

AD-HOC ANNOUNCEMENT

Vienna, 19 December 2012

ANNOUNCEMENT BY ÖSTERREICHISCHE VOLKSBANKEN-AG RELATING TO THE RESULTS OF AN INVITATION TO OFFER TO SELL FOR CASH

**NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO ANY PERSON
RESIDENT AND/OR LOCATED IN THE UNITED STATES OR TO ANY U.S.
PERSON**

19 December 2012

Österreichische Volksbanken-Aktiengesellschaft hereby announces:

Final results of the invitation to holders of the "EUR 300,000,000 Subordinated Lower Tier II Notes due November 2016" (ISIN: XS0275528627) issued by ÖSTERREICHISCHE VOLKSBANKEN-AKTIENGESELLSCHAFT

Österreichische Volksbanken-Aktiengesellschaft announces (i) that the Regulatory Condition (as defined in the Invitation Memorandum dated 10 December 2012 (the "**Invitation Memorandum**") has been fulfilled and (ii) the final results of its invitation to the holders of its outstanding "EUR 300,000,000 Subordinated Lower Tier II Notes due November 2016" (ISIN: XS0275528627) issued under the Euro 6,000,000,000 Debt Issuance Programme dated 14 June 2006 by the Issuer (the "**Notes**") to tender for the purchase for cash (the "**Offer**") any and all of the outstanding Notes.

Capitalised terms used in this announcement have the meanings ascribed to them in the Invitation Memorandum.

The Offer expired at 5.00 p.m. (CET) on 18 December 2012. The Issuer hereby announces the pricing and acceptance of the Offer as follows:

Aggregate principal amount of Notes accepted:	EUR 211,600,000
Purchase Price:	EUR 37,500 per EUR 50,000 in principal amount
Accrued Interest:	EUR 33.19 per EUR 50,000 in principal amount

The Settlement Date for the Offer is expected to be 21 December 2012.

Holders of Notes whose offers to purchase have been accepted by ÖVAG will receive on the Settlement Date EUR 37,533.19 per EUR 50,000 principal amount.

Following the completion of the Offer, the aggregate principal amount of the Notes that will remain outstanding will be EUR 88,400,000.

For further information:

A complete description of the terms and conditions of the Invitation is set out in the Invitation Memorandum. Further details about the transaction can be obtained from:

THE JOINT DEALER MANAGERS

BNP Paribas

Österreichische Volksbanken-

10 Harewood Avenue
London NW1 6AA
United Kingdom

For information by telephone:
+44 20 7595 8668

Attention: Liability Management Group
email: liability.management@bnpparibas.com

Aktiengesellschaft

Kolingasse 14-16
1090 Vienna
Austria

For information by telephone:
+43(0)50 4004-3338

Attention: Mr Karl Kinsky, MBA
email: investorrelations@volksbank.com

THE TENDER AGENT

Lucid Issuer Services Limited

Leroy House, 436 Essex Road,
London N1 3QP, England,
Great Britain

For information by telephone: +44 20 7704 0880

Attention: Yves Theis / Paul Kamminga

email:volksbank@lucid-is.com

Neither of the Joint Dealer Managers takes responsibility for the contents of this announcement. This announcement must be read in conjunction with the Invitation Memorandum. No Invitation to acquire any Notes is being made pursuant to this announcement.

The distribution of the Invitation Memorandum in certain jurisdictions is restricted by law. Persons into whose possession the Invitation Memorandum comes are required by ÖVAG, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.

The five biggest listed issues of Österreichische Volksbanken-Aktiengesellschaft in terms of issue volume are:

ISIN:

XS0451759012

XS0417722393

AT000B053442

XS0275528627

AT000B061437

The issues of Österreichische Volksbanken-Aktiengesellschaft are admitted on the

following stock exchanges:

Second Regulated market of Wiener Börse AG

Official trading of Wiener Börse AG

Regulated market of Baden-Württembergische Wertpapierbörse

Regulated market of the Prague Stock Exchange

Regulated market of the Luxembourg Stock Exchange

Open Market of Berlin Stock Exchange

Open Market of Stuttgart Stock Exchange

Open Market of Frankfurt Stock Exchange