

26. NOV. 1996 11:18

TMI LEGAL DEPARTMENT

NO. 0559 P. 2/21

⇒ H. Rauch
Fax 82049

PRICING SUPPLEMENT

Bank Austria Aktiengesellschaft

Series No.: 48

¥5,000,000,000

5.2 per cent. Reverse Multi-Currency Subordinated Notes due 2016

issued pursuant to its

U.S.\$3,000,000,000

Euro Medium Term Note Programme

Issue Price: 100.40 per cent.

Tokyo-Mitsubishi International plc
Bank of Tokyo-Mitsubishi (Deutschland) Aktiengesellschaft

The date of this Pricing Supplement is 26th November, 1996

This Pricing Supplement is supplementary to, and should be read in conjunction with, the Information Memorandum (the "Information Memorandum") dated 19th December, 1995, issued in relation to the U.S.\$3,000,000,000 Euro Medium Term Note Programme of Bank Austria Aktiengesellschaft (the "Issuer"). The Notes will be issued on the terms of the Pricing Supplement read together with the Information Memorandum. Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement.

The Issuer accepts responsibility for the accuracy of the information contained in this Pricing Supplement. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Pricing Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Pricing Supplement does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Managers (as defined below) to subscribe or purchase, any of the Notes. The distribution of this Pricing Supplement and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Pricing Supplement comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions.

Tokyo-Mitsubishi International plc (the "Lead Manager") and Bank of Tokyo-Mitsubishi (Deutschland) Aktiengesellschaft (the "Co-Lead Manager") (together the "Managers") have, pursuant to a Subscription Agreement dated 26th November, 1996 agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe for the Notes at 100.40 per cent. of their principal amount. The Issuer has agreed to pay to the Managers a combined management and underwriting commission of 0.40 per cent. of such principal amount. The Subscription Agreement entitles the Lead Manager on behalf of the Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

In connection with this issue, Tokyo-Mitsubishi International plc may over-allot or effect transactions which stabilise or maintain the market price of the Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time.

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| 1. Type of Notes: | Fixed Rate Dual Currency Notes. |
| 2. Specified Currency (or Currencies in the case of Dual Currency Notes): | Japanese Yen "¥". The Notes will be issued and redeemed in Japanese Yen "¥", with coupons payable at the option of the Issuer, as further described below in either United States Dollars "U.S.\$", Deutsche Mark "DM" or Australian Dollars "AU\$". |
| 3. Nominal Amount: | ¥5,000,000,000. |
| 4. Status: | <p>Subordinated. The Notes and Coupons are the direct, unconditional and unsecured obligations of the Issuer and rank <i>pari passu</i> without any preference among themselves and at least equally with all other present and future subordinated obligations of the Issuer. In the event of the liquidation or bankruptcy (<i>Abwicklung oder Konkurs</i>) of the Issuer, payments in respect of the principal of, and interest and any additional amounts payable on, the Notes will be subordinated to the prior payment in full of the deposit liabilities of the Issuer and all other liabilities of the Issuer, except those liabilities which by their terms rank equally with or are subordinated to the Notes.</p> <p>The Issuer shall not be entitled to withhold any payment in respect of the principal of, and interest and any additional amounts payable on, any of the Notes or Coupons on the grounds of set-off against any amount owed to it by the holder nor shall any Noteholder or Couponholder be entitled to exercise or claim any right of set-off in respect of any amount owed by it to the Issuer against any amount in respect of the principal of, and interest and any additional amounts payable on, the Notes owed to it by the Issuer.</p> |
| 5. If interchangeable with existing Series, Series no.: | Not applicable. |
| 6. Interest Basis: | Fixed Rate. |
| 7. Denomination: | ¥100,000,000 |
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8. Issue Date: 27th November, 1996.
9. Issue Price: 100.40 per cent.
10. Interest Commencement Date: 28th November, 1996.
11. Fixed Interest Date (Fixed Rate Notes): 28th November, 1997; 28th November, 1998; 28th November, 1999; 28th November, 2000; 28th November, 2001; 28th November, 2002; 28th November, 2003; 28th November, 2004; 28th November, 2005; 28th November, 2006; 28th November, 2007; 28th November, 2008; 28th November, 2009; 28th November, 2010; 28th November, 2011; 28th November, 2012; 28th November, 2013; 28th November, 2014; 28th November, 2015; and 28th November, 2016.
12. Maturity Date (Non Floating Rate Notes): 28th November, 2016
13. Amount of principal due on Maturity Date: ¥5,000,000,000.
14. Instalment Date(s): NOT APPLICABLE.
15. Instalment Amount(s): NOT APPLICABLE.
16. Fixed Rate of Interest: 5.2 per cent. per annum.
17. Day Count Fraction: 30/360.
18. Initial Broken Amount: NOT APPLICABLE.
19. Final Broken Amount: NOT APPLICABLE.
20. Other terms relating to the method of calculating interest for Fixed Rate Notes: On each Fixed Interest Date and on any date the Notes are redeemed under Condition 4(b), interest will be paid in U.S.\$, DM or AUS. The Issuer, by giving not less than ten business days notice to the Agent Bank and not less than seven business days notice to the Noteholders prior to each Fixed Interest Date or the date the Notes are due to be redeemed under Condition 4(b), shall specify in which currency the interest due on such date will be paid. The following exchange rates apply:-
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U.S.\$1 to ¥111.70

DM 1 to ¥74.15

AUS\$1 to ¥88.00.

For the avoidance of doubt the respective coupon amount payable on each Fixed Interest Date will be:-

U.S.\$46,553.27 per ¥100,000,000; or

DM70,128.12 per ¥100,000,000; or

AUS\$9,090.91 per ¥100,000,000.

These figures have been rounded in accordance with Section 9.1 "Rounding" of the 1991 ISDA definitions.

Interest payable on the Notes in all circumstances other than on a Fixed Interest Date or a redemption under Condition 4(b) will be payable in Japanese Yen unless, in respect of any particular amount of interest, the Issuer has previously given a notice under the first paragraph of this section, in which case that amount of interest will be payable in the currency specified in that notice.

In this paragraph "business day" has the meaning defined in paragraph 44(b) below.

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| 21. Low Interest Notes: | No. |
| 22. High Interest Notes: | No. |
| 23. Amortisation Yield (Zero Coupon Notes, Low Interest Notes or High Interest Notes): | NOT APPLICABLE. |
| 24. Reference Price (Zero Coupon Notes, Low Interest Notes or High Interest Notes): | NOT APPLICABLE. |
| 25. Other formula or basis for determining Amortised Face Amount (Zero Coupon Notes, Low Interest Notes or High Interest Notes): | NOT APPLICABLE. |
| 26. Redemption Month (Floating Rate Notes): | NOT APPLICABLE. |
| 27. Margin (Floating Rate Notes): | NOT APPLICABLE. |

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| 28. | Interest Period(s) (Floating Rate Notes): | NOT APPLICABLE. |
| 29. | Minimum Interest Rate (Floating Rate Notes): | NOT APPLICABLE. |
| 30. | Maximum Interest Rate (Floating Rate Notes): | NOT APPLICABLE. |
| 31. | Reference Rate (if ISDA Definitions alternative is not to be used - full details including fall back provisions etc.) (Floating Rate Notes): | NOT APPLICABLE. |
| 32. | Reference Basis (if ISDA Definitions alternative is not to be used) (Floating Rate Notes): | NOT APPLICABLE. |
| 33. | Reference Banks (if ISDA Definitions alternative is not to be used (Floating Rate Notes): | NOT APPLICABLE. |
| 34. | Interest Determination Date (for the purpose of determining the Rate of Interest) (if ISDA Definitions alternative is not to be used) (Floating Rate Notes): | NOT APPLICABLE. |
| 35. | Relevant Screen or ECU Screen page (Floating Rate Notes): | NOT APPLICABLE. |
| 36. | Issuer's Optional Redemption (for tax reasons): | Condition 4(b) shall not apply to the Notes. The Notes may be redeemed at the option of the Issuer in whole, but not in part, on giving not less than five years' notice in accordance with Condition 12 (which notice shall be irrevocable), at their principal amount, together with interest accrued (if any) to the date fixed for redemption, if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 6 as a result of any change in, or amendment to, the laws or regulations of the Republic of Austria or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 27th November, 1996 and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that (x) no such notice of redemption shall be given earlier than 90 |
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days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due and (y) the notice period shall be 90 days only (instead of five years) if the Issuer shall, prior to the redemption of the Notes pursuant to this paragraph, have raised capital at least in the redemption amount (or the Schillings equivalent thereof from time to time issued, as the case may be, in Schillings or in its equivalent value in any other freely convertible currency and of at least equal own funds quality) as defined in Section 23(8) of the Austrian Banking Act (*Bankwesengesetz*). Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Agent a certificate signed by two members of the Board of Management of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

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| 37. Redemption at the option of the Noteholders: | None. |
| 38. Redemption price(s) for the Note(s) payable on redemption for tax reasons or on Event of Default (if different from that set out in the Conditions): | Condition 4(i) applies. |
| 39. Index (Indexed Notes): | NOT APPLICABLE. |
| 40. Formula (Indexed Notes): | NOT APPLICABLE. |
| 41. How calculated and by whom (Indexed Notes): | NOT APPLICABLE. |
| 42. Rate of Exchange/Method of calculating Rate of Exchange by whom option exercised (Dual Currency Notes): | See paragraph 20 above. |

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43. Terms and Conditions of partly-paid Notes: NOT APPLICABLE.
44. (a) "Business Day" definition and convention (for the purposes of determining Interest Payment Dates (if different from that set out in the Conditions)) (Floating Rate Notes): NOT APPLICABLE.
- (b) "business day" definition (for the purpose of payments (if different from that set out in Condition 5)):
- Paragraph 9 of Condition 5 shall be amended as follows:-
- "If any date for payment of any amount in respect of any Note or Coupon is not a business day, then the holder thereof shall not be entitled to payment of the amount due until the next following business day. In this Condition, "business day" means a day on which commercial banks and foreign exchange markets settle payments in London, Tokyo, New York, Frankfurt, Sydney and Melbourne.
- If the day of presentation of any Note or Coupon is not a Presentation business day in the relevant place of presentation, then the holder thereof shall not be entitled to payment at such place of presentation until the next following Presentation business day. "Presentation business day" means a day on which commercial banks and foreign exchange markets settle payments in the relevant place of presentation.
- The holder thereof shall not be entitled to any interest or other sum in respect of any such delay."
45. Other relevant terms or special Conditions:
- The Notes will be represented initially by a temporary global Note, which will be exchangeable for a permanent global Note and further exchangeable into definitive Bearer Notes in the limited circumstances described more fully below:
- (1) if the permanent global Note is held on behalf of Euroclear or Cedel or any other clearing system and Euroclear or Cedel or any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays,
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statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system is available, (2) if an Event of Default occurs in relation to the Notes represented by a permanent global Note or (3) if the Issuer would suffer a material disadvantage in respect of the Notes as a result of a change in the laws or regulations (taxation or otherwise) of any jurisdiction of the Issuer which would not be suffered were the Notes in definitive form and thereupon the Issuer will promptly notify the Agent of the relevant event and will, within 60 days of the occurrence of the relevant event in (1), (2) or (3), issue definitive Notes in exchange for the entire permanent global Note.

46. Delivery of Definitive Notes:

See paragraph 45 above.

47. Enforcement of rights in an Event of Default:

The rights of the Noteholders under the provisions of Condition 8 are amended so that if an Event of Default shall occur and be continuing any Noteholder may, at his option, by notice to the Issuer through the Agent, take only the following steps:

- (i) in an event as contemplated in sub-paragraph (ii) of Condition 8, institute judicial proceedings against the Issuer as it may think fit to enforce the performance or observance by the Issuer of any covenant, condition or provision contained in the Notes or the Agency Agreement; or
- (ii) in any event contemplated in sub-paragraph (i), (iii), (iv) or (v) of Condition 8 inform the Federal Minister of Finance of the happening of such event and request that he applies to the competent court in Vienna for the commencement of bankruptcy proceedings against the Issuer subject to the statutory requirement that such court declares that the Issuer has become insolvent, and only if such declaration is made shall the

Notes become due and repayable as hereinafter described; or

- (iii) if bankruptcy proceedings are commenced in such court against the Issuer (on the application of any person other than a Noteholder acting solely in such capacity), file an application in such court demanding repayment of all principal amounts due under the Notes together with accrued interest and any additional amounts.

If the competent Austrian court declares the Issuer insolvent, all claims due to the Noteholders and/or to the Couponholders by the Issuer of principal and/or interest and any additional amounts shall be considered due and payable according to paragraph 14 of the "Konkursordnung" (Bankruptcy Act) in Schilling on the date such insolvency is published by judicial notice, converted at the rate of exchange applicable on the day preceding such date for the purchase with Schilling in Vienna of the amounts due.

If bankruptcy proceedings are commenced against the Issuer, the Notes will cease to bear interest from the date on which judicial notice of such insolvency is published and all unmatured Coupons will thereupon become void and no payment shall be made in respect thereof.

The Issuer shall not be required to pay to the Noteholders any amounts necessary to compensate them for any difference between the principal amount and any accrued interest in respect of the Notes and, if less, the Japanese Yen equivalent of any Schilling amounts paid to a Noteholder in bankruptcy proceedings calculated at the rate of exchange prevailing at the date such payment is made to the Noteholder.

The Noteholders and/or Couponholders will be represented in any judicial action

or bankruptcy proceedings instituted in Austria against the Issuer by an attorney (Curator) appointed by and responsible to the Commercial Court of Vienna under the statute of 27th April, 1874, Imperial Legislation Gazette no. 49. Such Curator will be obliged to take any action and make any declarations required to the effect that the Noteholders and Couponholders will in the event of a liquidation or bankruptcy (Abwicklung oder Konkurs) only receive payments after the claims of depositors and all other unsubordinated creditors of the Issuer shall have been satisfied.

48. Governing Law: Condition 15(a) shall apply to the Notes and the Coupons save that the subordination and waiver of rights of set-off provisions set out under item 4 above are governed by, and shall be construed in accordance with, Austrian law.
49. Selling Restrictions: As set out in the Information Memorandum except that with respect to the United Kingdom, reference to Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1995 shall be to Article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996.
50. To be listed on a stock exchange: None.
51. Nominal amount of each Global Note if more than one to be issued for the Series: NOT APPLICABLE.
52. Special issuance/payment instructions: The Temporary Global Note should be deposited in Tokyo-Mitsubishi International plc's Euroclear Account 95076.
53. Additional/alternative clearing system: NOT APPLICABLE.
54. Stabilising Dealer: Tokyo-Mitsubishi International plc.
55. Common Code: 7143222.
56. ISIN: XS0071432222.

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TMI LEGAL DEPARTMENT

NO. 0559 P. 13/21

57. Purchasers:

Tokyo-Mitsubishi International plc, Bank
of Tokyo-Mitsubishi (Deutschland)
Aktiengesellschaft.

58. Deficiency Guarantor:

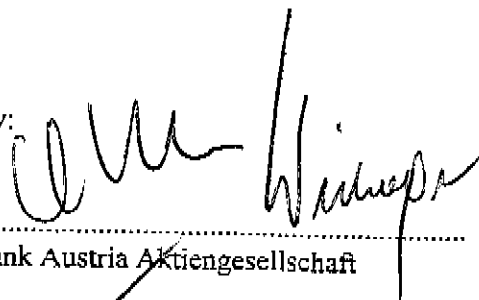
City of Vienna.

Pursuant to Section 92 of the Austrian
Banking Act, Anteilsverwaltung-
Zentralsparkasse is liable, in the event that
the Issuer shall be insolvent, for the
fulfillment of all of the Issuer's present
and future obligations.

Further, pursuant to Section 2(1) of the
Austrian Savings Bank Act, in the event
of the Issuer's insolvency the City of
Vienna is liable as Deficiency Guarantor
in respect of the obligations of
Anteilsverwaltung-Zentralsparkasse.

Claims under a Deficiency Guarantee in
accordance with Section 1356 ABGB will
only be honoured for amounts which a
creditor has not been able to recover after
having exhausted all legal remedies
against the primary obligor and in respect
of any securities for his debt. Defences
available to the primary obligor will also
be available to the Deficiency Guarantor.

By:



Bank Austria Aktiengesellschaft

26. NOV. 1996 11:22

TMI LEGAL DEPARTMENT

NO. 0559 P. 14/21

REGISTERED HEAD OFFICES OF THE ISSUER

Am Hof 2,
A-1010 Vienna.

Vordere Zollamtsstrasse 13,
A-1030 Vienna.

FISCAL AGENT AND AGENT BANK**THE CHASE MANHATTAN BANK,**

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Coleman Street,
London EC2P 2HD.

LEAD MANAGER**TOKYO-MITSUBISHI INTERNATIONAL PLC,**

6 Broadgate,
London EC2M 2AA.

CO-LEAD MANAGER**BANK OF TOKYO-MITSUBISHI (DEUTSCHLAND) AKTIENGESELLSCHAFT,**

Mainzer Landstrasse 16,
60325 Frankfurt am Main,
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LEGAL ADVISERS

(to the Dealers as to English law)

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