

SUPPLEMENT NO. 2

dated 12th February, 2019

to the

DEBT ISSUANCE PROGRAMME PROSPECTUS

dated 4th May, 2018

of



Erste Abwicklungsanstalt

(incorporated as a public law entity with partial legal capacity in the Federal Republic of Germany (Germany) and operating under the umbrella of the Federal Agency for Financial Market Stabilisation (Bundesanstalt für Finanzmarktstabilisierung; the FMSA))

Euro 20,000,000,000 Debt Issuance Programme

This Supplement No. 2 (the **Supplement**) constitutes a supplement for the purposes of Article 16.1 of Directive 2003/71/EC of the European Parliament and of the Council of 4th November, 2003, as amended or superseded (the **Prospectus Directive**) and Article 13 of the Luxembourg Law on Prospectuses for Securities (*loi relative aux prospectus pour valeurs mobilières*) dated 10th July, 2005, as amended or superseded, (the **Prospectus Act**) to the debt issuance programme prospectus of Erste Abwicklungsanstalt dated 4th May, 2018 (the **Prospectus**), which was prepared in connection with the Euro 20,000,000,000 Debt Issuance Programme (the **Programme**) established by Erste Abwicklungsanstalt (**EAA** or the **Issuer**). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read and construed in conjunction with, the Prospectus (as supplemented by supplement no.1 to the Prospectus dated 27th September, 2018 (the **Supplement No. 1**)) and all documents incorporated by reference in the Prospectus.

Copies of the Prospectus, Supplement No. 1, this Supplement and all documents incorporated by reference in the Prospectus will be obtainable free of charge from (i) the registered office of Erste Abwicklungsanstalt (Elisabethstraße 65, 40217 Düsseldorf, Germany) or via the website of Erste Abwicklungsanstalt (<https://www.aa1.de/en/investor-relations/treasury/>), and (ii) the specified office of the Fiscal Agent (Erste Abwicklungsanstalt, Elisabethstraße 65, 40217 Düsseldorf, Germany). In addition, copies of the Prospectus, Supplement No. 1, this Supplement and all documents incorporated by reference in the Prospectus will be obtainable free of charge from, and are viewable on, the website of the Luxembourg Stock Exchange (www.bourse.lu).

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

Erste Abwicklungsanstalt accepts sole responsibility for the information contained in this Supplement. Having taken all reasonable care to ensure that such is the case, Erste Abwicklungsanstalt confirms that the information contained in this Supplement is, to the best of its knowledge and belief, in accordance with the facts and does not omit anything likely to affect the import of such information.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of any Notes to be issued under the Programme since the publication of the Prospectus.

A. Changes to the section commencing on page 4 of the Prospectus which is entitled "Overview"

The first paragraph of the subsection commencing on page 5 of the Prospectus which is entitled "Description:" shall be replaced in its entirety as follows:

Description: The Issuer is a structurally and financially independent public law entity with partial legal capacity (*teilrechtsfähige Anstalt des öffentlichen Rechts*) operating under the umbrella of the Federal Agency for Financial Market Stabilisation (*Bundesanstalt für Finanzmarktstabilisierung*). The Issuer is a federal winding-up agency (*Abwicklungsanstalt*) within the meaning of section 8a (1) sentence 1 of the German Financial Market Stabilisation Fund Act (*Finanzmarktstabilisierungsfondsgesetz*). Pursuant to the German Financial Market Stabilisation Fund Act and section 2 (1) of EAA's charter as of 11th December, 2009, as last amended on 29th January, 2019 (*Statut*, the **Charter**) the Issuer has the function of a winding-up agency for Portigon AG's (formerly WestLB AG's) and its subsidiaries' risk assets and non-strategic businesses/assets.

B. Changes to the section commencing on page 99 of the Prospectus which is entitled "Description of the Issuer"

1. The subsection on page 100 of the Prospectus which is entitled "Establishment and Domicile" shall be replaced in its entirety as follows:

Establishment and Domicile

EAA was established on 11th December, 2009. Pursuant to EAA's charter as of 11th December, 2009, as last amended on 29th January, 2019 (*Statut*; the **Charter**), EAA was set up for the time period which will be required to wind up the portfolio of risk assets and non-strategic businesses/assets acquired from WestLB and WestLB's subsidiaries. Upon completion of such winding-up, EAA will be dissolved. According to the current winding-up plan (*Abwicklungsplan*) (the **Winding-up Plan**), this is envisaged to occur in 2027.

EAA is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Düsseldorf under HRA 20869. Its registered office is located at Elisabethstraße 65, 40217 Düsseldorf, Federal Republic of Germany; its telephone number is +49 211 826 7800. The Issuer does not maintain any branches.

2. The last paragraph of the subsection commencing on page 106 of the Prospectus which is entitled "Recent Developments and Outlook" shall be replaced in its entirety as follows:

EAA focuses on the parameters and targets of its Winding-up Plan and continues to consider options and alternative scenarios for an efficient winding-up of its portfolios. The Issuer fundamentally pursues an opportunistic approach by conducting regular analyses of market conditions and exit opportunities in order to assess early and profitable winding-up opportunities for all positions of the portfolio. The Issuer is currently in the process of examining whether the targets of the Winding-up Plan may be achieved earlier than initially expected. In line with the options envisaged by the FMSANeuOG, federal winding-up agencies within the meaning of section 8a (1) sentence 1 of the FMStFG may act as a transferor in future spin-off or split-off scenarios, subject to further conditions as set out in section 8a (8a) and section 8a (8b) of the FMStFG (as amended by the FMSANeuOG). EAA has amended its Charter with a view to the aforementioned conditions

and in particular the requirements as set out in section 8a (8a) sentence 1 no. 4 of the FMStFG. While it cannot be ruled out that certain assets of EAA may be subject to the aforementioned spin-off or split-off scenarios, it should be noted that section 8a (8a) of the FMStFG explicitly exempts refinancing liabilities from such scenarios.

