

Oberösterreichische Landesbank Aktiengesellschaft

(incorporated as a joint-stock corporation (*Aktiengesellschaft*) in the Republic of Austria)



Euro 1,000,000,000

Debt Issuance Programme

for the issue of Notes and Pfandbriefe (the "Programme")

SUPPLEMENT NO. 1

dated 14 October 2016

to the Base Prospectus dated 17 June 2016

This supplement No. 1 (the "**Supplement No. 1**") constitutes a prospectus supplement pursuant to Article 13 of the Luxembourg Act on Securities Prospectuses (*loi relative aux prospectus pour valeurs mobilières*) of 10 June 2005 (the "**Luxembourg Prospectus Act**") which implements Article 16 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 as amended (the "**Prospectus Directive**"). This Supplement No. 1 is supplemental to, and should be read in conjunction with the base prospectus (the "**Original Prospectus**" and the "**Prospectus**") dated 17 June 2016 of Oberösterreichische Landesbank Aktiengesellschaft ("**HYPO Oberösterreich**" or the "**Issuer**") relating to the Programme.

The Original Prospectus has been approved on 17 June 2016 by the *Commission de Surveillance du Secteur Financier* ("**CSSF**") of the Grand-Duchy of Luxembourg ("**Luxembourg**") in its capacity as competent authority under the Luxembourg Prospectus Act.

The Issuer has requested the CSSF to provide the competent authorities in the Republic of Austria and the Federal Republic of Germany with a certificate of approval attesting that this Supplement No. 1 has been drawn up in accordance with the Commission Regulation (EC) 809/2004 of 24 April 2004, as amended from time to time, (the "**Notification**"). The Issuer may from time to time request the CSSF to provide to competent authorities of additional Member States of the European Economic Area a Notification concerning this Supplement No. 1 along with the Original Prospectus and all relevant supplements.

Terms used in this Supplement No. 1 shall have the same meaning as given to them in the Original Prospectus. In the case of discrepancies between the information in this Supplement No. 1 and information in the Original Prospectus or in documents incorporated by reference, the information contained in the Supplement No. 1 shall prevail.

This Supplement No. 1 has been published in electronic form on the website of the Luxembourg Stock Exchange under "www.bourse.lu" and on the website of the Issuer under "https://www.hypo.at/oberoesterreich/NA-620405211361503713-NA-3-NA.html" and will be available free of charge at the specified office of the Issuer and the Fiscal Agent, Deutsche Bank Aktiengesellschaft, Taunusanlage 12 - 14, 60325 Frankfurt am Main, Germany.

No person has been authorised to give any information which is not contained in, or not consistent with, this Supplement No. 1 or any other document entered into in relation to the Programme or any information supplied by the Issuer or such other information as in the public domain and, if given or made, such information must not be relied upon as having been authorised by the Issuer, the Dealer or any of them.

Neither the Arranger nor any Dealer nor any other person, excluding the Issuer, is responsible for the information contained in this Supplement No. 1, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in this Supplement No. 1.

This Supplement No. 1 reflects the status as of its date of approval. The delivery of this Supplement No. 1 and the offering, sale or delivery of any Notes may not be taken as an implication that the information contained in this Supplement No. 1 is accurate and complete subsequent to its date of approval or that there has been no adverse change in the financial situation of the Issuer since that date or that any other information supplied in connection with the Programme is accurate at 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 No. 1 and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Supplement No. 1 comes are required to inform themselves about and observe any such restrictions. For a description of restrictions applicable in the United States of America, Japan, the European Economic Area and the United Kingdom see "Subscription and Sale" in the Original Prospectus. In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to the tax law requirements of the United States of America; subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U.S. persons.

This Supplement No. 1 may only be used for the purpose for which it has been published. This Supplement No. 1 may not be used for the purpose of an offer or solicitation by and to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.

This Supplement No. 1 does not constitute an offer or an invitation to subscribe for or purchase any of the Notes.

Significant new factors and/or inaccuracies (as referred to in Article 16 (1) of the Prospectus Directive) have arisen which in the Issuer's perception are capable of affecting the assessment of the Notes. Thus, the following changes are made to the Prospectus:

In the section "OVERVIEW OF THE PROSPECTUS" in sub-section "D. Overview with regard to the "Description of the Issuer" – Trend Information" commencing on page 14 of the Original Prospectus, (i) the first paragraph on page 16 of the Original Prospectus shall be replaced by the following paragraph and (ii) the first sentence of the second paragraph on page 16 of the Original Prospectus shall be replaced by the following sentences:

(i)

"The tender offers were published on 6 September 2016, reflecting substantially the terms of the MoU to which the Issuer is a party. On 10 October 2016, the KAF announced the preliminary results indicating that the tender offers have been accepted by holders representing the majorities required by § 2a (4) FinStaG and the KAF intends that the official announcement of the results pursuant to § 2a (4) FinStaG will be made and settlement of the tender offers will occur on 12 October 2016. The Issuer accepted the tender offers and opted for an exchange into zero coupon bonds, which can be sold to the offeror during the stabilization period at a pre-determined spread."

(ii)

"As of 6 June 2016 the Issuer has allocated a provision in the amount of EUR 34.8 million with respect to the provision of liquidity to Pfandbriefbank; this corresponds to a provision of 45 per cent. The allocated provisions are expected to be reversed up to 10 per cent. The precise assessment of the provisions can only be made once the tender offers are fully concluded."

In the section "RISK FACTORS – I. Risk Factors relating to HYPO Oberösterreich" commencing on page 18 of the Original Prospectus, in the risk factor headed "*The suspension, downgrade or withdrawal of a rating of the Issuer might negatively affect the refinancing conditions for the Issuer, in particular its access to debt capital markets*" commencing on page 23 of the Original Prospectus, after the table the following information shall be inserted:

"As of 4 October 2016, the ratings assigned to the mortgage covered bond program and related issuances of the Issuer are as follows:

	Rating by Standard & Poor's²
Rating	AA+
Outlook	positive"

In the section "RISK FACTORS – I. Risk Factors relating to HYPO Oberösterreich" commencing on page 18 of the Original Prospectus, in the risk factor headed "*If a member institution of the Pfandbriefstelle fails to meet its obligations towards Pfandbriefstelle and/or the Pfandbriefbank (Österreich) AG or if Pfandbriefbank (Österreich) AG fails to meet its obligations, this could have negative effects on the Issuer's assets, financial position and results of operations*" commencing on page 29 of the Original Prospectus, (i) the seventh paragraph and (ii) the first sentence of the eighth paragraph on page 30 of the Original Prospectus shall be replaced by the following paragraph:

(i)

"The KAF has published tender offers (consisting of a cash offer and an exchange offer) in relation of the HETA Notes which would result in such HETA Notes being sold to the KAF or exchanged into zero coupon bonds that can then be sold back to the KAF at a price above the current market price. The KAF has announced that the necessary majorities of acceptance have been reached. However, there can be no certainty on the effectiveness of the tender offers before they are finally concluded."

(ii)

"As of 6 June 2016 the Issuer has allocated a provision in the amount of EUR 34.8 million with respect to the provision of liquidity to Pfandbriefbank; this corresponds to a provision of 45 per cent. The allocated provisions are expected to be reversed up to 10 per cent. The precise assessment of the provisions can only be made once the tender offers are fully concluded."

In the section "DESCRIPTION OF HYPO OBERÖSTERREICH" in sub-section "Trend Information" commencing on page 186 of the Original Prospectus, (i) on page 187 of the Original Prospectus the fourth paragraph shall be replaced by the following paragraph and (ii) the first sentence of the fifth paragraph on page 187 of the Original Prospectus shall be replaced by the following sentences:

(i)

"The tender offers were published on 6 September 2016, reflecting substantially the terms of the MoU to which the Issuer is a party. On 10 October 2016, the KAF announced the preliminary results indicating that the tender offers have been accepted by holders representing the majorities required by § 2a (4) FinStaG and the KAF intends that the official announcement of the results pursuant to § 2a (4) FinStaG will be made and settlement of the tender offers will occur on 12 October 2016. The Issuer accepted the tender offers and opted for an exchange into zero coupon bonds, which can be sold to the offeror during the stabilization period at a pre-determined spread."

(ii)

"As of 6 June 2016 the Issuer has allocated a provision in the amount of EUR 34.8 million with respect to the provision of liquidity to Pfandbriefbank; this corresponds to a provision of 45 per cent. The allocated provisions are expected to be reversed up to 10 per cent. The precise assessment of the provisions can only be made once the tender offers are fully concluded."

In the section "GENERAL INFORMATION" in sub-section "Ratings – *Ratings relating to the Issuer*" on page 202 of the Original Prospectus after the table the following information shall be inserted:

"Ratings relating to the Mortgage Cover Pool (Hypothekarischer Deckungsstock) of the Issuer

As of 4 October 2016, the ratings assigned to the mortgage covered bond program and related issuances of the Issuer are as follows:

	Rating by Standard & Poor's ³³
Rating	AA+
Outlook	positive"

RESPONSIBILITY STATEMENT

Oberösterreichische Landesbank Aktiengesellschaft, with its registered office at Landstraße 38, 4010 Linz, Austria, is solely responsible for the information given in this Supplement No. 1. The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement No. 1 for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Linz, 14 October 2016

Oberösterreichische Landesbank Aktiengesellschaft