such a change to be sufficiently certain; and (y) the Issuer demonstrates to the satisfaction of the FMA that the regulatory reclassification of the Notes was not reasonably foreseeable at the time of their issuance; or (ii) there is a change in the applicable tax treatment of the Notes which the Issuer demonstrates to the satisfaction of the FMA is material and was not reasonably foreseeable at the time of their issuance;
 - (i) sich die aufsichtsrechtliche Einstufung der Schuldverschreibungen ändert, was wahrscheinlich zu ihrem Ausschluss aus den Eigenmitteln oder ihrer Neueinstufung als Eigenmittel geringerer Qualität führen würde und die beiden folgenden Voraussetzungen erfüllt sind: (x) die FMA hält es für ausreichend sicher, dass eine solche Änderung stattfindet, und (y) der Emittent hat der FMA hinreichend nachgewiesen, dass zum Zeitpunkt der Emission der Schuldverschreibungen die aufsichtsrechtliche Neueinstufung nicht vorherzusehen war; oder (ii) sich die geltende steuerliche Behandlung der Schuldverschreibungen ändert und der Emittent der FMA hinreichend nachweist, dass diese wesentlich ist und zum Zeitpunkt der Emission der Schuldverschreibungen nicht vorherzusehen war;
 - and (i) earlier than or at the same time of repayment the Issuer replaces the Notes with own funds instruments of equal or higher quality at terms that are sustainable for the income capacity of the Issuer; and (ii) the Issuer has demonstrated to the satisfaction of the FMA that the own funds of the Issuer would, following the repayment, exceed the requirements laid down in Article 92 (1) of the CRR and the combined buffer requirement as defined in point (6) of Article 128 of the CRD IV by a margin that the FMA may consider necessary on the basis of Article 104 (3) of the CRD IV.
 - und der Emittent (i) die Schuldverschreibungen zuvor oder gleichzeitig mit der Rückzahlung durch Eigenmittelinstrumente zumindest gleicher Qualität zu Bedingungen ersetzt, die im Hinblick auf die Ertragsmöglichkeiten des Emittenten nachhaltig sind und (ii) der FMA hinreichend nachgewiesen hat, dass seine Eigenmittel nach der Rückzahlung die Anforderungen nach Artikel 92 Abs 1 der CRR (wie im Prospekt definiert) und die kombinierte Kapitalpufferanforderung im Sinne des Absatzes (6) von Artikel 128 der CRD IV um eine Spanne übertreffen, die die FMA auf der Grundlage des Artikels 104 Abs 3 der CRD IV gegebenenfalls für erforderlich hält.

A termination by the Issuer shall be announced without delay pursuant to § 14.

Eine Kündigung durch den Emittenten wird unverzüglich gemäß § 14 bekannt gegeben.

A bank trading day for the purposes of this paragraph is [a day (except for Saturdays and Sundays), on which the counters of the paying agent are open for public business / any day on which all relevant sections of the Trans-European Automated Real-Time Gross Settlement Express Transfer System 2 (“TARGET2”) are operational.]

Bankarbeitstag im Sinne dieses Absatzes ist [ist ein Tag (außer einem Samstag oder Sonntag), an dem die Bank-schalter der Zahlstelle (Banken innerhalb der EU) für den öffentlichen Kundenverkehr geöffnet sind / jeder Tag, an dem alle maßgeblichen Bereiche des Trans-European Automated Real-Time Gross Settlement Express Trans-

Noteholders have no right to termination.]

fer Systems 2 („TARGET2“) betriebsbereit sind.]
Schuldverschreibungsgläubiger haben kein Kündigungsrecht.]

48. In section “TERMS AND CONDITIONS OF THE NOTES”, “§ 12 [Coverage / capital form] / § 12 [Sicherstellung / Kapitalform]” all information from (and including) “[In case of Supplementary Capital in terms of sec 23 (7) BWG insert: / [Im Falle von Ergänzungskapital gemäß § 23 Abs. 7 BWG einfügen:” on page 117 of the Original Prospectus to the end of this § 12 on page 121 of the Original Prospectus shall be deleted without replacement.

49. In section “TERMS AND CONDITIONS OF THE NOTES”, “§ 13 Issuance of further Notes, acquisition / § 13 Begebung weiterer Schuldverschreibungen, Erwerb” all information on pages 121 et seq of the Original Prospectus shall be replaced as follows:

“

1) The Issuer reserves the right, from time to time and without the permission of the Noteholders, to issue further Notes with the same terms in such a way that they form a single tranche along with the Notes.

1) Der Emittent behält sich vor, von Zeit zu Zeit ohne Zustimmung der Inhaber der Schuldverschreibungen weitere Schuldverschreibungen mit gleicher Ausstattung in der Weise zu begeben, dass sie mit den Schuldverschreibungen eine Einheit bilden.

[In the case of Senior Notes and Covered Notes insert:

2) The Issuer is entitled to acquire Notes at any price on the market or another way. The Issuer can choose to hold these Notes, or sell them in turn or to redeem them.]

[Bei Senior Notes und fundierten Schuldverschreibungen einfügen:

2) Der Emittent ist berechtigt, jederzeit Schuldverschreibungen zu jedem beliebigen Preis am Markt oder auf sonstige Weise zu erwerben. Nach Wahl des Emittenten können diese Schuldverschreibungen gehalten, oder wiederum verkauft oder eingezogen werden.]

[In the case of subordinated Notes insert:

2) The Issuer is entitled to repurchase or early redeem the Notes if (i) this is approved by the FMA and (A) the Notes have been issued at least five years ago or (B) otherwise permitted under applicable laws, or (ii) the requirements as set out in § 9 are met, which would entitle the Issuer to termination.]

[Im Falle von nachrangigen Schuldverschreibungen einfügen:

2) Der Emittent ist berechtigt, die Schuldverschreibungen zurückzukaufen oder vorzeitig zu tilgen wenn (i) dazu die Genehmigung der FMA vorliegt und (A) der Zeitpunkt der Emission mindestens fünf Jahre zurückliegt oder (B) dies sonst gesetzlich zulässig ist, oder (ii) die Voraussetzungen gemäß § 9 erfüllt sind, die den Emittenten zu einer Kündigung berechtigen würden.]

”

50. In section “FORM OF FINAL TERMS / MUSTERKONDITIONENBLATT”, the subsection “STATUS OF THE NOTES (§ 3, § 12) / RANG DER SCHULDVERSCHREIBUNGEN (§ 3, § 12)” on pages 128 et seq of the Original Prospectus shall be replaced as follows:

- “o Covered Notes
Fundierte Schuldverschreibungen
- o Senior Notes
Nicht nachrangige Schuldverschreibungen („senior“)
- o Subordinated Notes
Nachrangige Schuldverschreibungen

Cover Funds in case of Covered Notes:

*Deckungsstock bei fundierten
Schuldverschreibungen:*

- Mortgage Cover Funds
- Public Cover Funds
- *Hypothekarischer
Deckungsstock*
- *Öffentlicher
Deckungsstock*

51. In section "FORM OF FINAL TERMS / MUSTERKONDITIONENBLATT", "INTEREST (§ 5) / VERZINSUNG (§ 5)" the paragraph set out below shall be deleted without replacement in the subsection "Fixed Rate Notes / Fixverzinsliche Schuldverschreibungen" on page 131 of the Original Prospectus and in the subsection "Floating Rate Notes / Variabel verzinsliche Schuldverschreibungen" on page 133 of the Original Prospectus:

- | | |
|---|---------------------------------|
| "Back-payment of omitted interest payments in case of supplementary capital Notes: | ○ Yes (cumulative) |
| <i>Nachzahlung von ausgefallenen Zinsen bei Ergänzungskapital-Schuldverschreibungen."</i> | ○ No (non-cumulative) |
| | ○ <i>Ja (kumulativ)</i> |
| | ○ <i>Nein (nicht kumulativ)</i> |

52. In section "FORM OF FINAL TERMS / MUSTERKONDITIONENBLATT", "REDEMPTION (§ 6, § 9) / RÜCKZAHLUNG (§ 6, § 9)" the paragraph "Redemption Conditions / Rückzahlungsmodalitäten" on page 134 of the Original Prospectus shall be replaced as follows:

- "○ Full Redemption
Gesamtfällig
- Without ordinary and additional termination rights for the Issuer and the Noteholders
Ohne ordentliche und zusätzliche Kündigungsrechte der Emittentin und der Inhaber der Schuldverschreibungen
- With ordinary termination rights for the Issuer and/or the Noteholders
Mit ordentlichen Kündigungsrechte der Emittentin und/oder der Inhaber der Schuldverschreibungen
- With additional termination rights for the Issuer under certain circumstances
Mit zusätzlichen Kündigungsrechten der Emittentin aus bestimmten Gründen
- Redemption in case of Index Linked Notes
Tilgung bei Index Linked Notes
- Termination in case of subordinated Notes
Kündigung bei nachrangigen Schuldverschreibungen"

53. In section "FORM OF FINAL TERMS / MUSTERKONDITIONENBLATT", "REDEMPTION (§ 6, § 9) / RÜCKZAHLUNG (§ 6, § 9)" the information from (and including) ²²[Termination in case of Supplementary Capital Notes / Kündigung bei Ergänzungskapital-Schuldverschreibungen" on page 138 of the Original Prospectus to the end of this section ""REDEMPTION (§ 6, § 9) / RÜCKZAHLUNG (§ 6, § 9)" shall be replaced as follows:

²²**[Termination in case of subordinated Notes
*Kündigung bei nachrangigen Schuldverschreibungen***

Ordinary Termination
Ordentliche Kündigung

- | | |
|-------------------|---------------|
| Applicable: | ○ Yes |
| | ○ No |
| <i>Anwendbar:</i> | ○ <i>Ja</i> |
| | ○ <i>Nein</i> |

- Issuer in full
Emittentin insgesamt
- Issuer in part
Emittentin teilweise

Notice Period:
Kündigungsfrist:

[•]

Termination Date(s):

Kündigungstermin(e):

- At each Interest Date
- At [•]
- *Zu jedem Zinstermin*
- *Zum [•]*

Redemption:

Rückzahlung:

- In full
- In [•] partial payments
- *Gesamt*
- *In [•] Teilbeträgen*

Redemption amount(s):

Rückzahlungsbetrag/-beträge:

- At the nominal amount
- At [•]% of the nominal amount
- At [•] [EUR, other currency] per Note
- *Zum Nominale*
- *Zu [•]% vom Nominale*
- *Zu [•] [EUR; andere Währung] je Stück*

Payment of accrued interest:

Auszahlung von Stückzinsen:

- Yes
- No
- *Ja*
- *Nein*

²² Only applicable in case subordinated Notes are issued
Nur anwendbar wenn nachrangige Schuldverschreibungen emittiert werden

Extraordinary Termination *Außerordentliche Kündigung*

- Issuer in full
Emittentin insgesamt
- Issuer in part
Emittentin teilweise

Notice Period:
Kündigungsfrist:

[•]

Termination Date(s):

Kündigungstermin(e):

- At each Interest Date
- At [•]
- At any time
- *Zu jedem Zinstermin*
- *Zum [•]*
- *Jederzeit*

Redemption:

- In full

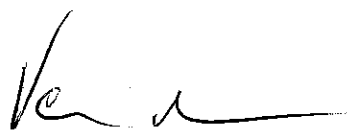
- Rückzahlung:*
- In [●] partial payments
 - Gesamt*
 - In [●] Teilbeträgen*
- Redemption amount(s):
- At the nominal amount
 - At [●]% of the nominal amount
 - At [●] [EUR, other currency] per Note
- Rückzahlungsbetrag/-beträge:*
- Zum Nominale*
 - Zu [●]% vom Nominale*
 - Zu [●] [EUR; andere Währung] je Stück*
- Payment of accrued interest:
- Yes
 - No
- Auszahlung von Stückzinsen:*
- Ja*
 - Nein*
- Publication:
- Issuer's website
 - Official Gazette of the Wiener Zeitung
 - Publication Date [●]
- Bekanntmachung:*
- Website der Emittentin*
 - Amtsblatt der Wiener Zeitung*
 - Veröffentlichungstermin [●]*

SIGNATURE

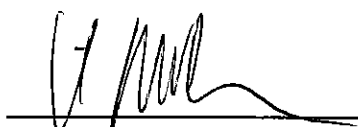
Signature according to the Austrian Capital Markets Act
(„Kapitalmarktgesetz“)

Oberbank AG, with its registered office in Untere Donaulände 28, 4020 Linz, Austria, is responsible for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Supplement is, to the best of its knowledge, in accordance with the facts and that the Supplement makes no omission likely to affect its import.

Oberbank AG (as Issuer)



Mag. Andreas Pachinger
(Prokurist)



Erich Stadlberger, MBA
(Prokurist)

Linz, 8. 1. 2014

