



UniCredit Bank Austria AG

(Incorporated as a joint stock company in the Republic of Austria under registered number FN 150714p)

relating to the

€40,000,000,000

EURO MEDIUM TERM NOTE PROGRAMME

**FOR THE ISSUE OF INSTRUMENTS
INCLUDING PFANDBRIEFER AND COVERED BANK BONDS
DUE FROM ONE MONTH TO 40 YEARS FROM THE DATE OF ISSUE**

This supplement (the "**Supplement**") constitutes a prospectus supplement pursuant to Article 23 of Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017, as amended (the "**Prospectus Regulation**") and is supplemental to, and should be read in conjunction with, the base prospectus dated 3 April 2020 (the "**Original Prospectus**") relating to a €40,000,000,000 Euro Medium Term Note Programme (the "**Programme**") of UniCredit Bank Austria AG (the "**Issuer**" or "**Bank Austria**").

The Original Prospectus was approved on 3 April 2020 by the Commission de Surveillance du Secteur Financier ("**CSSF**") and published on 3 April 2020 by making it available in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Bank Austria (www.bankaustria.at).

This Supplement has been filed for approval with the CSSF in its capacity as competent authority in Luxembourg for approving this Supplement and to provide the Financial Markets Authority (Finanzmarktaufsicht - "**FMA**"), being the competent authority in the Republic of Austria, as well as the competent authority in the Federal Republic of Germany (Bundesanstalt für Finanzdienstleistungsaufsicht – "**BaFin**") with a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Regulation. This Supplement has been filed with and approved by the CSSF on the date first above written and has been published on or about such date by making it available in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Bank Austria (www.bankaustria.at).

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

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

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

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

In accordance with Article 23 (2) of the Prospectus Regulation, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published and where the Securities had not yet been delivered to the investors at the time when the significant new factor, material mistake or material inaccuracy arose or was noted, have the right, exercisable within two working days after the publication of this Supplement, to withdraw their acceptances. The final date of the right of withdrawal will be 10 September 2020. Investors should contact UniCredit Bank Austria AG, Department 8579 Medium & Long Term Funding, Rothschildplatz 1, 1020 Vienna, Austria, Fax-Nr. +43 (0)5 05 05 82339 for the exercise of the right of withdrawal.

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

No person has been authorised to give any information or to make any representation other than those contained in this Supplement in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or UniCredit Bank AG (the "Arranger"). Neither the delivery of this Supplement nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Bank Austria Group since the date hereof or that there has been no adverse change in the financial position of the Issuer or the Bank Austria Group since the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

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

The Dealers and the Arranger have not separately verified the information contained in this Supplement. None of the Dealers or the Arranger makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Supplement. Neither this Supplement nor any financial statements supplied in connection with the Programme or any Notes are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Dealers or the Arranger that any recipient of this Supplement or any financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Supplement or any financial statements and its purchase of Notes should be based upon any such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer or the Bank Austria Group during the life of the arrangements contemplated by this Supplement or to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

The following significant new factors (Article 23 of the Prospectus Regulation) relating to the information included in the Prospectus which is capable of affecting the assessment of the Instruments, have arisen:

There have recently been certain developments affecting the Bank Austria Group, which were triggered by the outbreak of the COVID-19 pandemic and the associated implications thereof.

Consequently, the following changes to the Prospectus shall be made:

1. On page 233 of the Prospectus, the first paragraph of the subchapter "*Financial Results*" shall be replaced in its entirety to read as follows:

"The following tables show an overview of Bank Austria Group's (1.) income statement, (2.) balance sheet, key performance indicators and staff and offices, respectively, and were extracted from the audited consolidated financial statements prepared in accordance with IFRS as of 31 December 2019, respectively from the unaudited consolidated financial statements prepared in accordance with IAS 34 as of 30 June 2020:"

2. On page 233 of the Prospectus, the subchapters "*1. Income Statement *)*" and "*2. Balance Sheet *)*" shall be replaced in their entirety to read as follows:

"1. Income Statement *)

In EUR mn	1H20	1H19 ¹	2019	2018 ¹
Net interest income	460	476	960	959
Net fee and commission income	328	336	692	702
Net trading income	15	24	61	104
Net write-downs of loans and provisions for guarantees and commitments	-134	13	-35	66
Net operating profit	128	382	757	834
Net profit or loss attributable to owners of the parent company	-36	320	698	638

2. Balance Sheet*)

In EUR mn	1H20	2019	2018
Total assets	115,543	101,663	99,039
Debt Securities in issue in total	12,519	12,049	12,402
o/w Senior Debt	11,410	10,959	11,321
o/w Subordinated Debt	1,109	1,091	1,081
Loans and receivables from customers (net) ²	63,766	63,258	62,599
Deposits from customers ²	58,331	56,730	55,651
Total equity	8,363	8,486	8,368
Non-performing loans (based on net carrying amount)/Loans and receivables)	1.5%	1.6%	1.6%
Common Equity Tier 1 capital (CET1) ratio ³	18.2%	18.9%	18.6%

Total Capital Ratio ³	20.4%	21.3%	21.4%
Leverage Ratio calculated under applicable regulatory framework ⁴	5.2%	5.7%	6.0%

*) Income Statement presented as per Segment Reporting in the Notes of the Annual Report 2019 resp. the Half-Yearly Financial Report 2020. Balance Sheet presented as per Half-Yearly Financial Report 2020 and Annual Report 2019, figures for 2018 have been adjusted regarding the switch from the cost model to the fair value model in accordance with IAS 40. Presented key performance indicators refer to income statement and balance sheet figures presented above respectively are regulatory capital ratios (including leverage ratio).

1 Comparative figures for 1H19 and 2018 recast to reflect the current structure and methodology.

2 Figures presented as per Segment Reporting in the Notes of the Half-Yearly Financial Report 2020 and the Annual Report 2019.

3 Capital ratios based on all risks under Basel 3 (transitional) and IFRS.

4 Leverage ratio under Basel 3 based on the current status of transitional arrangements."

3. On page 236 of the Prospectus, the following subchapter shall be inserted immediately prior to the subchapter "Financial reporting principles" to read as follows:

"3. Comments on the 1H20 results:

The first half of 2020 was significantly impacted by the COVID-19 pandemic, which effected an abrupt negative change of the economic environment. The greatest impact could be observed with regard to the area of cost of risk; due to an updated macroeconomic scenario, the calculation of the ECL (expected credit loss) in accordance with IFRS 9 required changes in probability of default (PD) and loss-given default (LGD), which, as shown in the following section, significantly influenced the cost of risk. In the operating income area, particularly income from equity investments and net fees and commissions showed significant declines. There were numerous additional expenses in the operating costs, including in areas such as safety, hygiene/cleaning costs and IT (among others in connection with the switch to home office, since at the height of the crisis more than 90% of employees worked in their place of residence and continued to do so afterwards, even though to a lesser extent). The net income from investments was also significantly impacted by required impairment losses on individual equity investments.

Operating income in the first half of 2020 was €850 million, down 9.5% from the previous year's level (€939 million). In the current environment, all income items declined, with the main drivers of this negative trend being dividends and other income from equity investments, mainly due to lower contributions from the 3-Banken Group. At €460 million, net interest was 3.4% lower than in the previous year, also influenced by the in-part more intensified environment of extremely low, partly negative interest rates as a result of the COVID-19 crisis. Net fees and commissions (€328 million) declined (-2.4%) compared to the same period of 2019. While the net fees and commissions from asset management increased slightly despite the difficult market environment, and commissions from the credit and guarantee business also grew, the payment transactions saw a considerable decline, among others as a result of the closure of many shops during the crisis which led to corresponding slumps in credit card sales. Net trading, hedging and fair value income (€15 million) was 38.1% lower than the comparative figure for 2019, partly driven by valuation effects.

Operating costs included various additional costs related to the COVID-19 pandemic in the first half of 2020. Operating costs increased by €18 million, or 3.2%, to €588 million (previous year: €569 million), the previous year's figure being influenced by a positive one-off effect with regard to social capital.

The operating profit reached €262 million and was thus down by -29% due to the aforementioned developments.

Net write-downs of loans and provisions for guarantees and commitments were heavily influenced by the changed environment due to the COVID-19 pandemic. After a positive amount of €13 million was achieved in the previous year, the new situation required an update to the macroeconomic scenario. As a result, in accordance with IFRS 9, the calculation of the ECL (expected credit loss) required changes in the probability of default and loss-given default to be recognised, which led to a significant increase in the cost of risk for loans classified under IFRS 9 in stage 1 and stage 2. In total, net write-downs of loans and provisions for guarantees and commitments of €134 million were reported in the first half of 2020.

The operating result (net operating profit) in the first half of 2020 was €128 million, down -66.6% from €382 million in the same period of the previous year.

Non-operating items include provisions for risks and charges with +€6 million (previous year: +€72 million, including the net release of provisions for risks and charges for sanctions following an agreement with U.S. authorities in the first quarter of 2019), the systemic charges (bank levy and contributions to the deposit guarantee scheme and the resolution fund) at -€118 million, and net income from investments with a negative contribution of -€56 million (previous year: €8 million), mainly due to impairment losses on individual equity investments (3-Banken Group).

In total, a result before tax of -€41 million resulted from the operating and non-operating items cited. The significant decline compared with the first half of 2019 was mainly due to the slump in operating income, the high increase in net write-downs of loans and provisions for guarantees and commitments as well as the impairment losses shown in the net income from investments.

Overall, a total result (net result attributable to the owners of the Bank Austria) of -€36 million was generated in the first half of 2020, following €320 million in the first half of 2019. The COVID-19 pandemic, which caused the strongest economic downturn since the Second World War and the continued environment of extremely low interest rates with corresponding margin pressure, are the main causes of the negative development of the result.

Total assets show a significant increase as of 30/06/2020 compared to the end of 2019. This is mainly due to the Bank's participation in the Targeted Longer-Term Refinancing Operations (TLTRO III) in June 2020, a refinancing operation of the European Central Bank for European banks with the aim of stimulating lending in the difficult economic environment due to the COVID-19 pandemic.

The loans and receivables with customers increased by €0.5 billion to €63.8 billion, whereby the CIB division and the Privatkundenbank in particular saw a significant increase in volume. The net value of the NPL ratio was 1.5% at the reporting date.

Deposits from customers also increased by €1.6 billion (+3%) to €58.3 billion compared to the balance sheet date of 2019.

As a result of an increase in RWA, the CET1 ratio decreased to 18.2%, but continues to significantly exceed the legal requirements."

4. On page 236 of the Prospectus, the subchapter "*Trend Information*" shall be replaced in its entirety to read as follows:

"Trend Information

As at the date hereof, there has been no significant change in the financial performance of Bank Austria Group since 30 June 2020 and there has been, other than as disclosed in this Supplement, no material adverse change in the prospects of the Issuer since 31 December 2019.

However, the current market environment is characterised by uncertainties also on the financial markets due to the Covid-19 crisis, the impact of which on the profitability of Bank Austria Group, in particular in terms of operating income and cost of risk – apart from the effects already visible in the half-year financial statements –, cannot yet be finally assessed as at the date of this supplement to the Base Prospectus. Except for the possible impact of the Covid-19 crisis indicated above, the Issuer is not aware about any other known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year.

Following the instability of the global and European financial markets in recent years, regulatory requirements have changed, in particular with regard to stricter capital and liquidity requirements and are expected to continue to tighten further.

The ongoing digitalisation in the financial sector, driven both by smaller innovative companies ("Fintechs") and large groups in the IT sector, increases the competitive pressure on the banking sector."

5. On page 239 of the Prospectus, the subchapter "Significant change in the Issuer's financial position" shall be replaced in its entirety to read as follows:

"Significant change in the Issuer's financial position"

The current market environment is characterised by uncertainties also on the financial markets due to the Covid-19 crisis, the impact of which on the profitability of Bank Austria Group, in particular in terms of operating income and cost of risk – apart from the effects already visible in the half-year financial statements -, cannot yet be finally assessed as at the date of this supplement to the Base Prospectus.

Except for the possible impact of the Covid-19 crisis indicated above, there has been no significant change in the financial position of the Issuer which has occurred since 30 June 2020."

6. On page 110 of the Prospectus, the last paragraph shall be replaced in its entirety to read as follows:

*"Dieses Dokument stellt die Endgültigen Bedingungen der hierin beschriebenen Wertpapiere gemäß Artikel 8 der Verordnung (EU) 2017/1129 (die "**Prospekt-Verordnung**") dar. Diese Endgültigen Bedingungen müssen, um alle relevanten Informationen zu erhalten, zusammen mit den Informationen gelesen werden, die enthalten sind [(a) im Basisprospekt vom 3. April 2020 (der "**Basisprospekt**", der auf der folgenden Webseite erhältlich ist: (www.bankaustria.at)) [und (b) in dem (den) Nachtrag (Nachträgen) vom [●] zu diesem Basisprospekt gemäß Artikel 23 der Prospekt-Verordnung (die "**Nachträge**", die auf der folgenden Webseite erhältlich sind: (www.bankaustria.at)). Diese Endgültigen Bedingungen werden auf der Webseite der [Wiener Börse (www.wienerbourse.at)] [Luxemburger Börse (www.bourse.lu)] [andere Börse einfügen] und/ oder der Webseite der Emittentin (www.bankaustria.at) veröffentlicht."*

7. On page 201 of the Prospectus, the last paragraph shall be replaced in its entirety to read as follows:

*"Dieses Dokument stellt die Endgültigen Bedingungen der hierin beschriebenen [Pfandbriefe][Fundierten Bankschuldverschreibungen] gemäß Artikel 8 der Verordnung (EU) 2017/1129, in der jeweils gültigen Fassung dar. Diese Endgültigen Bedingungen müssen, um alle relevanten Informationen zu erhalten, zusammen mit den Informationen gelesen werden, die [(a) im Basisprospekt vom 3. April 2020 (der "**Basisprospekt**", der auf der folgenden Webseite erhältlich ist: www.bankaustria.at) [und (b) in [dem Nachtrag] [den Nachträgen] vom [●] zu diesem Basisprospekt (die "**Nachträge**" die auf der folgenden Webseite erhältlich sind: www.bankaustria.at)] enthalten sind. Diese Endgültigen Bedingungen werden auf der Webseite der [Wiener Börse (www.wienerbourse.at)] [Luxemburger Börse (www.bourse.lu)] [andere Börse einfügen] und/ oder der Webseite der Emittentin www.bankaustria.at) veröffentlicht."*